

# Appendix 1a Review of the Forest Stewardship Council (FSC)

December 2010

This appendix contains the full results of the review of the FSC forest certification scheme against the UK Government criteria.

## Executive Summary

Date of Current Assessment: November 2010 (published December 2010)

## Current Status

Meets requirements for legality

Meets requirements for sustainability

## Source Documents

FSC National Initiatives Manual, September 1998

FSC A.C. Bylaws FSC Document 1.1, 2009

FSC-POL-30-401 FSC certification and the ILO Conventions, March 2002.

FSC Policy for the Association of Organizations with FSC, 7/2009.

FSC-PRO-01-001 (version 2-0) The Development and Approval of FSC Social and Environmental International Standards, March 2007.

FSC-STD-01-001 (version 4.0) FSC Principles and Criteria for Forest Stewardship, approved 1993, amended 1996, 1999, 2002

FSC-STD-20-001 (version 3-0) General Requirements for FSC accredited certification bodies: Application of ISO/IEC Guide 65:1996 (E), 31 August 2009

FSC-STD-20-002 (version 2-1) Structure and Content of Forest Stewardship Standards. November 2004, Revised in May 2005 and October 2005

FSC-STD-20-002 (version 3-0) Structure, Content and Local Adaptation of Generic Forest Stewardship Standards, 31 August 2009

FSC-STD-20-006 (version 3-0) Stakeholder consultation for forest evaluation, 31 August 2009

FSC-STD-20-007 (version 3-0) Forest management evaluation, 31 August 2009

FSC-STD-20-007b (version 1-0) Forest management evaluations addendum - Forest certification public summary reports, 31 August 2009

FSC-STD-40-004 (version 2-0) FSC Standard for Chain of Custody Certification, January 2008

FSC-STD-40-005 (version 2-1) FSC Standard for company evaluation of controlled wood, April 2007

FSC-STD-40-007 (version 1-0) FSC Standard for Sourcing Reclaimed Material for Use in FSC Product Groups or FSC-certified Projects, November 2007

FSC-STD-40-201 (version 2-0) FSC On-product labelling requirements, 2004.

FSC-STD-50-001 (version 1-1) Requirements for use of the FSC trademarks by Certificate Holders, 25<sup>th</sup> February 2010

FSC-STD 60-002 (version 1-0) Structure and Content of National Forest Stewardship Standards. October 2009, effective 1 January 2010

FSC-STD 60-006 (version 1-2) Process requirements for the development and maintenance of National Forest Stewardship Standards. April 2009 (amended October 2009)

FSC-TMK-50-201 (version 1-0) FSC Requirements for the Promotional Use of the FSC Trademarks by FSC Certificate Holders and Non-certified Commercial Organisations, 2007.

FSC-ADV-30-001 Interpretation of C10-9, updated 1<sup>st</sup> January 2003

FSC-ADV-30-602 Certification of Plantation to Non-forest Land. March 2004.

FSC-ADV-40-004 (version 2-0) Expiry of transitory requirements specified by FSC-ADV-40-004 (version 1-0)

FSC-ADV-60-006 (version 1-0) Expiry of national / regional FSC-endorsed forest stewardship standards. December 2008

FSC-GUI-60-004 (Version 1-0) FSC Forest Stewardship Standards: Structure, Content and Suggested Indicators. July 2010

ASI-PRO-20-101 (version 2-0) ASI Accreditation Procedure, 26<sup>th</sup> February 2009

FSC Standard form of Licence Agreement for the FSC Accreditation Programme

FSC Standard form of Agreement for Trademark Service Providers

ASI-QMS-20-100 (version 4.0) Quality System Manual, February 2009

ISEAL Code of Good Practice for Setting Social and Environmental Standards, P005-public version 4, January 2006.

# 1. Forest Standards

## 1.1. Content of standards for legal compliance

Criteria	Findings	Score	L <sup>1</sup>	S
1.1.1 The standard requires that the forest owner/manager holds legal use rights to the forest	Fully Addressed FSC P&C <sup>2</sup> 2.1 <i>Clear evidence of long-term forest use rights to the land (e.g. land title, customary rights, or lease agreements) shall be demonstrated.</i>	2	✓	
1.1.2 The standard requires compliance from both the forest management organisation and any contractors with local and national legal requirements including those relevant to: <ul style="list-style-type: none"> <li>• Forest management</li> <li>• Environment</li> <li>• Labour and welfare</li> <li>• Health &amp; safety</li> <li>• Other parties' tenure and use rights</li> </ul>	Fully addressed FSC P&C 1.1 <i>Forest management shall respect all national and local laws and administrative requirements.</i>	2	✓	
1.1.3 The standard requires payment of all relevant royalties and taxes	Fully addressed FSC P&C 1.2 <i>All applicable and legally prescribed fees, royalties, taxes and other charges shall be paid.</i>	2	✓	
1.1.4 The standard requires compliance with the requirements of CITES in signatory countries.	Fully addressed FSC P&C 1.3 <i>In signatory countries, the provisions of all binding international agreements such as CITES, ILO Conventions, ITTA, and Convention on Biological Diversity, shall be respected.</i>	2	✓	

## 1.2. Content of standards for sustainable variant

Criteria	Findings	Score	L	S
1.2.1 Certification standards must be consistent with a widely accepted set of international principles and criteria defining sustainable or responsible forest management at the forest management unit level.	Fully addressed FSC-STD-01-001 sets out the FSC P&C. The P&C are adapted to national or sub-national conditions by national FSC initiatives or certification bodies in order to be used at the forest management unit level. Adaptation of the FSC P&C is governed by <i>FSC-STD-60-002 Structure and content of National forest</i>	2		✓

<sup>1</sup> L: required to meet requirements for legal, S: required to meet requirements for sustainable variant

<sup>2</sup> In this document references to the FSC P&C are references to FSC-STD-01-001 (version 4.0) FSC Principles and Criteria for Forest Stewardship,

