

FSC CHAIN OF CUSTODY CROSSWALK V3-0 and V2-1

Last updated on 01 February 2017

The FSC Chain of Custody Certification standard version 3-0 was published on January 1, 2017 and will become effective on April 1, 2017. This crosswalk has been created to assist in identifying the differences between the new standard version (V3-0) and the previous version (V2-1). Please note that during the transition period, which is between 01 April 2017 and 31 March 2018, both standard versions are valid and can be used by FSC CoC certificate holders. This document also contains references to advice notes and interpretations that have been incorporated into the revised version of the standard. Key words for the interpretation of the requirements were underlined in this document. Changes are identified by color ranking (see legend below).

Legend	Identified change between V3-0 and V2-1
	No change. The requirement is identical in relation to the previous version of the standard.
	The intent of the requirement has not changed. The requirement has been simplified or reworded for an improved understanding.
	New requirement or the requirement has changed in relation to the previous version of the standard.
	Requirement removed

	NEW VERSION – FSC-STD-40-004 V3-0	PREVIOUS VERSION - FSC-STD-40-004 V2-1
	1 CoC management system	
	1.1 The organization shall implement and maintain a CoC management system <u>adequate to its size and complexity</u> to ensure its continuous conformity to all applicable certification requirements, including the following:	N/A
	a. appoint a management representative who has overall responsibility and authority for the organization’s conformity to all applicable certification requirements;	1.1.1 The organization shall appoint a management representative as having overall responsibility and authority for the organization’s compliance with all applicable requirements of this standard.
	b. implement and maintain up-to-date documented procedures covering the certification requirements applicable to the scope of the certificate;	1.2.1 The organization shall establish, implement and maintain procedures and/or work instructions covering all applicable requirements of this standard, according to its scale and complexity.
	c. define the key personnel responsible for the implementation of each procedure;	1.2.2 The organization shall define the personnel responsible for each procedure, together with the qualifications and/or training measures required for its implementation.
	d. train staff on the up-to-date version of the organization’s procedures to ensure their competence in implementing the CoC	1.1.2 All relevant staff shall demonstrate awareness of the organization’s procedures and competence in implementing the organization’s Chain of

	management system;	Custody management system. 1.3.1 The organization shall establish and implement a <u>training plan</u> according to the qualifications and/or training measures defined for each procedure.
	e. maintain complete and up-to-date records of the documents that are relevant to demonstrate the organization's conformity with all applicable certification requirements which shall be retained for a minimum period of five (5) years. At a minimum, the organization shall keep records of the following documents as applicable to the certificate scope: procedures, product group lists; training records; purchase and sales documents; material accounting records; annual volume summaries; trademark approvals; records of suppliers, complaints, and outsourcing; control of nonconforming products; verification program records for reclaimed material, and records related to a due diligence program for controlled material and FSC Controlled Wood.	1.3.2 The organization shall keep records of the training provided to staff in relation to implementation of this standard. 1.4.1 The organization shall maintain complete and up-to-date records covering all applicable requirements of this standard. 1.4.2 Retention time for all records and reports, including purchase and sales documents, training records, production records, volume summaries, and trademark approvals, shall be specified by the organization and shall be at least five (5) years.
	1.2 The organization shall apply the eligibility criteria specified in Part IV to define its eligibility for single, multisite, or group CoC certification.	
	1.3 The organization shall commit to the FSC values as defined in FSC-POL-01-004 <u>by signing a self-declaration</u> that the organization is not directly or indirectly involved in the following activities: a. illegal logging or the trade in illegal wood or forest products; b. violation of traditional and human rights in forestry operations; c. destruction of high conservation values in forestry operations; d. significant conversion of forests to plantations or non-forest use; e. introduction of genetically modified organisms in forestry operations; f. violation of any of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998. NOTE: This clause will be modified once FSC concludes the revision process of its Policy for Association.	1.5.1 The organization shall demonstrate its commitment to comply with the Values of FSC as defined in the " <i>Policy for the Association of Organizations with FSC</i> " (FSC-POL-01-004, initially approved in July 2009). 1.5.2 The organization <u>shall declare</u> not be directly or indirectly involved in the following activities: a) Illegal logging or the trade in illegal wood or forest products; b) Violation of traditional and human rights in forestry operations; c) Destruction of high conservation values in forestry operations; d) Significant conversion of forests to plantations or non-forest use; e) Introduction of genetically modified organisms in forestry operations; f) Violation of any of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.
	1.4 The organization shall commit to occupational health and safety (OHAS). At a minimum, the organization shall appoint an OHAS representative, establish and implement procedures adequate to its size and complexity, and train its staff on OHAS. NOTE: Other certifications and enforcement of local legislation on OHAS that cover the elements required in Clause 1.4 may be used as evidence of conformity to this requirement (i.e. the organization may be considered as automatically meeting Clause 1.4.).	1.6.1 The organization shall demonstrate its commitment to occupational health and safety.

<p>1.5 The organization shall ensure that complaints received regarding the organization's conformity to the requirements applicable to the scope of the organization's CoC certificate are adequately considered, including the following:</p> <ol style="list-style-type: none"> a. acknowledge receipt of the complaint to the complainant within two (2) weeks of receiving the complaint; b. investigate the complaint and specify its proposed actions in response to the complaint within three (3) months. If more time is needed to complete the investigation, the complainant and the organization's certification body shall be notified; c. take appropriate actions with respect to complaints and any deficiencies found in processes that affect conformity to the certification requirements; d. notify the complainant and the organization's certification body when the complaint is considered to be successfully addressed and closed. 	<p>INT-STD-20-011_13</p> <p>Does the requirement per FSC-STD-20-011 V2-0 Clause 2.7 d) to review "complaints, disputes or allegations of non-conformities received by the organization and/or the certification body" also apply to those related to infringements of the Policy for Association?</p> <ol style="list-style-type: none"> 1) Yes. Complaints, disputes or allegations of nonconformity received from stakeholders have to be reviewed by the certification body in all cases according to FSC-STD-20-011 V2-0 Clause 2.7.d. Further evaluation is only required if the review indicates that there is: <ol style="list-style-type: none"> a) evidence of nonconformities of the CH with any FSC certification requirements applicable to the scope of certification; or b) a risk for nonconformities with applicable FSC certification requirements due to other activities of the organization (including non-certified entities or operations) that may affect the integrity of the chain of custody system, such as illegal timber trade, document forgery or product counterfeiting. <p>The CB shall record the complaint, dispute or allegation and any identified evidence for infringements of the Policy for Association in the audit or complaint investigation report and alert FSC International about a potential non-compliance with the FSC Policy for Association for further evaluation.</p> <p>Complaints received by the CH have to be reviewed in all cases according to ISO 65 Clause 15 for conformity with FSC-STD-20-001 V3-0. If they relate to nonconformity with applicable certification requirements in certified entities or operations, appropriate action must be taken by the CH and documented. Otherwise similar considerations apply as provided under point 1) above.</p>
<p>1.6 The organization shall have procedures in place to ensure that any non-conforming products are identified and controlled to prevent their unintended sale and delivery with FSC claims. Where non-conforming products are detected after they have been delivered, the organization shall undertake the following activities:</p> <ol style="list-style-type: none"> a. notify its certification body and all affected direct customers in writing within <u>five business days</u> of the non-conforming product identification, and maintain records of that notice; b. analyse causes for occurrence of non-conforming products, and implement measures to prevent their reoccurrence; c. cooperate with its certification body in order to allow the certification body to confirm that appropriate actions were taken to correct the non-conformity. 	<p>ADVICE-40-004-08</p> <ol style="list-style-type: none"> 1. The organization shall have a documented procedure defining the controls and related responsibilities and authorities for dealing with non-conforming products. The organization's chain of custody system shall be designed to ensure that products which do not conform to FSC requirements are identified and controlled to prevent its unintended delivery. <p>NOTE: Small COC enterprises are not required to have the procedure in writing.</p> <ol style="list-style-type: none"> 2. In case non-conforming products are detected after they have been delivered, the organization shall: <ol style="list-style-type: none"> a) immediately cease to sell any non-conforming products held in stock; b) identify all relevant customers, and advise those customers in writing within <u>three (3) business days</u> of the non-conforming

		<p>product and maintain records of that advice;</p> <p>c) analyse causes for occurrence of non-conforming products and implement measures to prevent its re-occurrence.</p> <p>d) notify their certification body;</p> <p>e) cooperate with the certification body in order to allow the certification body to confirm that appropriate action is taken to correct this non-compliance.</p>
	1.7 The organization shall support transaction verification conducted by its certification body and Accreditation Services International (ASI), by providing samples of FSC transaction data as requested by the certification body.	
	2 Material sourcing	
	2.1 The organization shall maintain up-to-date information about all suppliers who are supplying materials used for FSC product groups, including names, certification code (if applicable), and materials supplied.	<p>3.2.1 The organization shall establish and maintain an up-to-date record of all suppliers who are supplying material used for FSC product groups including:</p> <p>a) the supplied product type;</p> <p>b) the supplied material category;</p> <p>c) the supplier's FSC Chain of Custody or FSC Controlled Wood code, if applicable.</p>
	<p>2.2 In order to confirm any changes that might affect the availability and authenticity of the supplied products, the organization shall regularly verify the validity and product groups scope of the certificates of their active FSC-certified suppliers through the FSC certificate database (info.fsc.org).</p> <p>NOTE: <u>Other FSC platforms</u> synchronized with the FSC certificate database (i.e. the trademark portal and the OCP) <u>may support the organization's conformity</u> to this requirement by sending automatic notifications to the organization in the case of a change in the certificate scope of its suppliers.</p>	3.2.2 The organization shall verify the validity and scope of the supplier's FSC certificate for any changes that might affect the availability and authenticity of the supplied products via http://info.fsc.org .
	<p>2.3 The organization shall have procedures in place to check the supplier's sale and/or delivery documentation to confirm that:</p> <p>a. the supplied material type and quantities are in conformity to the supplied documentation;</p> <p>b. the FSC claim is specified;</p> <p>c. the supplier's FSC Chain of Custody or FSC Controlled Wood code is quoted for material supplied with FSC claims.</p>	<p>4.1.1 On receipt of material or prior to further use or processing the organization shall check the supplier invoice and supporting documentation to ensure the following:</p> <p>a) the supplied material quantities and quality are in compliance with the supplied documentation;</p> <p>b) the material category and, if applicable, the associated percentage or credit claim is stated for each product item or for the total products;</p> <p>c) the supplier's FSC Chain of Custody or FSC Controlled Wood</p>

code is quoted for material supplied with FSC claims.

2.4 The organization shall ensure that only eligible inputs and the correct material categories are used in FSC product groups as defined in Table B.

Table B. Eligible inputs according to the FSC claim specified for the outputs of a product group

FSC output claim specified for the product group	Eligible inputs
FSC 100%	FSC 100%
FSC Mix x% / FSC Mix Credit	FSC 100%, FSC Mix x%, FSC Mix Credit, FSC Recycled x%, FSC Recycled Credit, controlled material, FSC Controlled Wood, pre-consumer reclaimed, post-consumer reclaimed.
FSC Recycled x% / FSC Recycled Credit	FSC Recycled x%, FSC Recycled Credit, pre-consumer reclaimed, post-consumer reclaimed.
FSC Controlled Wood	FSC 100%, FSC Mix x%, FSC Mix Credit, controlled material, FSC Controlled Wood.

3.1.1 The organization shall adopt and use the definitions and categorization of input materials as specified by this standard.
 3.1.2 The organization shall categorize all inputs to FSC product groups by their material category: and shall ensure that only eligible inputs are used.

ADVICE-40-004-13

FSC CoC certificate holders may classify pre-consumer reclaimed paper materials as equivalent to FSC certified and post-consumer reclaimed materials for the purpose of determining the FSC Mix or FSC Recycled output claims for products controlled under the percentage or credit system.

2.5 Organizations sourcing non-FSC-certified reclaimed material for use in FSC product groups shall conform to the requirements of FSC-STD-40-007.

3.3.2 For the purchase of non-certified reclaimed material, the organization shall comply with the provisions of “FSC-STD-40-007: FSC Standard for Sourcing Reclaimed Material for Use in FSC Product Groups or FSC-certified Projects”.

