



<b>Title:</b>	FSC Controlled Wood Risk Assessments by FSC accredited National Initiatives, National and Regional offices
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## FSC CONTROLLED WOOD RISK ASSESSMENTS BY FSC ACCREDITED NATIONAL INITIATIVES, NATIONAL AND REGIONAL OFFICES

### FSC-PRO-60-002 VERSION 2-0

The Forest Stewardship Council (FSC) is an independent, not for profit, non-government organisation based in Bonn, Germany.

The mission of the Forest Stewardship Council is to support environmentally appropriate, socially beneficial, and economically viable management of the world's forests.

FSC develops, supports and promotes international, national and provincial standards in line with its mission; evaluates, accredits and monitors certification bodies which verify the use of FSC standards; provides training and information; and promotes the use of products that carry the FSC logo.



## Foreword

The FSC Controlled Wood standard FSC-STD-40-005 was designed to help manufacturers and traders to avoid buying wood from the most controversial sources.

There are different options for a company to achieve this:

1. Purchase wood from forest enterprises that have been verified by an FSC accredited Certification Body (CB) to meet the requirements of FSC-STD-30-010 FSC Controlled Wood standard for forest management enterprises.
2. Purchase FSC Controlled Wood from suppliers holding a valid FSC Chain of Custody certificate which includes FSC Controlled Wood in its scope; and
3. Internally verify its wood sources according to the requirements of FSC-STD-40-005 Company evaluation of FSC Controlled Wood..

For Option 3 above, it is required that the company implements a risk assessment of its suppliers. It is the role of the FSC accredited CB to evaluate and verify the technical adequacy and consistency of the company's risk assessment.

FSC accredited National Initiatives (NIs) and FSC National and Regional Offices can provide guidance to help companies identify credible sources of information to arrive at a sound risk assessment decision. This is highlighted in FSC-STD-40-005 Annex 2 'General requirements', where it states that:

*'Companies can also seek assistance from the FSC accredited National Initiative in their country or FSC Regional Offices to establish whether a district of origin is low risk. ...2. Where national or regional interpretation or guidance relating to Annex 2 has been provided by an FSC accredited National Initiative [ or National or Regional Office], this interpretation shall prevail.'*

In other words, the FSC-accredited National Initiative, National or Regional Office may coordinate a risk assessment for any number of districts against one, several or all of the five FSC Controlled Wood categories.

This procedure (FSC-PRO-60-002) provides the basis by which the development of an FSC Controlled Wood Risk Assessment may be carried out and evaluated for compliance with FSC requirements. The requirements specified in this procedure are applicable to FSC accredited National Initiatives and FSC National and Regional Offices.

When the Risk Assessment is evaluated by FSC to comply with the requirements of this procedure, the Risk Assessment becomes mandatory for the district in question and shall be used by companies as conclusive when assessing the risk of their supplies. The advantage of this approach is that all companies sourcing from a particular district shall be using the same



approved Controlled Wood Risk Assessment and therefore will not individually have to repeat the process, thus saving time and resources. Furthermore, this will add consistency and credibility to the implementation of the Controlled Wood standards..

This document replaces the guidance document: FSC-GUI-60-002 FSC Controlled Wood Risk Assessment by FSC National Initiatives and includes content and process requirements for any National Initiative that voluntarily decides to develop a Risk Assessment for a certain country or district.

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### **A Scope**

This document specifies the content and process requirements to be followed by FSC accredited National Initiatives and FSC National and Regional Offices for the development and revision of FSC Controlled Wood Risk Assessments for any number of districts within their respective country, or the country as a whole, and against one, several or all of the five FSC Controlled Wood categories.

For specific Controlled Wood categories and in situations where different countries share homogeneous conditions regarding any of the Controlled Wood categories, it will be possible to develop a single Risk Assessment shared and applicable to the relevant countries. This may be the case of different countries sharing the same ecoregions regarding Risk Assessment on HCVs.

### **B Effective date**

This procedure shall have immediate effect from the date of approval by the FSC Executive Director.

### **C References**

FSC-STD-60-006 Process requirements for the development of Forest Stewardship Standards

FSC-GUI-60-002 FSC Controlled Wood Risk Assessment by FSC National Initiatives (replaced by this procedure)

FSC-STD-40-005 (Version 2-1) Company evaluation of FSC Controlled Wood

### **D Terms and definitions**

Terms and definitions are provided in FSC-STD-40-005 (Version 2-1) Company evaluation of FSC Controlled Wood.