Criteria	Findings	Score	L	S
	<p><i>stewardship standards</i>. FSC-STD-60-002 is effective for all accreditation of new regional, national and sub-national standards. Standards submitted prior to 01/01/10 are required to comply with this new standard within 5 years of original accreditation. Processes are governed by <i>FSC-STD-60-006 Process requirements for the development and maintenance of National Forest Stewardship Standards</i>.</p> <p>Local adaptations of generic forest stewardship standards developed by certification bodies are required to follow the standard <i>FSC-STD-20-002 Structure, content and local adaptation of generic forest stewardship standards</i>.</p>			
1.2.2 The standard must be performance-based.	<p>Fully addressed</p> <p>The FSC P&amp;C includes both performance-based and systems-based elements and addresses all requirements in 1.2.3-1.2.6.</p>	2		✓
<p>1.2.3 The standard must ensure that harm to ecosystems is minimised. In order to do this the standard must include requirements for:</p> <p>a. Appropriate assessment of impacts and planning to minimise impacts;</p> <p>b. Protection of soil, water and biodiversity;</p> <p>c. Controlled and appropriate use of chemicals and use of Integrated Pest Management wherever possible.</p> <p>d. Proper disposal of wastes to minimise any negative impacts.</p>	<p>All aspects fully addressed.</p> <p><b>Aspect a</b> - Fully addressed:</p> <p>FSC P&amp;C 6.1: "Assessment of environmental impacts shall be completed – appropriate to the scale, intensity of forest management and uniqueness of the affected resources – and adequately integrated into management systems."</p> <p><b>Aspect b</b> - Fully addressed:</p> <p>FSC P&amp;C 6.5: "Written guidelines shall be prepared and implemented to: control erosion; minimise forest damage during harvesting, road construction, and all other mechanical disturbances; and protect water resources".</p> <p><b>Aspect c</b> - Fully addressed:</p> <p>FSC P&amp;C 6.6: "Management systems shall promote the development and adoption of environmentally friendly non-chemical methods of pest management and strive to avoid the use of chemical pesticides. World Health Organisation Type 1A and IB and chlorinated hydrocarbon pesticides: pesticides that are persistent, toxic or whose derivatives remain biologically active and accumulate in the food chain beyond their intended use; as well as any pesticides banned by international agreement, shall be prohibited. If chemicals are used, proper equipment and training shall be provided to minimise health and environmental risks."</p> <p><b>Aspect d</b> - Fully addressed:</p> <p>FSC P&amp;C 6.7: "Chemicals, containers, liquid and solid</p>	2		✓

Criteria	Findings	Score	L	S
	non-organic wastes including fuel and oil shall be disposed of in an environmentally appropriate manner at off-site locations.”			
<p>1.2.4 The standard must seek to ensure that productivity of the forest is maintained. In order to do this the standard must include requirements for:</p> <p>a. Management planning and implementation of management activities to avoid significant negative impacts on forest productivity.</p> <p>b. Monitoring which is adequate to check compliance with all requirements, together with review and feedback into planning.</p> <p>c. Operations and operational procedures which minimise impacts on the range of forest resources and services.</p> <p>d. Adequate training of all personnel, both employees and contractors.</p> <p>e. Harvest levels that do not exceed the long-term production capacity of the forest, based on adequate inventory and growth and yield data.</p>	<p>All aspects fully addressed.</p> <p><b>Aspect a</b> - Fully addressed:</p> <p>FSC Criterion 7.1: “The management plan and supporting documents shall provide:</p> <p>(c) Description of silvicultural and/or other management system, based on the ecology of the forest in question and information gathered through resource inventories.</p> <p>(d) Rationale for rate of annual harvest and species selection.</p> <p>(i) Description and justification of harvesting techniques and equipment to be used.”</p> <p><b>Aspect b</b> - Fully addressed:</p> <p>FSC Principle 8: “Monitoring shall be conducted – appropriate to the scale and intensity of forest management – to assess the condition of the forest, yields of forest products, chain of custody, management activities and their social and environmental impacts.”</p> <p>P&amp;C 8.1: “The frequency and intensity of monitoring should be determined by the scale and intensity of forest management operations as well as the relative complexity and fragility of the affected environment. Monitoring procedures should be consistent and replicable over time to allow comparison of results and assessment of change.”</p> <p>P&amp;C 8.4: “The results of monitoring shall be incorporated into the implementation and revision of the management plan.”</p> <p><b>Aspect c</b> - Fully addressed:</p> <p>FSC P&amp;C 5.5: “Forest management operations shall recognise, maintain and, where appropriate, enhance the value of forest services and resources such as watersheds and fisheries”.</p> <p>FSC P&amp;C 6.5: “Written guidelines shall be prepared and implemented to: control erosion; minimize forest damage during harvesting, road construction, and all other mechanical disturbances; and protect water resources.”</p> <p><b>Aspect d</b> - Fully addressed:</p> <p>FSC P&amp;C 7.3: “Forest workers shall receive adequate</p>	2		✓

Criteria	Findings	Score	L	S
	<p>training and supervision to ensure proper implementation of the management plan.”</p> <p><b>Aspect e</b> - Fully addressed:</p> <p>FSC P&amp;C 5.6: “The rate of harvest of forest products shall not exceed levels which can be permanently sustained.”</p>			
<p>1.2.5 The standard must seek to ensure that forest ecosystem health and vitality is maintained. In order to do this the standard must include requirements for:</p> <p>a. Management planning which aims to maintain or increase the health and vitality of forest ecosystems.</p> <p>b. Management of natural processes, fires, pests and diseases.</p> <p>c. Adequate protection of the forest from unauthorised activities such as illegal logging, mining and encroachment.</p>	<p>All aspects fully addressed.</p> <p><b>Aspect a</b> - Fully addressed:</p> <p>FSC P&amp;C 7.1: “The management plan and supporting documents shall provide:</p> <p>(c) Description of silvicultural and/or other management system, based on the ecology of the forest in question and information gathered through resource inventories.</p> <p>(f) Environmental safeguards based on environmental assessments.</p> <p>(g) Plans for the identification and protection of rare, threatened and endangered species.”</p> <p><b>Aspect b</b> - Fully addressed:</p> <p>FSC P&amp;C 6.3: “Ecological functions and values shall be maintained intact, enhanced, or restored, including:</p> <p>(a) Forest regeneration and succession</p> <p>(b) Genetic, species, and ecosystem diversity</p> <p>(c) Natural cycles that affect the productivity of the forest ecosystem.”</p> <p><b>Aspect c</b> - Fully addressed:</p> <p>FSC P&amp;C 1.5: “Forest management areas should be protected from illegal harvesting, settlement and other unauthorised activities.”</p>	2		✓
<p>1.2.6 The standard must seek to ensure that biodiversity is maintained. In order to do this the standard must include requirements for:</p> <p>a. Implementation of safeguards to protect rare, threatened and endangered species.</p> <p>b. The conservation/set-aside of key ecosystems or habitats in their natural state.</p> <p>c. The protection of features and species of outstanding or</p>	<p>All aspects fully addressed.</p> <p><b>Aspect a</b> - Fully addressed:</p> <p>FSC P&amp;C 6.2: “Safeguards shall exist which protect rare, threatened and endangered species and their habitats (e.g. nesting and feeding areas). Conservation zones and protection areas shall be established, appropriate to the scale and intensity of forest management and the uniqueness of the affected resources. Inappropriate hunting, fishing and collecting shall be controlled.”</p> <p><b>Aspect b</b> - Fully addressed:</p> <p>FSC P&amp;C 6.4: “Representative samples of existing ecosystems within the landscape shall be protected in</p>	2		✓