2.6 Organizations sourcing non-FSC certified virgin material for use in FSC product groups shall conform to the requirements of FSC-STD-40-005.

3.3.1 For the purchase of controlled material, the organization shall comply with the applicable requirements of “FSC-STD-40-005: Standard for Company Evaluation of FSC Controlled Wood”.

2.7 Organizations that reclaim materials from primary or secondary processing at their own site may classify the material as the same or lower material category as the input from which it was derived. Materials reclaimed from secondary processing may also be classified by the organization as pre-consumer reclaimed material, except materials that are discarded by a manufacturing process but that can be reused on site by being incorporated back into the same manufacturing process that generated it.

3.4.1 Organizations which generate input material for an FSC product group at their own site shall identify the material category and, if applicable, the associated percentage claim or credit claim as follows:
 a) material produced during the process of primary manufacture of another (principal) product, from the same input, shall be considered as belonging to the same material category as the input from which it was (co-) produced;
 b) material that is reclaimed from a process of secondary manufacture or a downstream industry source where the material has not been intentionally produced, is unfit for end use and not capable of being re-used on-site in the same manufacturing process that generated it, shall be considered as belonging to the same material category as the input from which it was derived or as pre-consumer reclaimed material.

3.4.2 The organization shall classify mixtures of different virgin or

		<p>reclaimed material categories, where the proportions of the different inputs cannot be identified, by the material category and, if applicable, percentage or credit claim with the lowest FSC or post-consumer input per input volume.</p> <p>NOTE: Material mixtures of FSC-certified, controlled and/or reclaimed material, where the proportions of the different inputs cannot be identified, shall be classified as 'controlled material'.</p>
	<p>2.8 Organizations may classify material held in stock at the time of the main evaluation by the certification body and material received between the date of the main evaluation and the issue date of the organization's CoC certificate as eligible input, <u>provided the organization is able to demonstrate to the certification body that the materials meet the FSC material sourcing requirements.</u></p>	<p>Footnote 10: Organizations in the certification process may use towards their input calculations material held in their stock at the time of the main assessment as well as material received between the date of the main assessment and the issue date of the organization's FSC Chain of Custody certificate. However, the organization may not sell any material with FSC claims prior to holding an FSC Chain of Custody certificate.</p>
	<p>3 Material handling</p>	
	<p>3.1 In cases where there is risk of non-eligible inputs entering FSC product groups, the organization shall implement one or more of the following <u>segregation methods</u>:</p> <ul style="list-style-type: none"> a. physical separation of materials; b. temporal separation of materials; c. identification of materials. 	<p>4.2.1 The organization shall ensure that inputs used for FSC product groups remain clearly <u>identifiable and separable</u> by product group or, if identical inputs are used for more than one FSC product group, by their associated FSC claim.</p>
		<p>4.3.1 For materials received with an FSC label the organization shall ensure the following:</p> <ul style="list-style-type: none"> a) material which will be further processed shall be cleared of any labels or segregation marks before sale; b) material which shall be sold unchanged shall be checked by the organization for being correctly labelled according to its FSC material category unless the organization does not gain physical possession of the material.
	<p>4 FSC material and products records</p>	
	<p>4.1 For each product group or job order, the organization shall identify the main processing steps involving a change of material volume or weight and specify the conversion factor(s) for each processing step or, if not feasible, for the total processing steps. The organization shall have a consistent methodology for calculating conversion factor(s) and shall keep them up to date.</p> <p>NOTE: Organizations that produce <u>custom manufactured products</u> are not required to specify conversion factors before manufacturing, but they shall maintain production records that enable conversion factors to be calculated.</p>	<p>5.1.1 For each product group the organization shall identify the main processing steps involving a change of material volume or weight and specify the conversion factor(s) for each processing step or, if not feasible, for the total processing.</p> <p>5.1.2 The organization shall specify the methodology for calculating the conversion factor(s) and ensure that conversion factors are kept up to date.</p>

	<p>4.2 The organization shall maintain up-to-date material accounting records (e.g. spreadsheets, production control software) of materials and products in the scope of the FSC certificate, including:</p> <ol style="list-style-type: none"> <u>inputs</u>: purchase document number, date, quantities, and material category including the percentage or credit claim (if applicable); <u>outputs</u>: sales document number, date, product description, quantities, FSC claim, and applicable claim period or job order; <u>FSC percentage calculations and FSC credit accounts.</u> 	<p>5.2.1 For each product group the organization shall establish a material accounting record to ensure that at all times the quantities produced and/or sold with FSC claims are compatible with the quantities of inputs from different material categories, their associated percentage or credit claims, and the product group conversion factor(s). The accounting record shall include at least the following information:</p> <p>For <u>inputs and outputs</u>:</p> <ol style="list-style-type: none"> invoice references; quantities (by volume or weight); <p>For <u>inputs</u>:</p> <ol style="list-style-type: none"> material category and, if applicable, percentage claim or credit claim; <p>For <u>outputs</u>:</p> <ol style="list-style-type: none"> FSC claim; information to identify the product item in invoices; applicable claim period or job order.
	<p>4.3 Organizations that are certified to FSC and other forestry certification schemes and that have inputs and outputs that simultaneously carry claims from these schemes shall demonstrate that the quantities of products are not inappropriately counted multiple times.</p> <p>NOTE: This can be done by establishing a single accounting record for these materials which clearly identifies the quantities of materials and products and the respective certification claim(s) applied to outputs. When this is not possible, the organization should enable the certification body's assessment of this requirement by other means.</p>	<p>INT-STD-40-004_26</p> <p>Can a product that is invoiced simultaneously containing FSC claims and claims of another forestry certification scheme (such as PEFC or SFI) be considered as FSC certified input by the buyer?</p> <p>Yes. However, in the case the buyer is certified against FSC and another forestry certification scheme, the buyer shall provide its FSC Certification Body access to both production and certification controls (access to both FSC and e.g. PEFC or SFI credit accounts) for verification that the volumes received are not being double counted. This requirement also applies in cases where the FSC accredited Certification Body is not accredited for certification against the other forestry certification scheme.</p>
	<p>4.4 The organization shall prepare reports of annual volume summaries (in the measurement unit commonly used by the organization), covering the period since the previous reporting period, demonstrating that the quantities of output products sold with FSC claims are compatible with the quantities of inputs, any existing inventory, their associated output claims, and the conversion factor(s) by product group.</p> <p>NOTE: Organizations that make custom manufactured products (e.g. woodworkers, building contractors, construction companies) may present the annual FSC summary reports as an overview of the job orders or construction projects instead of by product group.</p>	<p>5.2.2 For each product group the organization shall prepare annual volume summaries providing quantitative information for each material category received/used and product type produced/sold, as follows:</p> <ol style="list-style-type: none"> inputs received; inputs used for production (if applicable); inputs still in stock; outputs still in stock; outputs sold.
<p>5 Sales</p>		

- 5.1 The organization shall ensure that sales documents (physical or electronic) issued for products sold with FSC claims include the following information:
- name and contact details of the organization;
 - information to identify the customer, such as name and address of the customer (except for sales to end consumers);
 - date when the document was issued;
 - product name or description;
 - quantity of products sold;
 - the organization's FSC certificate code associated to FSC-certified products and/ or FSC Controlled Wood code associated to FSC Controlled Wood products;
 - a clear indication of the FSC claim for each product item or the total products as specified in Table C.

Table C. Eligible FSC claims for output products according to each FSC control system

FSC output claim specified for the product group	FSC control system		
	Transfer system	Percentage system	Credit system
FSC 100%	✓	N/A	N/A
FSC Mix x%	✓	✓	N/A
FSC Recycled x%	✓	✓	N/A
FSC Mix Credit	✓	N/A	✓
FSC Recycled Credit	✓	N/A	✓
FSC Controlled Wood	✓	✓ (see Clause 9.9)	✓ (see Clause 10.10)

- 6.1.1 The organization shall ensure that all sales and delivery documents issued¹² for outputs sold with FSC claims include the following information:
- name and contact details of the organization;
 - name and address of the customer;
 - date when the document was issued;
 - description of the product;
 - quantity of the products sold;
 - the organization's FSC Chain of Custody or FSC Controlled Wood code;
 - clear indication of the FSC claim for each product item or the total products as follows:
 - the claim "FSC 100%" for products from FSC 100% product groups;
 - the claim "FSC Mix x%" where 'x' represents the applicable percentage claim for products from FSC Mix product groups under a percentage system;
 - the claim "FSC Mix Credit" for products from FSC Mix product groups under a credit system;
 - the claim "FSC Recycled x%" where 'x' represents the applicable percentage claim for products from FSC Recycled product groups under a percentage system;
 - the claim "FSC Recycled Credit" for products from FSC Recycled product groups under a credit system;
 - the claim "FSC Controlled Wood" for products from FSC Controlled Wood product groups or for products from FSC Mix or FSC Recycled product groups that will not be sold as FSC-certified.

5.2 Organizations at the end of the supply chain selling FSC finished and labelled products (e.g. retailers, publishers) may omit the percentage or credit information in sales documentation (e.g. using "FSC Mix" claim only instead of "FSC Mix 70%" or "FSC Mix Credit"). In this case, however, this information is lost and subsequent organizations in the supply chain are not permitted to use or reinstate the percentage or credit information related to these products.

6.1.1 NOTE: For supplies of finished products that meet the labelling thresholds specified in Section 11 the organization may omit the percentage or credit information in sales and delivery documentation. In this case, however, the material has lost its information on FSC or post-consumer input for subsequent customers and therefore may not be further re-sold with FSC claims.

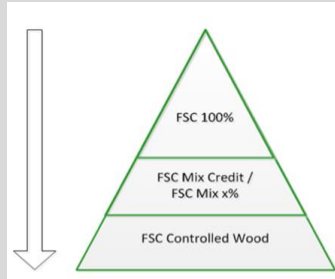
5.3 If the sales documentation issued by the organization is not included with the shipment of the product and this information is relevant for the customer to identify the product as being FSC certified, the related

6.1.1 h) if separate delivery documents are issued, information sufficient to link the sale and related delivery documentation to each other.
6.1.2 The organization shall include the same information as required in

	<p>delivery documentation shall include the same information as required in Clause 5.1 and a reference linking it to the sales documentation.</p>	<p>clause 6.1.1 in the related delivery documentation, if the sales documentation (or copy of it) is not included with the shipment of the product.</p>
	<p>5.4 The organization shall ensure that products sold with an FSC 100%, FSC Mix, or FSC Recycled claim on sales documentation do not carry any labels from other forestry certification schemes.</p> <p>NOTE: FSC-certified product may simultaneously carry the FSC claim and the claim of other forestry certification schemes on sales and delivery documents, even if the product is FSC labelled.</p>	<p>4.3.2 For materials received with a label from other forestry conformity assessment schemes, the organization shall ensure that the materials are cleared of any such labels before sale with an FSC claim.</p> <p>6.2.2 The organization shall ensure that products sold with an FSC claim on sales and delivery documentation do not carry any labels from other forestry conformity assessment schemes.</p> <p>INT-STD-40-004_06</p> <p>Is it acceptable that a product sold with a FSC claim also contains claims of other forestry conformity assessment schemes in its sales and delivery documents?</p> <p>Yes. The FSC Chain of Custody and Trademark standards only present restrictions for the use of the FSC label on products together with the label of other forestry conformity assessment schemes. However, these restrictions do not apply for the identification of sales and delivery documents. In this case, the FSC claims and claims of other certification schemes shall not be merged. All elements of the FSC claim must be comprehensible and easily identifiable.</p>
	<p>5.5 Organizations may identify products exclusively made of input materials from small or community producers by adding the following claim to sales documents: "From small or community forest producers". This claim can be passed on along the supply chain by certificate holders.</p>	<p>FSC-ADV-50-003 V1-0</p> <p>Sales and delivery documents for products from small and community producers shall additionally contain the statement: "From small or community producers". The statement shall be clearly linked in the invoice to these products.</p>
	<p>5.6 The organization may only sell products with the 'FSC Controlled Wood' claim on sales and delivery documents if the products are <u>raw</u> or <u>semi-finished</u> products and the <u>customer</u> is FSC certified.</p>	<p>6.3.1 The organization shall ensure that the sale of FSC Controlled Wood is in compliance with Part 4 of "FSC-STD-40-005: FSC Standard for Company Evaluation of FSC Controlled Wood".</p> <p>FSC-STD-40-005 V2-1 (Annex 4)</p> <p>1.4 Companies supplying FSC Controlled Wood shall make claims regarding FSC Controlled Wood or use the statement 'FSC Controlled Wood' only in sales and shipping documentation (i.e. invoices, delivery notes and shipping documentation) <u>between FSC certified Chain-of-Custody operations commercializing FSC Controlled Wood for the purpose of mixing</u> with FSC certified material in products certified against the FSC policy for percentage based claims or against FSC-STD-40-004 FSC chain of custody standard for companies supplying and manufacturing FSC-certified</p>

