



## FAQ on FSC Risk Assessments

### What is a risk assessment?

It is a study that comprehensively analyses risk against a set of indicators that are provided in FSC procedures. The risk in question is the risk of unacceptable activities taking place in the assessed area (e.g. a country), which would require intensified control of material originating from this area in order to use it as controlled wood.

Risk assessments are required by the Requirements for Sourcing FSC Controlled Wood (FSC-STD-40-005).

### What is an FSC risk assessment versus a company risk assessment?

An FSC risk assessment is developed by FSC, as opposed to a risk assessment developed by the certificate holder (the so-called company risk assessment). Company risk assessments were allowed historically; however, they led to many challenges and controversies due to conflict of interest embedded in the self-assessment process. FSC has been investing in its own assessments to phase out the use of company risk assessments, and it aims to deliver them for almost 60 countries by the end of 2018.

Until FSC finalizes its risk assessments, certificate holders may continue with their own risk assessments. For countries where FSC does not plan to develop FSC risk assessments, company risk assessments will be allowed, subject to strict risk assessment indicators. Where an FSC risk assessment was included in the list of FSC risk assessment processes by 31 December 2017 (according to the [FSC risk assessment timetable](#)), even if the completion date goes beyond 31 December 2017, companies may apply the controlled wood standard to supply units it (or affiliated organizations) owns or operates.

Introducing FSC risk assessments significantly changes the global picture of risk: many areas that were revealed as 'low risk' in company risk assessments are now (or are likely will be) 'specified risk'. This means that using controlled wood will require far more effort from certificate holders than before. The main challenges for organizations sourcing controlled wood lie in risk mitigation, because they are often sourcing controlled wood through long uncertified supply chains and have limited control over uncertified suppliers.

### What is the outcome of risk assessments?

Risk assessment can lead to two outcomes: 'low risk' or 'specified risk'. In the case of low risk, no special controls or activities other than regular FSC requirements are needed to use material as controlled wood. In the case of specified risk, FSC certificate holders would need to implement control measures in their supply chains to mitigate those risks, to enable them to use the material as controlled wood.

**What kinds of FSC risk assessments do we have?**

FSC develops either National Risk Assessments (NRAs) or Centralized National Risk Assessments (CNRAs). Both follow the same indicators and both are binding for certificate holders, although NRAs take precedence over CNRAs.

FSC network partners in specific countries lead NRA development. This process includes comprehensive engagement by national stakeholders (i.e. a national consultation).

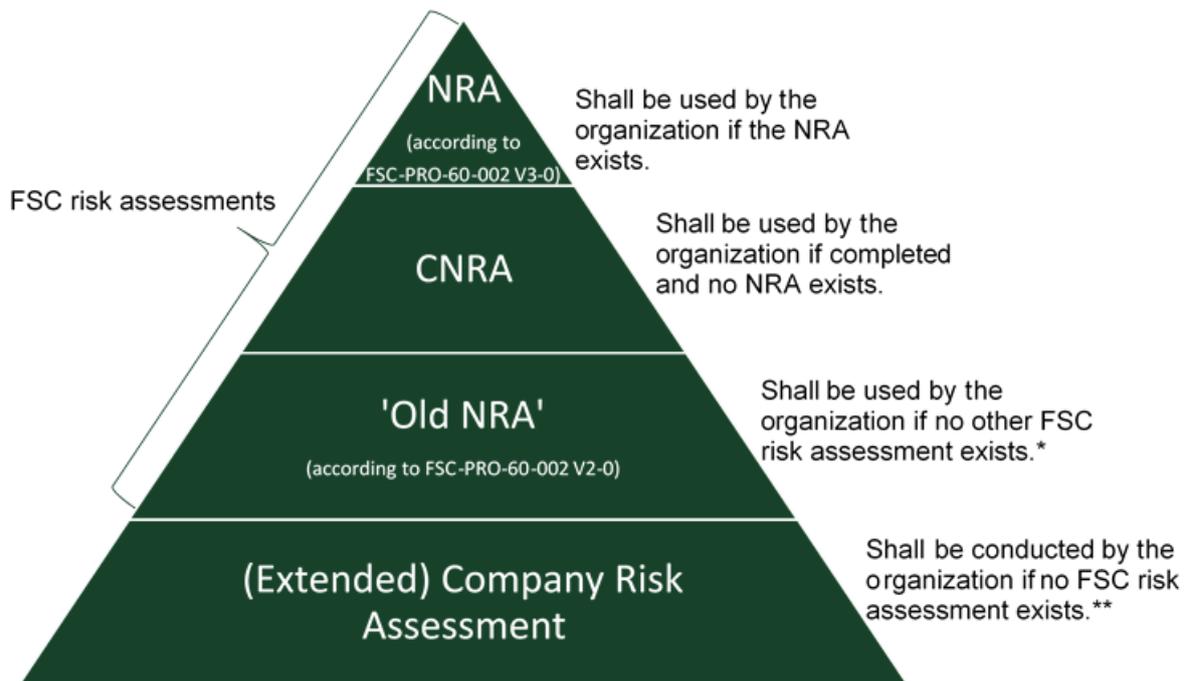
CNRA processes are led by FSC, and are implemented when FSC does not have a network partner interested in, or capable of, developing an NRA. Some CNRA processes still involve national engagement, though at a reduced level. When there is no network partner support of the CNRA development, FSC conducts an international consultation before the CNRA is finalized.