Criteria	Findings	Score	L	S
exceptional value.	<p>their natural state and recorded on maps, appropriate to the scale and intensity of operations and the uniqueness of the affected resources.”</p> <p><b>Aspect c</b> - Fully addressed:</p> <p>FSC Principle 9: “Management activities in high conservation value forests shall maintain or enhance the attributes which define such forests. Decision regarding high conservation value forests shall always be considered in the context of a precautionary approach.”</p> <p>FSC P&amp;C 9.1: “Assessment to determine the presence of the attributes consistent with High Conservation Value Forests will be completed, appropriate to scale and intensity of forest management.”</p> <p>FSC P&amp;C 9.2. “The consultative portion of the certification process must place emphasis on the identified conservation attributes, and options for the maintenance thereof.”</p> <p>P&amp;C 9.3: “The management plan shall include and implement specific measures that ensure the maintenance and/ or enhancement of the applicable conservation attributes consistent with the precautionary approach. These measures shall be specifically included in the publicly available management plan summary.”</p> <p>P&amp;C 9.4: “Annual monitoring shall be conducted to assess the effectiveness of the measures employed to maintain or enhance the applicable conservation attributes.”</p>			
1.2.7. The standard must require that the legal, customary and traditional tenure and use rights of indigenous peoples and local communities related to the forest are identified, documented and respected.	<p>Fully addressed.</p> <p>FSC Principle 2: “Tenure and use rights and responsibilities. Long-term tenure and use rights to the land and forest resources shall be clearly defined, documented and legally established.”</p> <p>FSC P&amp;C 2.2: “Local communities with legal or customary tenure or use rights shall maintain control, to the extent necessary to protect their rights or resources, over forest operations unless they delegate control with free and informed consent to other agencies.”</p> <p>FSC P&amp;C 2.3: “Appropriate mechanisms shall be employed to resolve disputes over tenure claims and use rights. The circumstances and status of any outstanding disputes will be explicitly considered in the certification evaluation. Disputes of substantial magnitude involving a significant number of interests</p>	2		

Criteria	Findings	Score	L	S
	<p>will normally disqualify an operation from being certified.”</p> <p>FSC Principle 3: “The legal and customary rights of indigenous peoples to own, use and manage their lands, territories, and resources shall be recognised and respected.”</p> <p>FSC P&amp;C 3.1: “Indigenous peoples shall control forest management on their lands and territories unless they delegate control with free and informed consent to other agencies.”</p> <p>FSC P&amp;C 3.2: “Forest management shall not threaten or diminish, either directly or indirectly, the resources or tenure rights of indigenous peoples.”</p> <p>FSC P&amp;C 3.3: “Sites of special cultural, ecological, economic or religious significance to indigenous peoples shall be clearly identified in cooperation with such peoples, and recognized and protected by forest managers.”</p> <p>FSC P&amp;C 3.4: “Indigenous peoples shall be compensated for the application of their traditional knowledge regarding the use of forest species or management systems in forest operations. This compensation shall be formally agreed upon with their free and informed consent before forest operations commence.”</p> <p>FSC P&amp;C 4.4: “Management planning and operations shall incorporate the results of evaluations of social impact. Consultations shall be maintained with people and groups (both men and women) directly affected by management operations.”</p> <p>FSC-POL-30-401 requires that all FSC standards assessments and certificates will be designed to provide a credible assurance of compliance with all ILO conventions applicable to forest operations and practices, including ILO convention No.169 on Indigenous and Tribal Peoples. The requirement applies in all countries regardless of whether a country has ratified a convention or not.</p>			
<p>1.2.8. The standard must require that appropriate mechanisms are in place for resolving grievances and disputes including those relating to tenure and use rights, to forest management practices and to work conditions.</p>	<p>Partially addressed.</p> <p>The TP finds that the FSC P&amp;C do not fully address the requirement that appropriate mechanisms are in place for resolving grievances and disputes relating to work conditions. P&amp;C 4.3 and FSC-POL-30-401 do not refer directly to resolution of grievances and disputes related to work conditions. ILO Recommendation R130 1967 covers the issue but the FSC P&amp;C and FSC-POL-30-401 do not reference the ILO Recommendation.</p>	<p>1</p>		

Criteria	Findings	Score	L	S
	<p>The TP notes that the FSC is seeking to address this omission and that the draft new FSC P&amp;C for Forest Stewardship (March 2010 version) recognises this omission. The FSC commented to the TP that FSC criterion 4.5 would currently be applicable to workers as local people as it refers to "...livelihoods of local peoples...". The FSC referred the TP to the suggested indicators detailed in FSC-GUI-60-004:</p> <p style="padding-left: 40px;">"Indicator 4.5.1</p> <p style="padding-left: 40px;">The forest enterprise shall maintain a complete and up-to-date record, including associated documentation, relating to any grievances against the enterprise, and the action taken to resolve any such grievances."</p> <p>The TP notes that this document is not normative and the FSC P&amp;C address relations between workers and forest management organisations in criteria 4.2 and 4.3. The TP does not consider it reasonable to infer that criterion 4.5 applies to relations between workers and forest management organisations.</p> <p>On the basis of the above evidence the TP awards a score of 1.</p> <p>Regarding grievances and disputes relating to tenure and use rights:</p> <p style="padding-left: 40px;">FSC P&amp;C 2.3: "Appropriate mechanisms shall be employed to resolve disputes over tenure claims and use rights. The circumstances and status of any outstanding disputes will be explicitly considered in the certification evaluation. Disputes of substantial magnitude involving a significant number of interests will normally disqualify an operation from being certified."</p> <p>Regarding grievances and disputes relating to work conditions:</p> <p style="padding-left: 40px;">FSC P&amp;C 4.3: "The rights of workers to organize and voluntarily negotiate with their employers shall be guaranteed as outlined in Conventions 87 and 98 of the International Labour Organisation (ILO). These cover: ILO Convention No. 87 on Freedom of Association and Protection of the Right to Organize; and ILO Convention No. 98 on Right to Organise and Collective Bargaining."</p> <p style="padding-left: 40px;">FSC-POL-30-401 states that all FSC standards assessments and certificates will be designed to provide a credible assurance of compliance with all ILO conventions applicable to all forest operations and practices. The requirement applies in all</p>			