		products or against FSC-STD-40-006 FSC chain of custody standard for project certification.
	<p>5.7 If the organization is unable to include the FSC claim and/or certificate code in sales or delivery documents, the required information shall be provided to the customer through supplementary documentation (e.g. supplementary letters). In this case, the organization shall obtain permission from its certification body to implement supplementary documentation in accordance with the following criteria:</p> <ol style="list-style-type: none"> a. there shall exist clear information linking the supplementary documentation to the sales or delivery documents; b. there is no risk that the customer will misinterpret which products are or are not FSC certified in the supplementary documentation; c. where the sales documents contain multiple products with different FSC claims, each product shall be cross-referenced to the associated FSC claim provided in the supplementary documentation. 	<p>ADVICE-40-004-05</p> <p>When the certificate holder has demonstrated it is not able to include the required FSC claim as specified in the FSC Chain of Custody standard in sales and delivery documents due to space constraints, through an exception, the certification body can approve the required information to be provided through supplementary evidence (e.g. supplementary letters, a link to the own company's webpage with verifiable product information). This practice is only acceptable when the certification body is satisfied that the supplementary method proposed by the company complies with the following criteria:</p> <ol style="list-style-type: none"> a) There is no risk that the customer will misinterpret which products are or are not FSC certified in the document; b) The sales and delivery documents contain visible and understandable information so that the customer is aware that the full FSC claim is provided through supplementary evidence; c) In cases where the sales and delivery documents contain multiple products with different FSC Claims, a clear identification for each product shall be included to cross-reference it with the associated FSC claim provided in the supplementary evidence.
	<p>5.8 Organizations that sell custom manufactured FSC products (e.g. woodworkers, building contractors, construction companies) that do not list the FSC-certified products on the invoice as required by Clause 5.1 may issue supplementary documents to the invoices issued for construction or other related services. The supplementary document shall include the following:</p> <ol style="list-style-type: none"> a. reference information sufficient to link the service invoice(s) to the supplementary document; b. a list of the FSC-certified components used with the related quantities and FSC claims; c. the certificate code of the organization. 	
	<p>5.9 The organization may opt to downgrade an FSC output claim as presented in Figure A. The FSC label shall correspond to the FSC claim made on sales documents, except in the case of retailers selling finished and labelled products to end-consumers.</p> <p><u>NOTE: Products that are 100% made of reclaimed materials can only be claimed as FSC Recycled.</u></p>	<p>INT-STD-40-004_27</p> <p>Are certified retailers buying and selling finished and labelled FSC products allowed to downgrade output claims?</p> <p>Yes, retailers may do so. In such cases it is acceptable that the FSC claims on sales and delivery documentation do not correspond to the FSC claims on the labelled products.</p> <p>NOTE: This approach aims to facilitate application of the standard to retailers selling finished and labelled products to end-consumers that often</p>

Figure A. Rules for downgrading FSC output claims



only receive standardized receipts at the cash point. Clause 6.2.1 was not developed for organizations directly selling to end consumers.

INT-STD-40-004_11

According to FSC-STD-40-004 V2-1, publishers and retailers are not required to be certified in order to resell FSC finished products, unless they perform at least one of the following activities:

- a) Pass on the FSC Claim to subsequent customers through sales and delivery documents;**
- b) Apply the FSC label on-product;**
- c) Process or transform FSC certified products (e.g. manufacturing, repackaging, relabeling, adding other forest-based components to the product).**

However, some companies that don't need certification are FSC certified in order to demonstrate their commitment to the FSC certification principles and values. In this context, are certified publishers and retailers required to comply with Clause 6.2.1 of FSC-STD-40-004 V2-1 if they sell finished certified products to customers that don't need or want to receive the invoices with FSC Claims on it?

No, for certified publishers and retailers that sell finished certified products to customers that don't need or want to receive the invoices with FSC Claims on it, Clause 6.2.1 may be classified as not being applicable.

6 Compliance with timber legality legislation

6.1 The organization shall ensure that its FSC-certified products conform to all applicable timber legality legislation. At a minimum, the organization shall:

- a. have procedures in place to ensure the import and/or export of FSC-certified products by the organization conform to all applicable trade and customs laws (if the organization exports and/or imports FSC products);
- b. upon request, collect and provide information on species (common and scientific name) and country of harvest (or more specific location details if required by legislation) to direct customers and/or any FSC-certified organizations further down the supply chain that need this information to comply with timber legality legislation. The form and frequency of providing this information may be agreed upon between the organization and the requester;

NOTE: If the organization does not possess the requested information on species and country of origin, the request shall be passed on to the upstream suppliers until the information can be obtained.

- c. ensure that FSC-certified products containing pre-consumer

ADVICE-40-004-10

1. Upon request, FSC certified suppliers shall provide customers with the following information about FSC certified and FSC Controlled Wood timber or timber products subject to compliance with applicable timber legality legislations:

- a) Common name and/or scientific name of timber species as required by the applicable legislation;

NOTE: This requirement takes precedence over Clause 2.1.1 c) of FSC-STD-40-004 V2-1.

- b) Origin of timber (countries of harvest and where applicable, sub-national regions and concessions of harvest);

NOTE: Information on the sub-national regions or concessions of harvest shall be provided where the risk of illegal harvesting between concessions of harvest in a country or sub-national region varies. Any arrangement conferring the right to harvest timber in a defined area shall be considered a concession of harvest.

- c) Proof of compliance with relevant trade and customs laws.

reclaimed wood (except reclaimed paper) being sold to companies located in countries where timber legality legislation applies either:

- i. only include pre-consumer reclaimed wood materials that conform to FSC Controlled Wood requirements in accordance with FSC-STD-40-005; or
- ii. inform their customers about the presence of pre-consumer reclaimed wood in the product and support their due diligence system as required by applicable timber legality legislation.

NOTE: Organizations applying option c (i) above may apply the requirements for co-products outlined in FSC-STD-40-005.

2. FSC certified suppliers shall provide timely responses to the information requests specified in Clause 1 above.
3. The form and frequency of providing this information may be agreed between FSC certified supplier and customer, as long as the information is accurate and can be correctly associated with each material supplied as FSC certified or FSC Controlled Wood.
4. In case the FSC certified supplier does not possess the requested information specified in Clause 1 above, the request shall be passed on to the upstream FSC certified suppliers, until the requested information can be obtained.

ADVICE-40-004-11

FSC certificate holders exporting and/or importing timber or timber products shall have procedures in place to ensure that the commercialization of FSC certified products comply with all applicable trade and custom laws.

ADVICE-40-004-12

- 1 FSC certificate holders placing FSC certified products containing pre-consumer reclaimed wood material (except paper scraps) on the European market for the first time shall exercise due diligence to ensure that these materials do not contain illegally harvested timber according to EU Regulation No 995/2010.
- 2 FSC certificate holders located in countries outside of Europe and exporting FSC certified products that contain pre-consumer reclaimed wood material to companies in Europe shall either:
 - a) Inform their customers about the presence of pre-consumer reclaimed wood material in the product before its delivery and commit to support their customers in applying their due diligence system, as required by the EUTR, or;
 - b) Ensure that pre-consumer reclaimed wood (except paper scraps) used in the manufacturing of FSC certified products is FSC Controlled Wood, according to FSC-STD-40-005 requirements.
- 3 FSC certificate holders applying option 2 b) above, may apply the requirements for co-products outlined in the ADVICE-40-005-17, to demonstrate the district of origin of pre-consumer reclaimed wood and the ADVICE-40-005-20 for the risk assessment of pre-consumer reclaimed wood.

<p>7 Establishment of product groups for the control of FSC claim</p>	
<p>7.1 The organization shall establish product groups for the purpose of controlling FSC output claims and labelling. Product groups shall be formed by one or more output products that:</p> <ol style="list-style-type: none"> a. belong to the <u>same product type</u> in accordance with FSC-STD-40-004a; b. are controlled according to the <u>same FSC control system</u>. 	<p>2.1.2 The organization shall specify for each product group:</p> <ol style="list-style-type: none"> a) the <u>material categories</u> used as input; b) the <u>control system</u> used for making FSC claims: <ol style="list-style-type: none"> i. transfer system; ii. percentage system; or, iii. credit system; c) the <u>sites</u> involved in management, production, storage, sale, etc.
<p>7.2 The following additional conditions apply for the establishment of product groups under the percentage and/or credit system:</p> <ol style="list-style-type: none"> a. all products shall have the <u>same conversion factor</u>. If not, they may still be grouped under the same product group, but the applicable conversion factors shall be applied to the corresponding products for the calculation of the amount of output products that can be sold with FSC percentage or FSC credit claims; b. all products shall be made of the <u>same input material</u> (e.g. pine lumber) or <u>same combination of input materials</u> (e.g. a product group of veneered particle boards, where all products are made of a combination of particle board and veneer of equivalent species). <p>NOTE: An input material and/or species of wood of a product group <u>may be substituted by another material and/or species provided that they are equivalent</u>. Variations of material or product <u>dimension or shape are accepted</u> within the same product group. <u>Different types of wood pulp are considered as equivalent input materials</u>.</p> <p>Box 4. Substitution of input materials within a product group</p> <p>Materials and/or species can be considered as being equivalent if they can be substituted without changing the output product characteristics. The following indicators are considered as a <u>change of product characteristics at the output side</u>:</p> <ul style="list-style-type: none"> • change of the <u>product type</u> (in accordance with FSC-STD-40-004a); or • change in the <u>product function</u>; or • <u>increase of the product price</u> (price should not be used as a single indicator due to possible variations caused, for example, by market demand, price negotiations, or volumes purchased or sold; however, it can be used in combination with other indicators to characterize variations of output product characteristics); or • <u>increase of the product grade</u>; or • change of the <u>product appearance</u> (the appearance is determined by 	<p>2.1.3 For product groups where a percentage or credit system based on claim periods is used, the organization shall ensure that all included products share similar specifications in relation to:</p> <ol style="list-style-type: none"> a) <u>quality</u> of inputs; b) <u>conversion factors</u>.