## 1. Proposal to develop an FSC Controlled Wood Risk Assessment

1.1 A formal notification of the development of the proposed FSC Controlled Wood Risk Assessment shall be submitted in English or Spanish to the FSC Policy and Standards Unit containing at least the following information:

a) aims and objectives of the proposal (e.g. *assessing risk for harvesting wood from all FSC Controlled Wood Categories in...*), including the geographic scope i.e. the district(s) covered by the proposed Risk Assessment;

NOTE: For a definition of 'district' see FSC-STD-40-005.

b) Summarized work plan and including expected starting date, main activities and expected conclusion date;

c) Name and contact details of the facilitator(s) nominated by the FSC-accredited National Initiative to manage the process.

## 2. Preparatory drafting and stakeholder consultation

2.1 The following drafts shall be prepared:

a) a first draft, which shall be widely distributed to stakeholders for comment;

b) a second draft, which takes account of stakeholders comments.

c) a final draft for submission to FSC (see Section 4)

Note: the different versions must be identifiable by unique version numbers (e.g. "Draft 1-0").

2.2 Additional working drafts may be required, at the discretion of the Facilitator(s).

2.3 The drafts for consultation shall be sent by the Facilitator(s) to all key stakeholders identified according to Annex 1, including:

a) a brief, clear description of the purpose of the FSC Controlled Wood Risk Assessment and the role of stakeholders;

b) a brief, clear description of the scope and objectives of the proposed FSC Controlled Wood Risk Assessment;

c) the contact details of the Facilitator(s) for further information;



- d) the estimated timeline for completion of the proposed FSC Controlled Wood Risk Assessment;
  - e) statement that the development process will follow the requirements of this FSC procedure.
- 2.4 The period to submit comments on drafts for public consultation shall be a minimum of 30 days from the date of publication.
- 2.5 The Facilitator(s) is responsible for reviewing the comments submitted by stakeholders and suggesting wording on specific aspects that may achieve the consensus of all stakeholder groups.
- 2.6. The Facilitator(s) shall prepare a report on the consultation which includes:
- a) a summary of the issues raised;
  - b) an analysis of the range of stakeholder groups who have submitted comments;
  - c) a general response to the comments;
  - d) an indication of how they have been taken into account in subsequent public drafts; and
  - e) a copy of all the formal comments as an Annex.

### **3. Content**

- 3.1 The content of the drafts developed shall follow the requirements of FSC-STD-40-005 Annex 2 and include the FSC Controlled Wood Risk Assessment title, version and draft number, date, status, time-limit for comments, a and the contact details of the Facilitator(s). For the Risk Assessment template please see Annex 3.

### **4. Submitting the Draft FSC Controlled Wood Risk Assessment for decision making**

- 4.1 The final draft FSC Controlled Wood Risk Assessment may be send to FSC when it:
- a) has undergone sufficient consultation;
  - b) meets the aims and objectives specified in the work plan;



- c) merits the approval by the Supervisor of the FSC Policy and Standards Program;
- d) has been approved by consensus and within a chamber balanced decision making process.

4.2 The final draft FSC Controlled Wood Risk Assessment shall be sent in English language to the FSC Policy and Standards Unit together with a short application letter and a copy of the stakeholder consultation report.

4.3 The FSC Policy and Standards Unit either:

- a) approves the FSC Controlled Wood Risk Assessment; or
- b) approves the FSC Controlled Wood Risk Assessment with minor amendments; or
- c) rejects the FSC Controlled Wood Risk Assessment.

NOTE: If the FSC Policy and Standards Unit rejects the FSC Controlled Wood Risk Assessment, the reasons for the rejection will be communicated together with a suggestion on steps necessary to address any concerns..

## 5. Approval as a FSC Controlled Wood Risk Assessment

5.1 If the FSC Controlled Wood Risk Assessment receives the approval of the FSC Policy and Standards Unit, it will be published on the Global Risk Assessment (under development in collaboration with NEPcon) and publicly announced.

## 6. Review and revision of a FSC Controlled Wood Risk Assessment

6.1 After approval by FSC, typographical errors and minor inconsistencies may be corrected by the FSC-accredited National Initiative without the approval of the FSC Policy & Standards Unit.

6.2 In the case of changes resulting from corrections or amendments as described in 6.1, the updated FSC Controlled Wood Risk Assessment will be given a new version number, V1-1, V1-2, etc, together with the date of the update. The most recent version shall be sent to the FSC Policy & Standards Unit for publication on the Global Risk Assessment.

6.3 The FSC-accredited National Initiative shall keep records of and assess all comments on the FSC Controlled Wood Risk Assessment that have been submitted after approval.