Criteria	Findings	Score	L	S
	<p>countries regardless of whether a country has ratified a convention or not. FSC-POL-30-401 lists 15 ILO conventions, the ILO Code of Practice on Safety and Health in Forestry Work, and 1 ILO Recommendation. The list of conventions includes the 8 core ILO conventions. The TP notes that FSC-POL-30-401 states that the FSC will develop guidance for assessing compliance with all the ILO texts listed but that no guidance document has been promulgated.</p> <p>FSC's Policy for the Association of Organizations with FSC of 7/2009 outlines that "FSC will only allow its association with organizations that are not directly or indirectly involved in the following unacceptable activities: ...Violation of any of the ILO Core Conventions". Note: this is related to organisations associated with FSC through forest management, chain of custody and/or controlled wood FSC certification.Regarding grievances and disputes relating to forest management practices:</p> <p style="padding-left: 40px;">FSC P&amp;C 4.5: "Appropriate mechanisms shall be employed for resolving grievances and for providing fair compensation in the case of loss or damage affecting the legal or customary rights, property, resources, or livelihoods of local peoples. Measures shall be taken to avoid such loss or damage."</p>			
<p>1.2.9. The standard must ensure that the basic labour rights of forest workers are safeguarded. In order to do this the standard must include requirements concerning the following:</p> <ul style="list-style-type: none"> <li>- freedom of association and the effective recognition of the right to collective bargaining;</li> <li>- the elimination of all forms of compulsory or forced labour;</li> <li>- the effective abolition of child labour;</li> <li>- the elimination of discrimination in respect of employment and occupation.</li> </ul>	<p>Fully addressed.</p> <p>FSC P&amp;C 4.2: "Forest management should meet or exceed all applicable laws and/or regulations covering health and safety of employees and their families."</p> <p>FSC P&amp;C 4.3: "The rights of workers to organize and voluntarily negotiate with their employers shall be guaranteed as outlined in Conventions 87 and 98 of the International Labour Organisation (ILO). These cover: ILO Convention No. 87 on Freedom of Association and Protection of the Right to Organize; and ILO Convention No. 98 on Right to Organise and Collective Bargaining."</p> <p>In addition, FSC-POL-30-401 states that all FSC standards assessments and certificates will be designed to provide a credible assurance of compliance with all ILO conventions applicable to all forest operations and practices. The requirement applies in all countries regardless of whether a country has ratified a convention or not (see the evidence on Criterion 1.2.8). FSC's Policy for the Association of Organizations with FSC of 7/2009</p>	2		

Criteria	Findings	Score	L	S
	outlines that "FSC will only allow its association with organizations that are not directly or indirectly involved in the following unacceptable activities: ...Violation of any of the ILO Core Conventions". Note: this is related to organisations associated with FSC through forest management, chain of custody and/or controlled wood FSC certification.			
1.2.10. The standard must require that appropriate safeguards are put in place to protect the health and safety of forest workers.	<p>Fully addressed.</p> <p>FSC P&amp;C 4.2: "Forest management should meet or exceed all applicable laws and/or regulations covering health and safety of employees and their families."</p> <p>FSC-POL-30-401 requires that all FSC standards assessments and certificates will be designed to provide a credible assurance of compliance with all ILO conventions applicable to forest operations and practices, including the ILO Code of Practice on Safety and Health in Forestry Work. The requirement applies in all countries regardless of whether a country has ratified a convention or not.</p>	2		

### 1.3. Standard-setting process

Criteria	Findings	Score	L	S
1.3.1 The standard-setting process must be consistent with the requirements of <i>ISO Guide 59: Code of Good Practice for Standardisation</i> or the ISEAL <i>Code of Good Practice for Setting Social and Environmental Standards</i> or equivalent.	<p>Partially addressed.</p> <p>FSC is a full member of the ISEAL Alliance.</p> <p>FSC's standard setting processes are governed by ISEAL's Code of Good Practice for Setting Social and Environmental Standards. The relevant version of the Code is public version 4 of January 2006.<sup>3</sup> The Code states: "this Code shall only be applied in its entirety" (clause 4.1).</p> <p>There are four standard-setting processes in the FSC system:</p> <ul style="list-style-type: none"> <li>• The FSC Principles and Criteria for Forest Stewardship (P&amp;C)</li> <li>• Development of regional, national or sub-national forest stewardship standards</li> <li>• Development of certification body forest stewardship standards (generic standards which form the basis for developing local "interim" standards)</li> </ul>	1		✓

<sup>3</sup> The latest version is version 5.01 of April 2010 which was published after the FSC published FSC-STD-20-002 Structure, Content and Local Adaptation of Generic Forest Stewardship Standards.