	<p>the intrinsic material properties. Printing, painting, and other finishing processes are not applicable in this case).</p>	
	<p>7.3 The organization shall maintain an up-to-date list of product groups specifying for each:</p> <ol style="list-style-type: none"> the <u>product type(s)</u> of the output products in accordance with FSC-STD-40-004a; the applicable <u>FSC claims for the outputs</u>. The organization may also indicate products that are eligible to carry the FSC Small and Community Label if the organization wants this information to be public in the FSC certificate database; the <u>species</u> (including scientific and common names), where the species information designates the product characteristics. 	<p>2.1.1 The organization shall establish FSC product groups for all products that will be sold with FSC claims and shall maintain an up-to-date and publicly available FSC product group list with the following information:</p> <ol style="list-style-type: none"> specification of the <u>product group as FSC 100%, FSC Mix, FSC Recycled or FSC Controlled Wood</u>; <u>product type(s)</u> according to the FSC product classification; <u>species</u> including scientific and common names used as inputs to the product group, if information on species composition is commonly used to designate the product characteristics. <p>NOTE: To ensure that the scientific and common names of the species are correctly written, the organization should follow the available nomenclature of the Germplasm Resources Information Network (GRIN) Taxonomy Species Online Database (http://www.ars-grin.gov/cgi-bin/npgs/html/index.pl)</p>
	<p>8 Transfer system</p>	
	<p>Box 5. Transfer system application</p> <p>The transfer system is an FSC control system which provides the simplest approach for the determination of output claims by transferring the FSC claims of inputs materials directly to the output products. <u>Through segregation from ineligible materials, the link between input and output material is assured through all stages of an organization's processes.</u></p> <p>The transfer system <u>can be applied to all types of product groups, FSC claims, and activities.</u> There are no valid output claims for pre-consumer reclaimed <u>wood</u> since it is not considered an eligible input in the transfer system.</p> <p>NOTE: <u>Non-timber forest products</u> used for food and medicinal purposes are restricted to the <u>transfer system only.</u></p>	<p>The transfer system shall be used for trading activities related to finished products and for the production of FSC 100% product groups. In addition, it can also be used for other FSC product groups in the following situations:</p> <ul style="list-style-type: none"> FSC Mix product groups: <ul style="list-style-type: none"> mixtures of FSC 100%, FSC Mix and/or FSC Recycled inputs; exclusive use of FSC Mix inputs; FSC Recycled product groups: <ul style="list-style-type: none"> exclusive use of FSC Recycled and/or post-consumer reclaimed material; FSC Controlled Wood product groups. <p>NOTE: <u>Non-Timber Forest Products</u> used for food and medicinal purposes are restricted to the <u>transfer system only.</u></p> <p>FSC-ADV-50-003 V1-0</p> <p>The credit system cannot be applied for products from small or community producers; only the transfer and percentage systems shall be used.</p> <p>All products from FSC Pure product groups from small or community producers can be labeled with the FSC 100% Small or Community Producer label text (Figure 2a).</p> <p>All products from product groups produced under the transfer or percentage system can be labeled with the FSC Mix Small or Community Producer label text (Figure 2b), if the products contain at least 70% of FSC</p>

		Pure inputs from small or community producers and the remaining portion is FSC Controlled Wood from small or community producers.																																																																																										
	<p>8.1 For each product group, the organization shall specify claim periods or job orders for which a single FSC claim shall be made.</p> <p>Claim period: A period of time that has been specified by the organization for each product group for the purpose of making a specific FSC claim. The <u>minimum length</u> of the claim period is the length of time to complete a batch run including receipt, storage, processing, labelling and sale of the output product.</p>	<p>7.1.1 For each product group, the organization shall specify claim periods or job orders for which a single FSC claim shall be made.</p> <p>NOTE: The <u>minimum length</u> of the claim period shall be the length of time to complete a batch run including receipt, storage, processing, labelling and/or sale of the output product.</p>																																																																																										
	<p>8.2 For claim periods or job orders in which inputs belong to a single material category carrying an identical FSC claim, the organization shall determine this to be the corresponding FSC claim for the outputs.</p>	<p>7.2.1 For claim periods or job orders in which inputs belong to only one material category carrying an identical FSC claim, the organization shall determine this to be the corresponding FSC claim for the outputs.</p> <p>NOTE: If the input consists of 100% post-consumer reclaimed materials the output FSC claim shall be "FSC Recycled 100%".</p>																																																																																										
	<p>8.3 For claim periods or job orders in which inputs of different material categories or associated percentage claims or credit claims are combined, the organization shall use the <u>lowest</u> FSC claim per input volume as the FSC claim for the outputs, as indicated in Table D.</p> <p>Table D. Possible combinations of FSC input claims and resulting output claims when applying the transfer system</p> <table border="1" data-bbox="205 878 1041 1349"> <thead> <tr> <th>Inputs</th> <th>FSC 100%</th> <th>FSC Mix Credit</th> <th>FSC Mix x%</th> <th>FSC Recycled Credit</th> <th>FSC Recycled x%</th> <th>Pre-cons. reclaimed paper</th> <th>Post-cons. reclaimed wood and paper</th> <th>FSC Controlled Wood</th> </tr> </thead> <tbody> <tr> <td>FSC 100%</td> <td>FSC 100%</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>FSC Mix 100%</td> <td></td> </tr> <tr> <td>FSC Mix Credit</td> <td></td> <td>FSC Mix Credit</td> <td></td> <td>FSC Mix Credit</td> <td></td> <td></td> <td>FSC Mix Credit</td> <td>FSC Controlled Wood</td> </tr> <tr> <td>FSC Mix x%</td> <td></td> <td></td> <td>FSC Mix x%</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>FSC Recycled Credit</td> <td></td> <td>FSC Mix Credit</td> <td></td> <td>FSC Recycled Credit</td> <td></td> <td></td> <td>FSC Recycled Credit</td> <td></td> </tr> <tr> <td>FSC Recycled x%</td> <td></td> <td></td> <td></td> <td></td> <td>FSC Recycled x%</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Pre-cons. reclaimed paper</td> <td></td> <td></td> <td></td> <td>FSC Recycled Credit</td> <td></td> <td></td> <td></td> <td>No FSC claims allowed</td> </tr> <tr> <td>Post-cons. reclaimed wood and paper</td> <td>FSC Mix 100%</td> <td>FSC Mix Credit</td> <td></td> <td>FSC Recycled Credit</td> <td></td> <td></td> <td>FSC Recycled 100%</td> <td></td> </tr> <tr> <td>FSC Controlled Wood</td> <td></td> <td></td> <td>FSC Controlled Wood</td> <td></td> <td></td> <td></td> <td></td> <td>FSC Controlled Wood</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>No FSC claims allowed</td> </tr> </tbody> </table>	Inputs	FSC 100%	FSC Mix Credit	FSC Mix x%	FSC Recycled Credit	FSC Recycled x%	Pre-cons. reclaimed paper	Post-cons. reclaimed wood and paper	FSC Controlled Wood	FSC 100%	FSC 100%						FSC Mix 100%		FSC Mix Credit		FSC Mix Credit		FSC Mix Credit			FSC Mix Credit	FSC Controlled Wood	FSC Mix x%			FSC Mix x%						FSC Recycled Credit		FSC Mix Credit		FSC Recycled Credit			FSC Recycled Credit		FSC Recycled x%					FSC Recycled x%				Pre-cons. reclaimed paper				FSC Recycled Credit				No FSC claims allowed	Post-cons. reclaimed wood and paper	FSC Mix 100%	FSC Mix Credit		FSC Recycled Credit			FSC Recycled 100%		FSC Controlled Wood			FSC Controlled Wood					FSC Controlled Wood									No FSC claims allowed	<p>7.3.1 For claim periods or job orders in which inputs of different material categories or associated percentage claims or credit claims are mixed the organization shall use the FSC claim with the <u>lowest</u> FSC or post-consumer input per input volume as the FSC claim for the outputs.</p> <p>NOTE: Inputs with an 'FSC Mix Credit' claim or an 'FSC Recycled Credit' claim shall be considered as having a lower standing than inputs with an 'FSC 100%' or an 'FSC Recycled 100%' claim, respectively.</p>
Inputs	FSC 100%	FSC Mix Credit	FSC Mix x%	FSC Recycled Credit	FSC Recycled x%	Pre-cons. reclaimed paper	Post-cons. reclaimed wood and paper	FSC Controlled Wood																																																																																				
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	<p>Box 6. Percentage system application</p> <p>The percentage system is an FSC control system which allows all outputs to be sold with a percentage claim that corresponds to the <u>proportion of claim-contributing inputs</u> over a specified claim period. The percentage system can be applied to FSC Mix and FSC Recycled product groups at the level of a <u>single or multiple physical sites</u>. The percentage system may also be applied to products carrying the FSC Small and Community Label. The percentage system <u>cannot</u> be applied to the following activities:</p> <ul style="list-style-type: none"> • sale of products with the <u>FSC 100%</u> output claim; • trade and distribution of <u>finished wood products and paper</u> (e.g. paper merchants); • <u>trade without physical possession</u>; • trade and processing of <u>non-timber forest products</u> (NTFPs), except for bamboo and NTFPs derived from trees (e.g. cork, resin, bark). 	<p>The percentage system can be used for FSC Mix and FSC Recycled product groups. It is not applicable for trading activities related to finished products and can only be applied on the level of a <u>single, physical</u> (storage, distribution, manufacturing, etc.) <u>site</u>.</p> <p>NOTE: <u>Non-Timber Forest Products</u> used for food and medicinal purposes are restricted to the <u>transfer system only</u>.</p> <p>FSC-ADV-50-003 V1-0</p> <p>The credit system cannot be applied for products from small or community producers; only the transfer and percentage systems shall be used. All products from product groups produced under the transfer or percentage system can be labeled with the FSC Mix Small or Community Producer label text (Figure 2b), if the products contain at least 70% of FSC Pure inputs from small or community producers and the remaining portion is FSC Controlled Wood from small or community producers.</p>
	<p>9.1 For each product group, the organization shall specify claim periods or job orders for which a single FSC percentage claim shall be made.</p>	<p>8.1.1 For each product group the organization shall specify claim periods or job orders for which a single FSC percentage claim shall be made.</p>
	<p>9.2 For FSC Mix and FSC Recycled inputs, the organization shall use the percentage claim or credit claim stated on the supplier invoice to determine the quantity of <u>claim-contributing inputs</u>.</p> <p>NOTE: Material supplied with a credit claim shall be used by its full quantity as claim-contributing input.</p>	<p>8.2.1 For FSC Mix and/or FSC Recycled inputs, the organization shall use the percentage claim or credit claim stated on the supplier invoice to determine the quantities of <u>FSC and post-consumer inputs</u>.</p> <p>NOTE: Material supplied with a credit claim shall be used by its full quantity as FSC input or post-consumer input, respectively.</p>
	<p>9.3 The organization shall calculate and record the FSC% for each claim period or job order by using the following formula:</p> $\text{FSC\%} = \frac{\text{QC}}{\text{QT}} \times 100$ <p>FSC% = FSC percentage QC = Quantity of claim-contributing inputs QT = Total quantity of forest-based inputs</p>	<p>8.3.1 The organization shall calculate and record the input percentage for each claim period or job order using the following formula:</p> $\%_{\text{input}} = \frac{Q_{\text{FSC}} + Q_{\text{post-consumer}}}{Q_{\text{Total}}} \times 100$ <p>$\%_{\text{input}}$ = input percentage Q_{FSC} = quantity of FSC input $Q_{\text{post-consumer}}$ = quantity of post-consumer input Q_{total} = total quantity of virgin material and reclaimed material inputs</p>
	<p>9.4 When the percentage system is applied at the level of multiple physical sites, the percentage shall be calculated based on <u>an average FSC% of the inputs received by all sites</u>. The conditions for the application of the percentage system at the level of multiple physical sites are the following:</p> <ol style="list-style-type: none"> a. the percentage calculation shall only be applied to products within the <u>same product group</u>; b. all sites shall be within the scope of a single or multi-site certificate 	

	<p>with a <u>common ownership structure</u>;</p> <p>c. all sites shall be located within the <u>same country or the Eurozone</u>;</p> <p>d. all sites shall use the <u>same integrated management software</u>;</p> <p>e. each site participating in a cross-site percentage calculation shall have an <u>FSC percentage (FSC%) of at least 50%</u>.</p> <p>NOTE: FSC will monitor the environmental, social, and economic benefits and costs of the application of the percentage system at a multiple site level and re-evaluate after two years. Organizations applying the percentage system at a multiple site level <u>are required to participate in this monitoring process</u> by providing the information as requested by FSC.</p>	
	<p>9.5 For each product group, the organization shall calculate the FSC% based on:</p> <p>a) the input to the same claim period or job order (single percentage); or</p> <p>b) the input to a specified number of previous claim periods (rolling average percentage).</p>	<p>8.3.2 For each product group, the organization shall calculate the input percentage based on:</p> <p>a) the input to the same claim period or job order (single percentage), OR</p> <p>b) the input to a specified number of previous claim periods (rolling average percentage).</p> <p>NOTE: FSC claims based on rolling average calculations can only be made once the specified number of previous claim periods has been completed since the setup of the product group under a percentage system.</p>
	<p>9.6 The time period over which the input percentage is calculated shall not exceed 12 months, unless otherwise warranted by the nature of the business and approved by the FSC-accredited certification body.</p>	<p>8.3.3 The time period over which the input percentage is calculated shall not exceed 12 months, unless otherwise warranted by nature of the business and approved by the FSC-accredited certification body.</p>
	<p>9.7 Organizations using the single percentage method may apply the calculated FSC% to the FSC claim of the output products produced either during the same claim period/ job order or in the following claim period.</p>	
	<p>9.8 Organizations using the rolling average percentage method <u>shall apply</u> the calculated FSC% from the specified number of previous claim periods <u>to the FSC claim of the output products produced in the following claim period</u>.</p>	<p>8.3.2 NOTE: FSC claims based on rolling average calculations can only be made once the specified number of previous claim periods <u>has been completed</u> since the setup of the product group under a percentage system.</p>
	<p>9.9 Organizations applying the FSC percentage in the following claim period according to Clauses 9.7 and 9.8 shall ensure that fluctuations in the supply of input materials are not used to increase the amount of output products sold with FSC claims. Organizations shall demonstrate in their <u>annual volume summary reports</u> that the amount of products sold with FSC claims <u>are compatible</u> with the amount of claim-contributing inputs received and their conversion factors within the reporting period.</p>	