- 6.4 Should new evidence be presented that may change the risk conclusion from 'low' to 'unspecified' or vice versa for any of the Controlled Wood categories, the responsible FSC-accredited National Initiative shall prepare and consult a new draft for this category of Controlled Wood according to the steps outlined above.
- 6.5 No later than three years after the approval date, the FSC-accredited National Initiative shall collate and review all the comments on the Risk Assessment, as well as taking into account external circumstances and its continued relevance.
- 6.6 Based on the results of the review process, the FSC-accredited National Initiative may decide that a formal revision of the FSC Controlled Wood Risk Assessment needs to be implemented.
- 6.7 A revision process (except for items as stipulated in of 9.1) shall be conducted according to the requirements specified in this procedure and submitted for approval.
- 6.8 If an FSC-accredited National Initiative ceases to exist and no entity is taking the responsibility for reviewing or revising the approved FSC Controlled Wood Risk Assessment, the FSC Policy and Standards Unit may decide to revoke the Risk Assessment in parts or in full.

## **7. New evidence, complaints and disputes**

- 7.1 New evidence, complaints or disputes related to the content of the approved FSC Controlled Wood Risk Assessment shall be responded to by the FSC-accredited National Initiative. Should the complaint/dispute substantively affect the Controlled Wood Risk Assessment, then it shall be considered according to 6.4 of this standard.
- 7.2 Complaints/disputes related to procedural issues shall be responded to initially by the FSC-accredited National Initiative(s). If the complainant is not satisfied with the explanation provided by National Initiative(s), the complaint/dispute shall be sent to the FSC Policy and Standards Unit.
- 7.3 The FSC Policy and Standards Unit may invalidate a Risk Assessment in parts or in full as a result of a complaints process.



## Annex 1: Formal identification of categories of stakeholder interests

- 1.1 The Facilitator(s) shall identify all stakeholder interests (such as those listed in paragraph 1.2, below) that should be represented in the development of the Controlled Wood Risk Assessment, and subsequently identify and maintain a list of the names and contact details of organizations or individuals (e.g. environmental and social NGOs, forest workers' unions, business organizations and Indigenous Peoples' political representatives and government forest services) that are known to represent such interests within the geographic scope of the Risk Assessment.
- 1.2 The Facilitator(s) shall ensure that stakeholders (i.e. organizations and/or individuals) are identified who are able to represent at least the following interests:
  - a) Economic interests of:
    - i) Owners/managers of large and medium sized forests
    - ii) Owners/managers of small forests
    - iii) Owners/managers of operations where there is a low intensity of timber harvesting
    - iv) Forest contractors
    - v) Timber producers associations
    - vi) Primary processors of timber within the district
  - b) Social interests of:
    - i) Forest workers
    - ii) Indigenous Peoples
    - iii) Local communities
    - iv) Nature recreation
  - c) Environmental interests relating to:
    - i) Biological diversity
    - ii) Water
    - iii) Soils
    - iv) Ecosystems and Landscapes

NOTES: i) If it appears that the interests of a category of forest stakeholders are not directly represented then the Facilitator(s) shall document the reasons for this lack of representation and explain how the interests of this category of stakeholders are adequately represented in the Risk Assessment process.

ii) Government interests may be represented in one or more of the above categories.



## Annex 2 - Risk assessment template

The steps below constitute a simple approach to ensure consistent presentation of risk assessments developed by FSC accredited National Initiatives.

1. Identify the geographic scope  
Geographic scope can be the country, eco region or district.
2. Identify FSC Controlled Wood categories  
The FSC National Initiative shall identify the FSC Controlled Wood categories that will be included in the scope of the risk assessment.

3. Identify sources of information for each indicator in Annex 2 B of FSC-40-005 for the selected FSC Controlled Wood categories

Annex 2 B of standard FSC-STD-40-005 includes a list of indicators for each of the Controlled Wood risk categories. Linked to each of these criteria are sources of information on risk.

4. Provide a table summarizing the key information. This information can be qualitative or quantitative to identify low/unspecified risk for each of the indicators of Annex 2 B.

## Risk assessment decision

For the risk assessment, if **ALL** the indicators for each of the FSC Controlled Wood categories listed in Annex 2B of FSC-STD-40-005 are complied with, then the country/district can be considered as 'low risk'.

If any indicators of the five FSC Controlled Wood categories are not met, the country/district shall be considered as 'unspecified' risk for that specific category.

When buying wood from areas that the company has classified as 'unspecified' risk, it shall include the forest management unit of origin in its own verification program following the requirements of Annex 3 FSC-STD-40-005.