Criteria	Findings	Score	L	S
	<ul style="list-style-type: none"> <li>• Local adaptation of certification bodies' generic standards to create local "interim" standards.</li> </ul> <p>The TP finds that the processes of developing the FSC's Principles and Criteria (FSC Bylaws Sections 12, 13 and 15) and FSC national standards (<i>FSC-STD-60-006</i>) are consistent with the ISEAL Code.</p> <p>The TP finds that the regulations governing local adaptation of certification bodies' generic standards are not fully consistent with the ISEAL Code.</p> <p>FSC-STD-20-002 fails to address the ISEAL Code requirement that "<i>the standard setting process shall strive for consensus amongst a balance of interested parties</i> (clause 5.6): FSC-STD-20-002 6.8 states: "<i>the certification body is not required to seek or develop a consensus with stakeholders regarding its modification of its generic standard. The certification body shall make meaningful accommodation of stakeholder concerns.</i>" FSC-STD-20-002's only reference to the ISEAL Code is in paragraph 6.3 where it is stated in a note that the consultation period is defined to ensure conformity of the certification bodies' process with consultation requirements as specified in the ISEAL Code.</p> <p>In its 2008 assessment the TP noted that "the FSC's 2005 General Assembly adopted Policy Motion #48 concerning the phasing out of interim standards, which reads:</p> <p style="padding-left: 40px;">"The GA mandates and requests the FSC secretariat to: Devise an appropriate way to phase out certifications using certifier's interim standard within five years after this motion is approved by the GA or by five years after the first FMU certificate has been awarded in a respective country currently holding no certificates."</p> <p>The TP also noted in its 2008 assessment that "the continuing absence of a time limit on interim standards would be a serious weakness. The FSC should address the issue as a matter of urgency".</p> <p>The FSC informed the TP that over 100 million ha, out of 134 million ha total FSC certified forest, are covered by FSC-endorsed national standards. The FSC also stated that there are a further 19 million ha of FSC certified forests in 28 countries where CB adapted standards are in various stages of development. The TP notes that FSC-STD-20-002 requires that CBs "...shall review and take into account any publicly</p>			

Criteria	Findings	Score	L	S
	<p>available draft version of the standard(s) under development...'. The FSC informed the TP that the draft standards that are under development have in most cases had at least one round of public consultation and are produced by multi stakeholder standards development groups.</p> <p>Regarding the matter of a time limit for phasing out the use of interim standards the FSC informed the TP that the FSC Board agreed the following timeline for the phase in of the revised Principles and Criteria. This timeline, which will serve to phase out the remaining Certification Body adapted standards, includes the transfer of national standards to the revised Principles and Criteria and includes the development of generic indicators to aid this process.</p> <p>“ ”</p> <p>Timeline</p> <p>It was agreed by the FSC Board of Directors (BoD) that there shall be a cut off date for national standards submitted to the current P&amp;C. This is to coincide with the membership approval date of the revised P&amp;C [earliest Feb 2011].</p> <p>The FSC BoD further agreed that development of generic indicators and national adaptation to the revised P&amp;C should start immediately after the approval of the revised P&amp;C and take 24 months [to February 2013]. Certificate holders would then be given up to one year to prepare before the standards becomes effective [earliest end December 2013]. Once effective, there would be a year during which each certificate holder would be assessed for compliance with the new standards [earliest end December 2014].</p> <p>The FSC BoD also agreed that where it is justified a current national standard could continue to be applied and a longer timeline granted to upgrade to the revised P&amp;C. This is expected in very few cases and may not exceed the current expiry date of the national standard.'</p> <p>On the basis of the above evidence the TP considers the criterion to be partially addressed.</p>			
<p>1.3.2 The standard-setting process must seek to ensure balanced representation and input from the economic, environmental and social interest categories.</p>	<p>Fully addressed by the regulations governing the development of the FSC's Principles and Criteria (FSC Bylaws Sections 12, 13 and 15), FSC national standards (FSC-STD-60-006), and local adaptation of certification body forest stewardship standards (FSC-STD-20-002).</p>	<p>2</p>		<p>✓</p>

Criteria	Findings	Score	L	S
<p>1.3.3 The standard-setting and decision-making process adopted must seek to ensure:</p> <ul style="list-style-type: none"> <li>No single interest can dominate the process;</li> <li>No decision can be made in the absence of agreement from the majority of an interest category.</li> </ul>	<p>Partially addressed</p> <p>Fully addressed in respect of the development of the FSC's Principles and Criteria (FSC Bylaws Sections 12, 13 and 15) and FSC national standards (FSC-STD-60-006).</p> <p>With regard to the local adaptation of certification bodies' generic forest stewardship standards the TP notes that the process set out in FSC-STD-20-002 clause 6.8 does not comply with the requirement: "<i>no decision can be made in the absence of agreement from the majority of interests</i>". However, the TP also notes that the same clause requires that "the certification body shall make meaningful accommodation of stakeholder concerns."</p> <p>The TP notes the FSC's plans to phase out the use of CB locally adapted standards which the TP refers to in its findings under criterion 1.3.1 above.</p>	1		✓

## 2. Certification

Criteria	Findings	Score	L	S
<p>2.1 Certification must be undertaken by a body whose organisation, systems and procedures conform to applicable ISO guidance, or publicly available equivalent.</p>	<p>Fully addressed.</p> <p>The FSC has its own standards and guidance governing the organisation, systems and procedures of certification bodies. FSC standard FSC-STD-20-001 (Version 3-0) Section 1 requires that '<i>The certification body shall comply with the generic requirements of ISO/ IEC Guide 65:1996 (E), and with the additional requirements specified in this standard according to their scope of application for FSC accreditation.</i>'</p>	2	✓	✓
<p>2.2 Certification is undertaken by a body which is accredited to evaluate against forest management standards.</p>	<p>Fully addressed.</p> <p>Accreditation Services International (ASI) manages the FSC accreditation programmes on behalf of FSC. Certification bodies must be accredited by ASI. Accreditation is governed by FSC-STD-20-001 V 3-0. The scope of this standard states: "This International Standard contains principles and requirements for the competence, consistency and impartiality of the assessment and FSC certification of forest management, chain of custody and controlled wood operations and for certification bodies wishing to provide or to maintain these activities."</p>	2	✓	✓
<p>2.3 The requirements for certification audits must include assessment of systems and documentation together with</p>	<p>Fully addressed.</p> <p>FSC-STD-20-007 Section 1.2c requires the certification body to: "carry out sampling of sites, documents, management records, interviews, consultation with</p>	2	✓	✓