	<p>9.10 The organization can sell the total output of a claim period or job order with an <u>FSC Mix</u> or <u>FSC Recycled</u> percentage claim that is identical to or lower than the calculated FSC%.</p>	<p>8.4.1 The organization may sell the total output of a claim period or job order from <u>FSC Mix</u> product groups with a percentage claim that is identical to or lower than the calculated input percentage.</p> <p>8.4.2 The organization may sell the total output of a claim period or job order from <u>FSC Recycled</u> product groups with a percentage claim that is identical to or lower than the calculated input percentage.</p>
	<p>10 Credit system</p>	
	<p>Box 7. Credit system application</p> <p>The credit system is an FSC control system which allows a proportion of outputs to be sold with a credit claim <u>corresponding to the quantity of claim-contributing inputs and the applicable product group conversion factor(s)</u>.</p> <p>The credit system <u>can be used for FSC Mix and FSC Recycled</u> product groups at the level of a <u>single or multiple physical sites</u>.</p> <p>The credit system <u>cannot</u> be applied to the following activities:</p> <ul style="list-style-type: none"> • sale of products with the <u>FSC 100%</u> output claim; • <u>trade and distribution of finished wood products and paper</u> (e.g. paper merchants); • <u>trade without physical possession</u>; • trade and processing of <u>non-timber forest products</u> (NTFPs), except for bamboo and NTFPs derived from trees (e.g. cork, resin, bark); • <u>print processes</u>; • sale of product groups carrying the <u>FSC Small and Community Label and/or claim</u>. 	<p>The credit system <u>can be used for FSC Mix and FSC Recycled</u> product groups. It is neither applicable for <u>print processes</u> nor for <u>trading activities</u> related to <u>finished products</u>. The credit system can only be applied on the level of a <u>single, physical</u> (storage, distribution, manufacturing, etc.) <u>site</u>.</p> <p>NOTE: <u>Non-Timber Forest Products</u> used for food and medicinal purposes are restricted to the <u>transfer system only</u>.</p> <p>FSC-ADV-50-003 V1-0</p> <p>The credit system cannot be applied for products from <u>small or community producers</u>; only the transfer and percentage systems shall be used.</p>
	<p>Establishment of credit accounts:</p>	
	<p>10.1 For each product group, the organization shall set up and maintain an FSC credit account according to which additions and deductions of FSC credits shall be recorded.</p>	<p>9.1.1 For each product group, the organization shall set up and maintain an FSC credit account with specified claim periods of <u>up to 3 months</u> according to which additions and deductions of FSC credits shall be recorded.</p>
	<p>10.2 The organization shall maintain credit accounts of <u>either input materials or output products</u>.</p>	
	<p>10.3 The credit system may be applied at the level of a <u>single or multiple physical sites</u>. The conditions for the establishment of a centralized credit account covering multiple sites are the following:</p> <ol style="list-style-type: none"> a. credits shall be shared within the <u>same product group</u>; b. all sites shall be within the scope of a single or multi-site certificate 	

	<p>with a <u>common ownership structure</u>;</p> <p>c. all sites shall be located within the <u>same country or the Eurozone</u>;</p> <p>d. all sites shall use the <u>same integrated management software</u>;</p> <p>e. each site participating in a cross-site credit account shall <u>contribute at least 10% of the input credits used by its own site in a 12-month period</u>.</p> <p>NOTE: FSC will monitor the environmental, social, and economic benefits and costs of the application of the credit system at the multiple site level and re-evaluate it after two years. Organizations applying the credit system at a multiple site level are <u>required to participate in this monitoring process</u> by providing the information as requested by FSC.</p>	
	<p>Credit account administration</p>	
10.4	<p>For FSC Mix and/or FSC Recycled inputs, the organization shall use the percentage claim or credit claim stated on the supplier invoice to determine the quantity of claim-contributing inputs.</p> <p>NOTE: Material supplied with a credit claim shall be used by its full quantity as <u>claim-contributing input</u>.</p>	<p>9.2.1 For FSC Mix and/or FSC Recycled inputs, the organization shall use the percentage claim or credit claim stated on the supplier invoice to determine the quantities of FSC and post-consumer inputs.</p> <p>NOTE: Material supplied with a credit claim shall be used by its full quantity as <u>FSC input or post-consumer input</u>, respectively.</p>
10.5	<p>When the credit system is applied to <u>assembled wood products</u>, and where <u>inputs of different quality are combined</u>, high-quality components that are sourced as controlled material or FSC Controlled Wood shall <u>not represent more than 30%</u> of the product group's composition (by volume or weight).</p>	
10.6	<p>The organization shall not accumulate more FSC credit in the credit account than the sum of FSC credit that has been added during the previous <u>24 months</u>. (This means that credits which were not used for output claims within this period expire.) The FSC credit that exceeds the sum of credits entered into the account within the previous 24 months period shall be deducted from the credit account at the start of the following month (at the 25th month after they have been added to the account).</p>	<p>9.5.2 The organization shall not accumulate more FSC credit in the credit account than the sum of new FSC credit that has been added during the previous <u>12 months</u>. Any FSC credit that exceeds this total new FSC credit shall be deducted at the beginning of each new claim period from the credit account.</p>
10.7	<p>The determination of output credit quantities shall be achieved by <u>multiplying the input quantities by the applicable conversion factor(s)</u> specified for each component of the product group.</p>	<p>9.3.1 The organization shall add the converted quantity (volume or weight) of FSC and post-consumer inputs as FSC credit to the FSC credit account <u>using the conversion factor(s)</u> specified for each component of the product group.</p>
	<p>Sale of outputs with credit claims</p>	
10.8	<p><u>Before products are sold</u> with FSC Mix or FSC Recycled credit claims, the organization shall <u>convert the quantity of input materials into credits</u> according to Clause 10.7 and deduct them from the FSC</p>	<p>9.3.2 The organization shall <u>add</u> the FSC credit to the credit account <u>after the organization has gained legal ownership</u> and the material category has been verified, and <u>before the material enters the production process</u>.</p>

	credit account.	9.4.1 The organization <u>shall deduct</u> the quantity sold and/or labelled as FSC Mix or FSC Recycled <u>from the</u> available FSC credit in the product group credit <u>account</u> .														
	10.9 The organization <u>shall only sell</u> products with FSC credit claims if there are credits <u>available</u> in the corresponding credit account.	9.5.1 The organization shall ensure that the FSC credit <u>account is never overdrawn</u> and that records of the remaining FSC credit are clearly visible to relevant staff and maintained updated at all times. 9.6.1 At any time the organization may sell material from FSC Mix product groups with a credit claim <u>up to the total FSC credit available</u> in the credit account. 9.6.2 At any time the organization may sell material from FSC Recycled product groups with a credit claim <u>up to the total FSC credit available</u> in the credit account.														
	10.10 The organization may supply the portion of the output quantity that has not been sold as FSC Mix Credit as FSC Controlled Wood, on the basis of a <u>corresponding FSC Controlled Wood credit account</u> . NOTE: FSC Controlled Wood credit accounts are not needed when the FSC Mix Credit account covers <u>the whole organization's production</u> .	9.6.3 The organization may supply as FSC Controlled Wood the portion of the output volume that has not been sold as FSC Mix or FSC Recycled material, on the basis of a <u>corresponding FSC Controlled Wood credit account</u> .														
	11 FSC labelling requirements															
	<p>11.1 The organization may apply the FSC label on FSC-certified products following the requirements specified in FSC-STD-50-001. The type of FSC label shall always correspond to the FSC claim made on sales documents, as specified in Table E.</p> <p>Table E. FSC claims and corresponding FSC labels</p> <table border="1" data-bbox="184 976 898 1206"> <thead> <tr> <th>FSC claims for the outputs</th> <th>FSC label</th> </tr> </thead> <tbody> <tr> <td>FSC 100%</td> <td>FSC 100%</td> </tr> <tr> <td>FSC Mix percentage of at least 70%</td> <td>FSC Mix</td> </tr> <tr> <td>FSC Mix Credit</td> <td>FSC Mix</td> </tr> <tr> <td>FSC Recycled wood - percentage of at least 70% post-consumer reclaimed</td> <td>FSC Recycled</td> </tr> <tr> <td>FSC Recycled paper - no threshold applies</td> <td>FSC Recycled</td> </tr> <tr> <td>FSC Recycled Credit</td> <td>FSC Recycled</td> </tr> </tbody> </table>	FSC claims for the outputs	FSC label	FSC 100%	FSC 100%	FSC Mix percentage of at least 70%	FSC Mix	FSC Mix Credit	FSC Mix	FSC Recycled wood - percentage of at least 70% post-consumer reclaimed	FSC Recycled	FSC Recycled paper - no threshold applies	FSC Recycled	FSC Recycled Credit	FSC Recycled	<p>6.2.1 The organization shall ensure that products which carry an <u>FSC label are always sold with the corresponding FSC claim on their sales and delivery documentation</u>.</p> <p>10.1.1 Organizations applying an FSC label on-product shall ensure the following:</p> <ul style="list-style-type: none"> a) products shall only be FSC-labelled if they comply with the applicable requirements of this standard; b) products shall be labelled in compliance with the relevant FSC on-product labelling standard (see Section C “References”); <p>11.1.1 All products from FSC 100% product groups can be labelled with the FSC ‘100%’ label.</p> <p>11.2.1 Products from FSC Mix product groups under a transfer system can be labelled with the FSC ‘Mix’ label if the identified FSC claim for the outputs is one of the following:</p> <ul style="list-style-type: none"> a) an ‘FSC Mix’ percentage claim of at least 70%; or b) an ‘FSC Mix Credit’ claim. <p>11.2.2 Products from FSC Mix product groups under a percentage system can be labelled with the FSC ‘Mix’ label if their applicable percentage claim is at least 70%. NOTE: Please note Advice # 3 of FSC-DIR-40-004 for the phase-out rule regarding the reduced labelling threshold of 50% for chip</p>
FSC claims for the outputs	FSC label															
FSC 100%	FSC 100%															
FSC Mix percentage of at least 70%	FSC Mix															
FSC Mix Credit	FSC Mix															
FSC Recycled wood - percentage of at least 70% post-consumer reclaimed	FSC Recycled															
FSC Recycled paper - no threshold applies	FSC Recycled															
FSC Recycled Credit	FSC Recycled															