Because CNRAs receive less national feedback, their outcomes are often challenged. However, FSC delegates these assessments to external experts and requires that local specialists be involved. CNRA outcomes, although considered less relevant than NRA outcomes, allow the phasing out of the still less credible company risk assessments.

Apart from the above, we also have ‘old NRAs’, which were developed according to the previous version of risk assessment indicators, and are now being successively replaced by new FSC risk assessments as above.

**Which risk assessment should certificate holders use?**

The same standard that requires using risk assessments provides their hierarchy of precedence, as below:



\* 'Old NRAs' shall not be used after 31 December 2018.

\*\* Company risk assessments shall be conducted when an FSC risk assessment is planned, but is not yet delivered. Extended company risk assessment shall be conducted when an FSC risk assessment is not planned.



### **Where can I find the FSC risk assessments?**

Approved or draft FSC risk assessments can be found on the FSC Document Centre.

### **When will FSC risk assessments be finalized?**

A detailed progress overview per country, including approval deadlines, can be found on the FSC controlled wood risk assessments web page.

### **Is it possible to influence the risk assessments, e.g. when I see that a risk designation is wrong?**

It is possible to comment on draft risk assessments during public consultations. To obtain information on planned consultations for NRA and CNRA drafts, please see the timetable on the FSC controlled wood risk assessments web page.

For announcements on international consultations for CNRA drafts, you can also subscribe to the *FSC International Newsletter*. During international consultations, CNRA drafts are available on the FSC International website for a period of 30 days. During national consultations, CNRA drafts are available on the National FSC websites for a period of 30 days. NRA drafts have 60-day consultation periods and are available on the respective national FSC websites.

### **How can I find out what the current or anticipated risk designations are?**

A detailed status update on risk designations can be found in the risk designation overview on the FSC controlled wood risk assessments web page.

### **How can I use an NRA under development?**

FSC is aware that in some countries during the NRA process some controlled wood category risk designations are agreed upon before the completion of the NRA process. Those categories that are agreed upon by national consensus shall be communicated and be available for use on the FSC Document Centre.

### **FSC risk assessments are needed to implement the new controlled wood standard. However, this standard must be implemented before 1 January 2018, before the risk assessments are finalized. Why?**

The new standard was needed to ensure flexibility for risk mitigation, which was not available in the previous version. FSC anticipated that the risk assessments would be developed gradually, and therefore the allowance for company risk assessments was included in the standard to ensure less disruptive transition. Certificate holders have had 2 years from the publication of the standard until the end of its transition period (31 December 2017) to implement it.