Criteria	Findings	Score	L	S
<p>verification of outcomes in the forest adequate to ensure that both system and performance requirements in the standard are being met.</p>	<p>stakeholders and direct factual observations sufficient to verify that there are no major non-conformities with the performance thresholds specified in the applicable Forest Stewardship Standard within any FMU within the scope of the evaluation”.</p> <p>FSC-STD-20-007 Section 5.4.1: “the auditor(s) shall identify and assess management documentation and a sufficient variety and number of records at each FMU selected for evaluation as to make direct, factual observations to verify conformity with all the indicators of the applicable Forest Stewardship Standard that are under evaluation at that FMU and for which such documents are a necessary means of verification.”</p> <p>FSC-STD-20-007 Section 5.4.2: “The auditor(s) shall visit a sufficient variety and number of sites within each FMU selected for evaluation as to make direct, factual observations as to conformity with all the indicators of the applicable Forest Stewardship Standard that are under evaluation at that FMU and for which such inspection is a necessary means of verification, over the range of conditions under management by the applicant forest management enterprise.”</p>			
<p>2.4 The certification audit must include sufficient consultation with external stakeholders to ensure that all relevant issues are identified relating to compliance with the requirements of the standard.</p>	<p>Fully addressed.</p> <p>FSC-STD-20-006 Section 1: “The certification body shall consult with a range of stakeholders who can provide relevant information as to an applicant’s conformity with the environmental, legal, social and economic requirements of the Forest Stewardship Standard.”</p> <p>FSC-STD-20-006 Section 2: “The certification body shall have effective procedures to identify the range of stakeholders that are likely to have information relevant to the evaluation of the applicant for certification, and/ or that may be able to put the certification body in contact with other such stakeholders The range and number of individuals and organisations to be contacted depends on the scale, intensity and complexity of the forest management operation.”</p> <p>FSC-STD-20-006 Section 3.1: “The consultation shall include a sufficient variety and number of people affected by or involved in the applicant’s forest management, to evaluate the range of situations relevant to the applicable Forest Stewardship Standard.”</p>	2		✓
<p>2.5 A summary of the results of</p>	<p>Fully addressed.</p>	2		✓

Criteria	Findings	Score	L	S
the certification audit (excluding confidential information) must be publicly available to interested parties.	<p>FSC-STD-20-007b Section 3.1: “The forest certification public summary report (including translations as required) shall be published on the FSC database of registered certificates (<a href="http://www.fsc-info.org">www.fsc-info.org</a>) before a certificate is issued or re-issued.”</p> <p>FSC-STD-20-007b Section 3.2: “Annual updates (see Section 8, below) shall be added to the published summary report or published separately on the FSC database of registered certificates (<a href="http://www.fsc-info.org">www.fsc-info.org</a>), no later than ninety (90) days after the on-site closing meeting at the end of a surveillance evaluation.”</p>			
2.6 There is an accessible and functioning mechanism for dealing with complaints and disputes which is open to any interested party.	<p>Fully addressed.</p> <p>FSC-STD-20-001 Section 14 refers to the requirements of ISO Guide 65 Clause 7 (Appeals, Complaints and Disputes).</p> <p>Section 14 also requires that “The certification body shall publish summary information about the procedures for submitting complaints and appeals and about the certification body’s procedures for handling such complaints, and appeals on the certification body’s website and make such information available in print on request.”</p>	2	✓	✓
2.7 The certification scheme must include measures which limit and clearly describe and justify the circumstances in which certification may be awarded to a forest, the character of which has been subject to planned and systematic transformation in a concentrated period of time with the consequence of significantly reducing the forest’s biodiversity and/or health and vitality of the forest ecosystem; for example, the conversion of natural forest or forest with many of the characteristics of natural forest to industrial forest plantation.	<p>Fully addressed.</p> <p>Regarding first certification of a forest that has already been transformed FSC P&amp;C 10.9 states: “Plantations established in areas converted from natural forests after November 1994 normally shall not qualify for certification. Certification may be allowed in circumstances where sufficient evidence is submitted to the certification body that the manager/owner is not responsible directly or indirectly of such conversion.”</p> <p>FSC-POL-20-003 defines the circumstances in which it is acceptable to excise transformed areas from the scope of an evaluation while allowing certification for the remaining area and regulates the circumstances in which previously excised areas can be certified.</p> <p>Regarding conversion of certified forest FSC P&amp;C 6.10 states: “Forest conversion to plantations or non-forest land uses shall not occur, except in circumstances where conversion:</p> <ul style="list-style-type: none"> <li>a) entails a very limited portion of the forest management unit; and</li> <li>b) does not occur on high conservation value forest areas; and</li> </ul>	2		✓

Criteria	Findings	Score	L	S
	<p>c) will enable clear, substantial, additional, secure, long term conservation benefits across the forest management unit.”</p> <p>FSC-ADV-30-602 provides guidance on the interpretation of P&amp;C 6.10.</p>			

### 3. Accreditation

Criteria	Findings	Score	L	S
<p>3.1 Accreditation must be undertaken by a national or international body whose organisation, systems and procedures are consistent with ISO 17011:2004 <i>Conformity assessment -- General requirements for accreditation bodies accrediting conformity assessment bodies</i> or equivalent.</p>	<p>Fully addressed.</p> <p>The FSC accreditation programme is operated by Accreditation Services International (ASI), a separate legal entity. ASI-QMS-20-100 Quality Manual Section 5.1 asserts that the ASI management system complies with ISO/IEC 17011:2004.</p> <p>ASI is an associate member. ISEAL operates a peer review mechanism to promote consistency of systems with ISO 17011. ASI's associate membership does not by itself ensure conformity of ASI's organisation, systems and procedures with ISO 17011. According to ISEAL's associate membership application form, associate members have to comply with the requirements of full membership within one year of becoming associate members. ASI became an associate member in 2008; they were still listed as an associate member in September 2010 with a commitment to comply with ISO 17011 by 2011. That commitment is not consistent with ASI's assertion that its organisation, systems and procedures are consistent with ISO 17011.</p> <p>ASI arranged for a qualified auditor to carry out an independent audit of their systems and procedures against ISO 17011 in June 2010. The auditor identified a number of non-compliances in its operations. ASI has addressed the non-compliances and the auditor has confirmed in writing (letter to ASI dated 11 October 2011) that ASI operations conform to ISO 17011's requirements in all areas. In the same letter the auditor provided an assessment of ASI's independence against the level of independence required by ISO 17011. On the basis of the auditor's findings the TP concludes that ASI meets the requirements of ISO 17011.</p>	2	✓	✓