		<p>and fibre products.</p> <p>11.2.3 Products from FSC Mix product groups under a credit system can be labelled with the 'FSC Mix' label if there is sufficient FSC credit available on the credit account for the product group.</p> <p>NOTE: The respective product volume or weight shall be deducted from the FSC credit account once the products are labelled.</p> <p>11.3.1 Products from FSC Recycled product groups under a transfer system can be labelled with the FSC 'Recycled' label if the identified FSC claim for the outputs is one of the following:</p> <ul style="list-style-type: none"> a) an 'FSC Recycled' percentage claim of at least 85%; or b) an 'FSC Recycled Credit' claim. <p>11.3.2 Products from FSC Recycled product groups under a percentage system can be labelled with the FSC 'Recycled' label if their applicable percentage claim is at least 85%.</p> <p>11.3.3 Products from FSC Recycled product groups under a credit system can be labelled with the FSC 'Recycled' label if there is sufficient FSC credit available on the credit account for the product group.</p>
	<p>11.2 Only FSC products that are eligible for FSC labelling may be promoted with the FSC trademarks.</p>	<p>8.5.1 The organization shall ensure that the FSC trademarks are not used for the promotion of products which <u>do not meet the thresholds for labelling</u> specified in Part III of this standard.</p>
	<p>11.3 Products <u>exclusively made of input materials from small and/or community producers</u> are eligible to carry the FSC Small and Community Label.</p>	<p>FSC-ADV-50-003 V1-0</p> <p>The organization shall establish <u>exclusive product groups for products from small and community producers</u>. A product group may contain products from both small and community producers.</p>
	<p>12 Outsourcing</p>	
	<p>12.1 The organization may outsource activities within the scope of its certificate to <u>FSC-CoC-certified and/or non-FSC-CoC-certified contractors</u>.</p> <p>NOTE: The organization's outsourcing arrangements are subject to a <u>risk analysis by the certification body and sampling for on-site audit purposes</u>.</p>	<p>2.2.1 The organization shall follow the requirements specified in Part IV, Section 12 of this standard for any outsourced activities covering products included within the FSC product group list.</p> <p>NOTE: Organizations that outsource work on a flexible basis to any one of a number of potential contractors may apply for inclusion of the outsourced process within the scope of their FSC Chain of Custody certificate.</p>
	<p>12.2 Activities that are subject to outsourcing agreements are those that are <u>included in the scope of the organization's CoC certificate</u>, such as <u>purchase, processing, storage, labelling and invoicing of products</u>.</p> <p>NOTE: <u>Storage sites are exempt from outsourcing agreements where they constitute stopping places as part of transportation or logistic activities</u>. However, if an organization contracts a service provider to store <u>goods that have not yet been sold to a customer</u>, this is considered as an extension of the storage site of the organization and therefore subject to an outsourcing</p>	<p>INT-STD-40-004_03</p> <p>A FSC pulp producer ships its finished bales of pulp to a warehouse where it sits awaiting loading into ships or rail cars. The company does not relinquish ownership and the product is not altered in any way from the time it leaves the company facility to the warehouse and then into the ship or train. Is the process of warehousing considered outsourcing?</p>

	agreement.	<p><u>Storage sites should be exempt from CoC evaluations where they constitute 'stopping places' or intersections only as part of transport agreements between two Chain of Custody operations.</u> In other words, where certain storage facilities are used (or rented) by transport service providers to fulfill a contractual agreement between two CoC certified operations, such sites should not be considered part of an outsourcing agreement. Where, however, a CoC operation contracts a transport service provider or the warehouse owner to store <u>goods in the absence of an agreed delivery to a customer</u> (and would then only place a delivery order at a later point in time, once a sales contract has been signed), such a scenario should be considered an extension of the storage site of the CoC operation and justify to look at it as an outsourcing arrangement.</p>
	12.3 Prior to outsourcing activities to a new contractor, the organization <u>shall inform its certification body</u> about the outsourced activity, name, and contact details of the contractor.	<p>12.3.1 The organization <u>shall record</u> the names and contact details of all contractors used for the processing or production of FSC-certified materials.</p> <p>12.3.2 The organization <u>shall inform its certification body</u> about the names and contact details of any new contractor used for the processing or production of FSC-certified materials prior to outsourcing.</p>
	<p>12.4 The organization shall establish an outsourcing <u>agreement</u> with each non-FSC-certified contractor, specifying at minimum that the contractor shall:</p> <ol style="list-style-type: none"> <u>conform to all applicable certification requirements</u> and the organization's procedures related to the outsourced activity; <u>not make unauthorized use of the FSC trademarks</u> (e.g. on the contractor's products or website); <u>not further outsource</u> any processing; <u>accept the right of the organization's certification body to audit</u> the contractor; notify the organization within the period of 10 business days if the contractor is included in the list of organizations that are <u>disassociated from FSC</u>, in accordance with the FSC-POL-01-004, and therefore subsequently ineligible to provide outsourcing services to FSC-certified organizations. 	<p>12.1.1 Organizations which wish to include outsourcing within the scope of their FSC chain of custody certificate shall ensure the following:</p> <p>...</p> <ol style="list-style-type: none"> the organization has an <u>agreement or contract</u> covering the outsourced process with each contractor. This agreement or contract shall include a clause <u>reserving the right of the FSC- accredited certification body to audit</u> the outsourcing contractor or operation; <p>12.5.1 The organization shall ensure that the contractor <u>only uses FSC labels on products covered by the scope of the outsourcing agreement.</u></p> <p>12.6.1 The organization shall ensure that the contractor does not use the FSC Trademarks for promotional use.</p> <p>12.7.1 The organization shall ensure that contractors <u>do not themselves outsource processing</u>, i.e. the material may not pass from one outsourcing contractor to another under the outsourcing agreement.</p>
	<p>12.5 The organization <u>shall provide documented procedures to its contractor(s)</u> that ensure the following:</p> <ol style="list-style-type: none"> the material under the contractor's responsibility <u>shall not be mixed or contaminated</u> with any other material during the outsourced activity; the contractor shall <u>keep records of inputs, outputs, and delivery documentation</u> associated with all material covered by the 	<p>12.2.1 The organization's control system for the outsourced process shall ensure that:</p> <ol style="list-style-type: none"> the material used for the production of FSC-certified material can be tracked and controlled and <u>can not be mixed or contaminated</u> with any other material during outsourced processing; the contractor <u>keeps records of inputs, outputs and delivery documentation</u> associated with all FSC-certified material which is

	<p>outsourcing agreement;</p> <p>c. if the contractor applies the FSC label to the product on behalf of the organization, the contractor shall <u>only label the eligible products</u> produced under the outsourcing agreement.</p>	<p>processed or produced under the outsourcing contract or agreement.</p> <p>12.5.1 The organization shall ensure that the contractor <u>only uses FSC labels on products covered by the scope of the outsourcing agreement</u>.</p>
	<p>12.6 The organization shall maintain legal ownership of all materials during outsourcing.</p> <p>NOTE: Organizations <u>are not required to re-take physical possession</u> of the products following outsourcing (e.g. products may be shipped directly from the contractor to the organization's customer).</p>	<p>12.1.1 Organizations which wish to include outsourcing within the scope of their FSC chain of custody certificate shall ensure the following:</p> <p>a) the organization <u>has legal ownership</u> of all input material to be included in outsourced processes;</p> <p>b) the organization <u>does not relinquish legal ownership</u> of the materials during outsourced processing;</p>
	<p>12.7 The <u>organization shall identify the invoices</u> of materials sent for outsourcing following the requirements specified in Clause 5.1. <u>Contractors are not required to identify the invoices</u> of materials after outsourcing.</p>	<p>12.4.1 The organization <u>shall issue the final invoice</u> for the processed or produced FSC-certified material following outsourcing. The invoice shall state the certificate holder's Chain of Custody certificate number.</p> <p>NOTE: If the organization has not issued the final invoice for the processed or produced FSC-certified material following completion of outsourced processing, then the material shall not be sold with FSC claims.</p> <p>INT-STD-40-004_17</p> <p>Are certified or non-certified subcontractors allowed to include the certificate code of the contracting certified organization in their own sales and delivery documentation?</p> <p>No, organizations can only use their own certificate code in their sales and delivery documentation, not the certificate code of another certified organization.</p>
	<p>12.8 The organization <u>may act as an FSC-certified contractor providing services to other contracting organizations</u>. In this case, the organization shall include the outsourcing services under the scope of its FSC certificate ensuring that all applicable certification requirements are met.</p>	<p>ADVICE-40-004-01</p> <p>2 Using FSC certified CoC contractors – conditions for FSC certified CoC contracting organizations</p> <p>NOTE: This section applies for outsourcing scenarios where the both the contractor and the contracting organization are FSC certified CoC organizations. Under this scenario, the product does not have to be FSC labelled or a finished product.</p> <p>Outsourcing agreement</p> <p>2.1 The outsourcing agreement shall specify the following:</p> <p>2.1.1 that the contractor provides the service under his FSC Chain of Custody system,</p> <p>2.1.2 that the contractor makes available relevant records and documentation to the contracting organization's certification body upon request, and</p> <p>2.1.3 that the contracting organization's license code shall be used, if the</p>

		<p>product shall be FSC labelled.</p> <p>2.2 The outsourcing agreement and, if FSC certified CoC contractors are used for specific processes exclusively, the contracting organization's control system for the outsourced process do not need to cover the following requirements stipulated by FSC-STD-40-004:</p> <ul style="list-style-type: none"> – clauses 12.1.1 c), second sentence, and 12.1.1 d); – clause 12.2.1; – clauses 12.5.1, 12.6.1, and 12.7.1 <p>NOTE: FSC certified CoC contractors may use their own subcontractors in accordance with FSC-STD-40-004, section 12.</p> <p>Supplier validation</p> <p>2.3 The contracting organization shall apply the provisions for 'supplier validation' as specified by FSC-STD-40-004 also to the contractor.</p> <p>Labelling</p> <p>2.4 The contracting organization shall maintain control and responsibility of the correct FSC label being applied, if product labelling is part of the outsourced processing.</p> <p>2.5 The contracting organization shall ensure that its license code is used in the FSC label and shall submit the proof to its certification body for approval.</p> <p>Auditing</p> <p>2.6 FSC certified CoC <u>contractors are exempted from a potential inspection by the contracting organization's certification body, if the outsourced process is covered by the scope of the contractor's certificate.</u></p> <p>NOTE: The contractor is subject to evaluation and monitoring by its own certification body.</p>
	<p>12.9 When the organization provides FSC-certified outsourcing services to non-FSC-certified contracting organizations, <u>it is acceptable that the contracting organization buys the raw material</u> for the outsourced processes. To ensure that the CoC is not broken, the material <u>shall be transported directly from an FSC-certified supplier to the organization</u> (i.e. the non-certified contracting organization shall not take physical possession of the materials before outsourcing).</p>	<p>ADVICE-40-004-01</p> <p>1 Providing contract work for non-FSC certified CoC organizations – conditions for FSC certified CoC contractors</p> <p>NOTE: This section applies for outsourcing arrangements where the contractor is an FSC certified CoC organization and the contracting organization is a non-FSC certified CoC organization. Under this scenario, the contracting organization cannot sell the product with an FSC claim to commercial customers. The contracting organization may, however, use the FSC trademarks to promote the product towards final consumers as specified by FSC-TMK-50-201.</p>

		<p>Eligibility</p> <p>1.1 FSC certified CoC contractors are only eligible to provide FSC certified products for non-FSC certified CoC contracting organizations, if:</p> <p>1.1.1 <u>The input material for the contract work is shipped directly from the delivering supplier(s) to the contractor</u>, i.e. the contracting organization does not obtain physical possession of the input material.</p> <p>1.1.2 The contractor is provided with a copy of the invoice(s) from the delivering supplier(s) and, if not identical, from the billing supplier(s) that include(s) information sufficient to link the invoice(s) and related transport documentation to each other.</p> <p>NOTE: Information on prices can be blacked out.</p> <p>1.1.3 The output product provided by the contractor is:</p> <ul style="list-style-type: none"> a) a finished product; b) FSC labelled; and c) branded with the name, label or other identifying information of the contracting organization. <p>Labelling</p> <p>1.2 For each contract work, the contractor shall maintain control of applying the correct FSC label.</p> <p>The contractor shall ensure that its license code is used in the FSC label and submits the proof to its certification body for approval.</p>
	<p>13 Eligibility for single CoC certification</p>	
	<p>13.1 <u>An organization is eligible for single CoC certification if the scope of the certificate includes a single site or multiple sites (two or more sites) that conform to the following criteria:</u></p> <ul style="list-style-type: none"> a. one site under the scope of the single CoC certificate is: <ul style="list-style-type: none"> i. acting as the certificate holder; ii. responsible for invoicing of certified and non-certified materials or products covered by the scope of the certificate to external clients; iii. controlling the use of the FSC Trademarks. b. all sites under the scope of the single CoC certificate are: <ul style="list-style-type: none"> i. operating under a common ownership structure; ii. managed under direct control of the certificate holder; iii. in an exclusive business relationship with each other for the output materials or products covered by the scope of the certificate; 	<p>FSC-STD-40-003 V2-1</p> <p>1.1 <u>Multiple sites may be included in the scope of a Single COC certificate if they conform to all of the following eligibility criteria:</u></p> <ul style="list-style-type: none"> a) One site under the scope of the Single COC certificate is: <ul style="list-style-type: none"> i. Acting as the certificate holder; ii. Responsible for invoicing of certified and non-certified materials or products covered by the scope of the certificate to external clients; iii. Controlling the use of the FSC Trademarks. b) All sites under the scope of the Single COC certificate are: <ul style="list-style-type: none"> iv. Operating under a common ownership structure; v. Managed under direct control of the certificate holder; vi. In an exclusive business relationship with each other for the output materials or products covered by the scope of