### 4. Chain of custody

Criteria	Findings	Score	L	S
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Criteria	Findings	Score	L	S
4.1 Assessment of chain of custody must be undertaken by a certification body operating in accordance with ISO Guide 65 or equivalent and accredited by an accreditation body operating in accordance with ISO 17011 or equivalent.	<p>Fully addressed.</p> <p>Regarding certification body operations, the FSC has its own standards and guidance governing the organisation, systems and procedures of certification bodies. FSC standard FSC-STD-20-001 Section 1 requires that "The certification body shall comply with the generic requirements of ISO/ IEC Guide 65:1996 (E), and with the additional requirements specified in this standard according to their scope of application for FSC accreditation."</p> <p>Regarding accreditation body operations the findings for criterion 3.1 apply also to criterion 4.1.</p>	2	✓	✓
4.2 There must be a certified chain of custody in place from the forest of origin to the final certified product which provides a link between the certified material in the product or product line and certified forests.	<p>Fully addressed.</p> <p>FSC-STD-40-004 specifies the requirements for chain of custody control throughout the supply chain. The Standard ensures, for all product groups, that there is a link between certified material in a product or product line and certified forests.</p>	2	✓	✓
4.3 If mixing of certified and uncertified material in a product or product line is allowed, the uncertified material must be covered by a verifiable system which is designed to ensure that it is from legal sources.	<p>Fully addressed.</p> <p>FSC-STD-40-004, Section 3.3.1: "For the purchase of controlled material, the organisation shall comply with the applicable requirements of "FSC-STD-40-005: Standard for Company Evaluation of FSC Controlled Wood"</p> <p>FSC-STD-40-005, Section 1.1: "The company shall have a publicly available written policy commitment, endorsed by the most senior management level of the company, to implement its best efforts to avoid trading and sourcing wood or wood fibre (herein referred to as wood) from the following categories:</p> <ul style="list-style-type: none"> <li>a) Illegally harvested wood:</li> <li>b) Wood harvested in violation of traditional and civil rights</li> <li>c) Wood harvested in forests where high conservation values are threatened by management activities</li> <li>d) Wood harvested in forests being converted to plantations or non-forest use</li> <li>e) Wood from forests in which genetically modified trees are planted.' <p>Sections 2, 3 and 4 of FSC-STD-40-005 describe the required system for implementation, based on risk assessment and appropriate verification.</p> </li></ul>	2	✓	

Criteria	Findings	Score	L	S
4.4 If mixing of certified and uncertified material in a product or product line is allowed and the proportion of uncertified material can exceed 30%, then the uncertified material must be covered by a verifiable system which ensures that it is from sustainable forest sources where the requirements for sustainability set out in criteria 1.2.3 – 1.2.6 above are being met.	<p>As detailed in 4.3 above the FSC system requires avoidance of illegal timber, GM trees, wood from areas with violation of rights or rights disputes and from uncertified HCVF within the uncertified portion. The system does not provide any guarantee that the uncertified portion is from sustainable sources.</p> <p>The TP notes that all FSC mixed products made with solid wood (e.g. furniture, flooring, plywood, sawn wood) are required to achieve a minimum threshold of 70% in order to be eligible for labelling (FSC-STD 40-004). Until 31 December 2010 the threshold applying to chip and fibre products (e.g. paper, fibre boards) under a percentage or transfer system is 50% (FSC-ADV-40-004, version 2). From 1st of January 2011, all new certified companies and new products made with wood chip and fibre will also have to comply with the labelling threshold of 70%. However, the chip and fibre products registered as being commercially produced before the end of 2010 can make use of a grandfather clause to use the labelling threshold of 50% until the end of 2015 (FSC written information to CPET).</p> <p>The TP awards a score of 0 with regard to chip and fibre products with less than 70% certified material.</p> <p>The TP awards a score of 2 with regard to other product categories and chip and fibre products which meet the 70% threshold.</p>	<p>0 for chip and fibre products with less than 70% certified material</p> <p>2 for other product categories including chip and fibre products which meet the 70% threshold.</p>		✓
4.5 There is a clearly defined mechanism for controlling all claims made about the certified nature of products which ensures that claims are clear and accurate and that action is taken to prevent any false or misleading claims.	<p>Fully addressed.</p> <p>The right to use the FSC trademarks is directly linked to the validity of an FSC certificate.</p> <p>Control of claims is regulated by the Licence Agreement for the FSC Accreditation Programme. Paragraph 7 of the Licence Agreement defines the mechanisms for controlling claims.</p> <p>FSC is currently running a pilot project, where the parties formerly known as Nominated Agents will be called Trademark Service Providers (TSP). For the pilot project a licence agreement has been signed between FSC Global Development and pilot TSPs. Paragraph 10 of the licence agreement regulates infringements of the agreement. :</p> <p>The agreement will be signed by all NAs during 2011.</p>	2	✓	✓
4.6 If recycled material is used there must be a verifiable system in place which is designed to ensure that recycled material is	<p>Fully addressed.</p> <p>FSC-STD-40-004, Section 3.3.2: "For the purchase of non-certified reclaimed material, the organisation shall comply with the provisions of FSC-STD-40-007:</p>	2	✓	✓

Criteria	Findings	Score	L	S
<p>from the following categories:</p> <ul style="list-style-type: none"> <li>• Pre-consumer recycled wood and wood fibre or industrial by-products but excluding sawmill co-products unless certified</li> <li>• Post-consumer recycled wood and wood fibre</li> <li>• Drift wood</li> </ul>	<p>FSC Standard for Sourcing Reclaimed Material for Use in FSC Product Groups or FSC-certified Projects”.</p> <p>FSC-STD-40-007 Section 1 Input specifications: ‘The organisation shall ensure that inputs of non-certified reclaimed material are described in purchase and delivery documentation in accordance with the examples provided in Annex I and II of this document.’</p> <p>FSC-STD-40-007 Section 2 Supplier audit programme:</p> <p>2.1 <i>‘The organisation shall identify and provide the rationale for the documents and other evidence required to demonstrate that supplied reclaimed material complies with the definitions of FSC-STD-40-004 and examples provided in Annex I and II of this document.’</i></p> <p>FSC-STD-40-007 Annex I lists examples of reclaimed wood material including: pre-consumer wood sources and post-consumer wood sources. It also include categories which cannot be accepted as reclaimed material, such as “off-cuts produced from virgin parent materials that are discarded by a primary or secondary production process but that has properties allowing it to be reused on site by being incorporated back into the same manufacturing process that generated it.”</p> <p>FSC-STD-40-007 Annex II lists examples of reclaimed fibre material including pre-consumer fibre sources and post-consumer fibre sources. It also provides examples of materials which cannot be accepted as reclaimed fibre material. For example, forest residues, including fibrous material of logging operations; materials generated from, and commonly reused within, an original manufacturing process.</p>			

## 5. National Level Application

Criteria	Findings	Score	L	S
<p>International certification programmes that endorse national/sub-national schemes or standards must be implementing documented systems that ensure the fulfilment, within a reasonable and practicable timeframe, of all requirements which are</p>	<p>Fully addressed</p> <p><b><u>A. TP findings regarding systems</u></b></p> <p>Under the FSC system, only the requirements relating to forest management standard-setting are applicable at the national level.</p> <p>Relevant requirements in relation to national standards:</p> <p>FSC-STC-60-002:</p>	2		✓

Criteria	Findings	Score	L	S
<p>applicable at a national level related to:</p> <ul style="list-style-type: none"> <li>a. Forest standards;</li> <li>b. Certification;</li> <li>c. Accreditation;</li> <li>d. Chain of custody.</li> </ul>	<p>“B. Standard Effective Date. FSC regional, national and sub-national standards submitted prior to 1 January 2010 shall be brought into compliance with this standard no later than 5 years after the date of last approval”.</p> <p>“3.3. An explanation shall be provided in the standard if any FSC Criterion is considered to be inapplicable in a given situation. Explanations shall not conflict with FSC policy, standards, advice notes or other such documents related to the criterion.”</p> <p>“3.4. The standard shall comply with the latest versions of all approved FSC policies, standards, directives, guidelines and advice notes and that apply to the interpretation of the FSC Principles and Criteria, as published on the official FSC International web site.”</p> <p>FSC-STD 60-006:</p> <p>At the drafting stage (Para 7.7): “Drafts for public consultation shall be officially announced as identified in the communications plan at 5.3 (e) together with a summary of the key points and a formal comments form, and shall be circulated to:</p> <ul style="list-style-type: none"> <li>f) the FSC Policy and Standards Unit.”</li> </ul> <p>At the approval stage (Para 10.6): “The finalized report shall be sent to FSC Policy and Standards Unit for formal approval.”</p> <p>Relevant requirements in relation to certification body interim standards:</p> <p>FSC-STD-20-002:</p> <p>“2.3. The certification body generic standard shall comply with the latest versions of all approved FSC policies, standards, directives, guidelines and advice notes and that apply to the interpretation of the FSC Principles and Criteria, as published on the official FSC International web site, subject to relevant guidance from FSC in relation to standards effective dates.”</p> <p>“5.1 The certification body shall revise their generic standard at least annually to bring it into conformity with any new or revised FSC policies, standards, directives, guidance or advice notes subsequently approved by FSC.”</p> <p>“8. The certification body shall keep the following records:</p>			

Criteria	Findings	Score	L	S
	<p>c) copies of all national standards, draft standards or other sources of information taken into account in order to modify the generic standard.”</p> <p>“9.3. The locally adapted standard shall comply with all applicable approved FSC international policies, standards, directives, guidelines and advice notes.”</p> <p>Regarding the time limit for the validity of national standards:</p> <p>FSC-STD-60-006:</p> <p>“12.3 ...</p> <p>NOTE: Forest Stewardship Standards are normally approved for a five year period. Review and possible revision processes need to be planned in order to have a final draft recommended to the FSC Board of Directors by the end of this period.”</p> <p>FSC-ADV-60-006:</p> <p><b>“1 Period of validity</b></p> <p>1.1 FSC-endorsed national / regional forest stewardship standards are valid until revoked by FSC (following a technical evaluation of the standard) or until replaced by a revised national / regional forest stewardship standard (developed by an authorized standard development group and endorsed by FSC).</p> <p><b>2 Maintaining the validity of endorsed national / regional forest stewardship standards</b></p> <p>2.1 5 years after endorsement and every 5 years thereafter, FSC will carry out a technical evaluation of each national / regional standard to verify the continued compliance of the standard with all relevant FSC requirements.</p> <p><i>NOTE: FSC may also conduct an interim evaluation following significant changes in relevant FSC requirements as necessary.”</i></p> <p>FSC-STD-20-001:</p> <p>“17.5 In the case of forest management accreditation the evaluation handbook shall also include at least the following:</p> <p>a) Procedures for adapting the certification body’s generic forest stewardship standard in conformity with the requirements of</p>			

Criteria	Findings	Score	L	S
	<p style="text-align: center;">FSC-STD-20-002 Part 2;”</p> <p>The TP considers the documented system to be adequate.</p> <p><b><u>B. TP findings regarding implementation of the system</u></b></p> <p>The TP notes that requirements to bring national standards and CB generic standards into line with FSC policies, standards etc within specified time limits have been in force since January 2005 (FSC-STD-20-002 (V2-1)).</p> <p>The TP notes that 15 of 26 FSC approved standards covering 19 countries have been updated within the specified time limits (reference: 30 July 2010 list of national standards on the FSC web site). In this regard the FSC provided the following information to the TP:</p> <p style="padding-left: 40px;">“Those standards which are now older than 5 years have either: undergone a review and are not in need of substantial revision at this date, or are undergoing revision and have been granted extensions to their endorsement to cover this period.”</p> <p>The TP notes that any extended validation granted to national standards is not recorded on the FSC website.</p> <p>CB generic standards and CB locally adapted standards are not listed on the FSC’s web site, therefore the TP could not determine whether they had been updated within the specified time limits or not. FSC-STD-20-002 (Version 3-0) on “Structure, content and local adaptation of Generic Forest Stewardship Standards” regulates that FSC accredited certification bodies shall be in compliance by 01 January 2011.</p> <p>The FSC provided the following information to the TP with regard to review and revision of CB standards:</p> <p style="padding-left: 40px;">“CB standards are available on the CB websites and ASI reviews them for continued compliance with FSC requirements in accord with their procedures to evaluate compliance with <u>FSC-STD-20-002 V3-0 EN Structure, content and local adaptation of generic forest stewardship standards.</u>”</p> <p>In addition, the TP notes that the FSC is currently preparing a timetable to bring all standards in line with the forthcoming revised FSC P&amp;C expected to be published in February 2011.</p> <p>The TP concludes that the FSC’s system for ensuring</p>			

Criteria	Findings	Score	L	S
	the fulfilment, within a reasonable and practicable timeframe, of all requirements which are applicable at a national level is being implemented effectively.			