	<p>iv. located in the same country.</p>	<p>the certificate; vii. Located in the same country.</p>
	<p>13.2 For single CoC certification, all sites included in the scope of certification shall conform to all applicable certification requirements specified in FSC-STD-40-004. The requirements specified in FSC-STD-40-003 do not apply.</p> <p>NOTE: In this scenario, all applicable certification requirements as defined in FSC-STD-40-004 shall be evaluated by the certification body at all sites included in the scope of the certificate within each audit (i.e. no sampling applies).</p>	<p>FSC-STD-40-003 V2-1</p> <p>NOTE: In this scenario, all applicable certification requirements as defined in FSC-STD-40-004 shall be evaluated by the certification body at all sites included in the scope of the certificate within each audit (no sampling applies). The requirements specified in Part II of FSC-STD-40-003 are not applicable to Single COC certificates with multiple sites.</p>
	<p>14 Eligibility for multi-site CoC certification</p>	
	<p>14.1 An organization is eligible for multi-site certification if the scope of the certificate includes two or more sites or legal entities (referred to as 'participating sites' in FSC-STD-40-003) that conform to the following criteria:</p> <ol style="list-style-type: none"> a. all participating sites and the organization that holds the certificate are linked through common ownership; or b. all participating sites: <ol style="list-style-type: none"> i. have a legal and/or contractual relationship with the organization; and ii. <u>have common operational procedures</u> (e.g. same production methods, same product specifications, integrated management software); and iii. are subject to a centrally administered and controlled management system established by the organization that has authority and responsibilities beyond those related solely to certification, including at least one of the following elements: <ul style="list-style-type: none"> • centralized purchase or sales function of forest products; • operation under the same brand name (e.g. franchise, retailer). 	<p>FSC-STD-40-003 V2-1</p> <p>2.1 Multiple sites or legal entities may be included in the scope of a Multi-site COC certificate if:</p> <ol style="list-style-type: none"> a) All Participating Sites and The Organization that holds the certificate are linked through common ownership, <u>or</u> b) All Participating Sites: <ol style="list-style-type: none"> i. Have a legal and/or contractual relationship with The Organization; <u>and</u> ii. Are subject to a centrally administered and controlled management system established by The Organization that has authority and responsibilities beyond those related solely to certification, including <u>at least one</u> of the following elements: <ul style="list-style-type: none"> - Centralized purchase or sales function; - <u>Common operational procedures</u> (e.g. same production methods, same product specifications, integrated management software); - Operating under the same brand name (e.g. franchise, retailer).
	<p>14.2 Based on the requirements of Clause 14.1, the following organizations are not eligible for multisite CoC certification:</p> <ol style="list-style-type: none"> a. organizations that do not have authority over the admission or removal of participating sites from the certificate scope; b. associations; c. non-profit organizations that have for-profit members. 	<p>FSC-STD-40-003 V2-1</p> <p>2.2 The following Organizations are <u>not eligible</u> for Multi-site COC certification:</p> <ol style="list-style-type: none"> a) <u>Organizations that don't have authority over the creation of companies</u> (i.e. establishing new legal entities within The Organization that may join the certificate as Participating Sites);

		<ul style="list-style-type: none"> b) Organizations that don't have authority over the admission or removal of Participating Sites from the certificate scope; c) <u>Associations or Organizations established to promote the goods or services of their members;</u> d) Non-profit Organizations that have for-profit members.
	<p>14.3 For multi-site CoC certification, all participating sites included in the scope of the certificate shall conform to all applicable certification requirements specified in FSC-STD-40-004 and FSC-STD-40-003.</p> <p>NOTE: Multi-site CoC certificates are evaluated by the certification body based on a defined sampling methodology as specified in FSC-STD-20-011.</p>	<p>FSC-STD-40-003 V2-1</p> <p>NOTE: Multi-site COC certificates are evaluated by the certification body based on a defined sampling methodology as specified in FSC-STD-20-011.</p>
	<p>15 Eligibility for group CoC certification</p>	
	<p>15.1 A group CoC certificate may be established including two or more independent legal entities (named as participating sites according to FSC-STD-40-003) in the scope of the certificate if the following eligibility criteria are met:</p> <ul style="list-style-type: none"> a. Each participating site shall qualify as 'small' as defined by: <ul style="list-style-type: none"> i. No more than 15 employees (full-time equivalent); or ii. No more than 25 employees (full-time equivalent) and a maximum total annual turnover of US\$ 1,000,000. <p>NOTE: <u>The annual turnover criteria is only applicable to organizations that have for-profit activities.</u></p> <ul style="list-style-type: none"> b. All participating sites shall be located in the same country as the organization that holds the certificate. <p>NOTE: FSC-PRO-40-003 authorizes FSC National Offices to define nationally specific eligibility criteria for group CoC certification. National eligibility criteria approved by FSC supersede those in Clause 15.1 a) above and are published on the FSC website (in FSC-PRO-40-003a).</p>	<p>FSC-STD-40-003 V2-1</p> <p>3.1 Groups of independent "small" enterprises (Participating Sites) are eligible to be included in the scope of a Group COC certificate if they conform to the following eligibility criteria:</p> <ul style="list-style-type: none"> a) Each Participating Site shall qualify as "small" as defined by: <ul style="list-style-type: none"> i) No more than 15 employees (full time equivalent); <u>or</u> ii) No more than 25 employees (full time equivalent) <u>and</u> a maximum total annual turnover of US\$ 1,000,000. b) All Participating Sites shall be located in the same country as The Organization that holds the certificate. <p>NOTE: FSC-PRO-40-003 authorizes FSC National Offices to define nationally specific eligibility criteria for COC Group certification. National eligibility criteria approved by FSC supersede the ones in Clause 3.1 a) above and are published on the FSC website (in FSC-PRO-40-003a).</p>
	<p>15.2 For group CoC certification, all participating sites included in the scope of the certificate shall conform to all applicable certification requirements specified in FSC-STD-40-004 and FSCSTD-40-003.</p> <p>NOTE: Group CoC certificates are evaluated by the certification body based on a defined sampling methodology as specified in FSC-STD-20-011.</p>	<p>FSC-STD-40-003 V2-1</p> <p>NOTE: Group COC certificates are evaluated by the certification body based on a defined sampling methodology as specified in FSC-STD-20-011.</p>
	<p>Annex C. Terms and definitions</p> <p>For the purposes of this standard, the terms and definitions given in <i>FSC-STD-01-002 FSC Glossary of Terms</i> and the following apply:</p>	

	<p>Approval date: The date on which an FSC normative document is approved by the approval body.</p>	
	<p>Assembled product: Product that is constructed from two or more forest-based components (e.g. solid wood and particle board), assembled together to form another product (e.g. furniture, musical instruments, plywood, laminated products, and packaging or printed materials containing different paper components).</p>	<p>Assembled products: Products that are constructed from two or more solid wood and/or chip and fibre components, assembled together to form another product. Examples include furniture, shelving units, musical instruments, plywood, blockboard, laminated veneer lumber, laminated flooring, laminated particle board, and printed materials containing different paper components.</p>
	<p>Certification body: A body that performs conformity assessment services and that can be the object of accreditation (adapted from ISO/IEC 17011:2004 (E)).</p>	
	<p>Chain of custody: The FSC chain of custody (CoC) is the path taken by products from the forest, or in the case of recycled materials from the moment when the material is reclaimed, to the point where the product is sold with an FSC claim and/or is finished and FSC-labelled. The CoC includes each stage of sourcing, processing, trading, and distribution where progress to the next stage of the supply chain involves a change of product ownership.</p>	<p>Chain of custody: The path taken by raw materials, processed materials, finished products, and co-products from the forest to the consumer or (in the case of reclaimed/recycled materials or products containing them) from the reclamation site to the consumer, including each stage of processing, transformation, manufacturing, storage and transport where progress to the next stage of the supply chain involves a change of ownership (independent custodianship) of the materials or the products.</p>
		<p>Chain of Custody operation: Individual, company or other legal entity operating one or more facilities or sites within any 'stage' of the forest product supply chain and issuing invoices for materials or products with an FSC claim that can be used by customers to treat such products as certified or make promotional claims.</p>
	<p>Chip and fibre product: A product in which all wood inputs are chipped or defibrated (e.g. pulp, paper, print materials, cardboard, particleboard, fibreboard).</p>	<p>Chip and fibre products: All products that use input-wood that has been chipped or defibrillated. Such products include, for example, pulp, paper (including print materials), cardboard, particleboard, fibreboard and orientated strand board (OSB).</p>
	<p>Claim-contributing input: Input material that counts towards the determination of the FSC Mix or FSC Recycled claims for products controlled under the percentage or credit system. Eligible claim-contributing inputs are the following: FSC-certified materials, post-consumer reclaimed materials, and pre-consumer reclaimed paper (Note: this last category excludes other pre-consumer reclaimed materials, such as wood and cork). The amount of input materials received with an FSC Mix x% or FSC Recycled x% claims that count as claim-contributing input is proportional to the percentage stated on the supplier's sales documents (e.g. if 10 kg are received with an FSC Mix 70% claim, only 7 kg counts as claim-contributing input). The full amount of input materials received with an FSC Mix Credit or FSC Recycled Credit claim counts as claim-contributing input (i.e. 100% of the input amount).</p>	

<p>Claim period: A period of time that has been specified by the organization for each product group for the purpose of making a specific FSC claim. The <u>minimum length</u> of the claim period is the length of time to complete a batch run including receipt, storage, processing, labelling and sale of the output product.</p>	<p>Claim period: A period of time which has been specified by the organization for each product group for the purpose of making a specific FSC claim.</p>
<p>CoC management system: The organizational structure, policies, procedures, processes, and resources needed to successfully meet the requirements of this standard.</p>	
<p>Common ownership: Ownership structure where all sites under the scope of the chain of custody certificate are owned by the same organization. Ownership means at least 51% of ownership interest over the sites.</p>	
<p>Complaint: An expression of dissatisfaction provided in writing by any person or organization in relation to the certified organization's conformity to the requirements. The complaint must be applicable to the scope of the organization's CoC certificate and include the name and contact information of the complainant, a clear description of the issue, and evidence to support each element or aspect of the complaint.</p>	
<p>Component: An individual and distinguishable part of an assembled product.</p>	<p>Component: An individual and distinguishable part of an assembled product.</p>
<p>Community producer: A forest management unit (FMU) that complies with the following tenure and management criteria:</p> <p><u>Tenure:</u> The legal right to manage a FMU (e.g. title, long-term lease, concession) is held at the communal level, and</p> <ul style="list-style-type: none"> i. the community members must be either indigenous peoples or traditional peoples, or ii. the FMU meets the eligibility criteria for small and low intensity managed forests (SLIMFs) <p><u>Management:</u> The community actively manages the FMU unit through a concerted effort (e.g., under a communal forest management plan) or the community authorizes management of the forest by others (e.g., resource manager, contractors, forest products company).</p> <p>If the community authorizes management of the forest by others, criterion 1 and either criterion 2 or 3 must be met:</p> <ul style="list-style-type: none"> iii. The community's own representative institution has legal responsibility for the harvesting operations, and iv. The community performs the harvesting operations or v. The community's own representative institution is responsible for the forest management decisions, and follows and monitors the operations. 	

	NOTE: The forest can be either located in a communal forest and/or on individually-assigned plots, as long as the right to use the forest is communally held (e.g. Mexican ejidos, Brazilian sustainable development reserves).	
	Contracting organization: Individual, company, or other legal entity using a contractor for any activities under the scope of an FSC CoC certificate.	
	Contractor: Individual, company, or other legal entity contracted by an organization for any activities under the scope of an FSC COC certificate.	
	Controlled material: Input material <u>supplied without an FSC claim</u> which has been assessed to be <u>in conformity to the requirements of the standard FSC-STD-40-005 Requirements for Sourcing Controlled Wood</u> .	Controlled material: Virgin material originating in non FSC-certified forests or plantations from suppliers included in the verification program of organizations certified according to FSC-STD- 40-005.
	Conversion factor: The ratio between material quantity entering and leaving a given transformation process used by the organization. The conversion factor is calculated by dividing the output quantity by the input quantity and is applied to the whole product or to each individual component of a product.	Conversion factor: The ratio between material quantity entering and leaving a given transformation process employed by the organization. The conversion factor is calculated by dividing the output (volume or weight) by the input (volume or weight) and is applied to each individual component of a product group.
	Co-product: Output produced during the process of primary manufacturing of another (principal) product from the same inputs (e.g. sawdust, chips generated during lumber processing).	Co-product: Material produced during the process of primary manufacturing of another (principal) product, from the same input. Such materials are, for the purposes of this standard, classified depending on the material category from which they are (co-) produced.
	Credit account: A record kept by an organization operating a credit system which lists entries and withdrawals of volume credits for the purpose of controlling the quantity of products that are eligible to be sold with FSC Mix Credit, FSC Recycled Credit, or FSC Controlled Wood claims.	Credit account: A record kept by a certified organization operating a credit system which lists entries and withdrawals of volume credits for the purpose of selling products with FSC claims.
		Credit claim: Part of an FSC claim for FSC Mix or FSC Recycled products which specifies that the full quantity can be used as FSC input or post-consumer input for subsequent calculations of input percentages or FSC credit. Applicable claims are “FSC Mix Credit” or “FSC Recycled Credit”.
	Credit System: FSC control system which allows a proportion of outputs of a product group to be sold with a credit claim corresponding to the quantity of claim-contributing inputs and the applicable conversion factor(s).	Credit system: A Chain of Custody system applied at the product group level which allows a proportion of outputs to be sold with a credit claim corresponding to the quantity of FSC and post-consumer inputs. Considering the applicable conversion factor(s), FSC and post- consumer inputs can be accumulated as FSC credit on a credit account.
	Delivery documents: Document accompanying a shipment of goods that lists physically or electronically the description, grade, and quantity of the goods delivered. Examples of delivery documents are delivery notes, shipping documents, transport documents, or packing lists.	Delivery documents: Document accompanying a shipment of goods that lists the description, grade, and quantity of the goods delivered. Delivery documents are also called delivery notes, shipping or transport documents.

	<p>Effective date: The date on which the published FSC normative document becomes applicable for use.</p>																	
	<p>Eligible input: Virgin and reclaimed input material that is eligible to enter a specific FSC product group depending on its material category.</p>	<p>Eligible input: Virgin and reclaimed material input that is eligible to enter a specific FSC product group depending on its material category.</p> <table border="0"> <thead> <tr> <th data-bbox="1104 272 1549 297">Material category</th> <th data-bbox="1570 272 1898 297">Eligible for product group(s)</th> </tr> </thead> <tbody> <tr> <td data-bbox="1104 302 1549 326">a) FSC 100% material:</td> <td data-bbox="1570 302 1898 326">FSC 100%, FSC Mix</td> </tr> <tr> <td data-bbox="1104 331 1549 355">b) FSC Mix material:</td> <td data-bbox="1570 331 1898 355">FSC Mix</td> </tr> <tr> <td data-bbox="1104 360 1549 384">c) FSC Recycled material:</td> <td data-bbox="1570 360 1898 384">FSC Mix, FSC Recycled</td> </tr> <tr> <td data-bbox="1104 389 1549 414">d) FSC Controlled Wood:</td> <td data-bbox="1570 389 1898 414">FSC Mix, FSC Controlled Wood</td> </tr> <tr> <td data-bbox="1104 418 1549 443">e) controlled material:</td> <td data-bbox="1570 418 1898 443">FSC Mix, FSC Controlled Wood</td> </tr> <tr> <td data-bbox="1104 448 1549 472">f) post-consumer reclaimed material:</td> <td data-bbox="1570 448 1898 472">FSC Mix, FSC Recycled</td> </tr> <tr> <td data-bbox="1104 477 1549 501">g) pre-consumer reclaimed material:</td> <td data-bbox="1570 477 1898 501">FSC Mix, FSC Recycled</td> </tr> </tbody> </table>	Material category	Eligible for product group(s)	a) FSC 100% material:	FSC 100%, FSC Mix	b) FSC Mix material:	FSC Mix	c) FSC Recycled material:	FSC Mix, FSC Recycled	d) FSC Controlled Wood:	FSC Mix, FSC Controlled Wood	e) controlled material:	FSC Mix, FSC Controlled Wood	f) post-consumer reclaimed material:	FSC Mix, FSC Recycled	g) pre-consumer reclaimed material:	FSC Mix, FSC Recycled
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	<p>End-user (end-consumer): A person or organization that purchases and uses a product rather than one that manufactures, trades and/or sells it.</p>																	
	<p>Eurozone: Geographic and economic region that consists of all European Union member states which have adopted the euro (€) as their national currency.</p>																	
	<p>Finished product: A product that will not undergo further transformation in terms of processing, labelling, or packaging prior to its intended end use or sale to the end-user. <u>Installation of finished products, the filling of packaging, and cutting to size are not considered product transformation, unless these activities involve repackaging, changing of the FSC product composition, or relabelling.</u></p> <p>NOTE: Some products may or may not be classified as a finished product <u>depending on the intended use by the customers.</u> For example, lumber or paper does not classify as a finished product if sold to a manufacturer that will further transform these materials into other products.</p>	<p>Finished product: Product that receives no further transformation in terms of processing, labelling or packaging prior to its intended end use.</p>																
	<p>Forestry certification scheme: A scheme based on the development of standards for forest management and/or chain of custody certification of forest products.</p>	<p>Forestry Conformity Assessment Scheme: A scheme based on the development of standards for forest certification and assessment of operations for trade and production of forest products.</p>																
	<p>Forest-based: Organic materials and products produced within a forest matrix, including wood and non-timber forest products.</p>																	
	<p>FSC-certified material: Input material that is supplied with an FSC 100%, FSC Mix, or FSC Recycled claim from an FSC-certified supplier.</p>	<p>FSC certified material: FSC 100%, FSC Mix or FSC Recycled material that is supplied with an FSC claim by an organization which has been assessed by an FSC-accredited certification body for conformity with FSC Forest Management and/or Chain of Custody requirements.</p>																
	<p>FSC-certified product: A product that conforms to all applicable certification requirements and is eligible to be sold with FSC claims on invoices and to be promoted with the FSC trademarks. <u>FSC Controlled</u></p>	<p>FSC certified product: FSC certified material that is eligible to carry an FSC label and to be promoted with the FSC trademarks.</p>																

<p><u>Wood is not considered to be FSC-certified product.</u></p>	<p>Footnote 2: Materials or products sold as <i>FSC Controlled Wood</i> may not carry any on-product FSC claims, FSC codes, or the FSC trademarks and are <u>not considered to be FSC-certified</u>.</p>																					
<p>FSC claim: A claim made on sales and delivery documents for FSC-certified or FSC Controlled Wood output products. The FSC claims are: FSC 100%, FSC Mix x%, FSC Recycled x%, FSC Mix Credit, FSC Recycled Credit, and FSC Controlled Wood.</p>	<p>FSC claim: Claim made on sales and delivery documents for FSC-certified material or FSC Controlled Wood that specifies the material category and, for FSC Mix and FSC Recycled products, an associated percentage claim or credit claim. The appropriate FSC claims for each product group and Chain of Custody control system are presented below:</p> <table border="1" data-bbox="1100 380 1969 574"> <thead> <tr> <th>[Product groups]</th> <th>[Control system]</th> <th>[FSC claim]</th> </tr> </thead> <tbody> <tr> <td>FSC 100%</td> <td>Transfer system</td> <td>"FSC 100%"</td> </tr> <tr> <td>FSC Mix</td> <td>Percentage system</td> <td>"FSC Mix x%"</td> </tr> <tr> <td>FSC Mix</td> <td>Credit system</td> <td>"FSC Mix Credit"</td> </tr> <tr> <td>FSC Recycled</td> <td>Percentage system</td> <td>"FSC Recycled x%"</td> </tr> <tr> <td>FSC Recycled</td> <td>Credit system</td> <td>"FSC Recycled Credit"</td> </tr> <tr> <td>FSC Controlled Wood</td> <td>Transfer system</td> <td>"FSC Controlled Wood"</td> </tr> </tbody> </table>	[Product groups]	[Control system]	[FSC claim]	FSC 100%	Transfer system	"FSC 100%"	FSC Mix	Percentage system	"FSC Mix x%"	FSC Mix	Credit system	"FSC Mix Credit"	FSC Recycled	Percentage system	"FSC Recycled x%"	FSC Recycled	Credit system	"FSC Recycled Credit"	FSC Controlled Wood	Transfer system	"FSC Controlled Wood"
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<p>FSC control system: System used for controlling the quantities of products in a product group that can be sold with the FSC claims. The FSC control systems are: transfer, percentage and credit systems.</p>																						
<p>FSC Controlled Wood: Material or product with the 'FSC Controlled Wood' claim.</p>	<p>FSC Controlled Wood: Material originating in non FSC-certified forests or plantations supplied with an FSC claim by a supplier which has been assessed by an FSC-accredited certification body for conformity with FSC Chain of Custody and/or FSC Controlled Wood requirements (FSC-STD-40-005 or FSC-STD-30-010).</p>																					
<p>FSC credit: Amount of product (volume or weight) that can be sold from a credit account with an FSC Mix Credit or FSC Recycled Credit claim.</p>	<p>FSC credit: Amount of product (volume or weight) that can be sold from a product group with a credit claim. Applicable only when using the credit system.</p>																					
<p></p>	<p>FSC input: Input of FSC-certified virgin material that counts towards the input percentage or towards the FSC credit for a product group as follows:</p> <ul style="list-style-type: none"> a) material with an FSC 100% claim: counts as the full quantity stated on the supplier invoice; b) material with an FSC Mix x% claim: counts as the percentage of its quantity that is stated on the supplier invoice; c) material with an FSC Mix credit claim: counts as the full quantity stated on the supplier invoice. 																					
<p>FSC 100%: FSC claim for products based on inputs exclusively from FSC-certified natural forests or plantations.</p>	<p>FSC 100%: FSC-certified virgin material originating in FSC-certified forests or plantations that has not been mixed with material of another material category throughout the supply chain. FSC 100% products are eligible to be used in FSC 100% or FSC Mix product groups.</p>																					

	<p>FSC Mix: FSC claim for products based on inputs of one or more of the following material categories: FSC 100%, FSC Mix, FSC Recycled, controlled material, FSC Controlled Wood, post-consumer reclaimed, and/or pre-consumer reclaimed.</p> <p>NOTE: <u>Product groups that are exclusively made of reclaimed material, controlled material, and/or FSC Controlled Wood are not eligible to be sold with the FSC Mix claim.</u></p>	<p>FSC Mix: FSC-certified virgin material based on input from FSC-certified, controlled and/or reclaimed sources, and supplied with a percentage claim or credit claim. FSC Mix material is only eligible to be used in FSC Mix product groups.</p>
	<p>FSC percentage: Percentage of claim-contributing inputs to a product group for a specific claim period or job order under the percentage system.</p>	<p>Input percentage: Percentage of FSC and/or post-consumer input to a product group for a specific claim period. Applicable only when using the percentage system.</p>
	<p>FSC Recycled: FSC claim for recycled products based on inputs exclusively from reclaimed sources.</p>	<p>FSC Recycled: FSC-certified reclaimed material based on exclusive input from reclaimed sources, and supplied with a percentage claim or credit claim. FSC Recycled material or products are eligible to be used in FSC Mix or FSC Recycled product groups.</p>
	<p>FSC Transaction: Purchase or sale of products with FSC claims on sales documents.</p>	
	<p>Input: Raw materials, semi-finished products, or finished products that are procured or generated by an organization and either physically entered into the production process or traded under the scope of an FSC certificate.</p>	<p>Input: Raw materials, semi-finished or finished products that are procured or generated by an organization, and physically enter the production process or are traded under the scope of a specific FSC product group.</p>
	<p>Integrated management system: Business process management system that allows an organization to use integrated applications to manage the business and all data related to FSC-certified purchase, stocks, production, and sales and certification bodies to audit this information related to multiple sites remotely.</p>	
	<p>Material category: Class of virgin or reclaimed material that can be used in FSC product groups. The material categories are the following: FSC 100%, FSC Mix, FSC Recycled, FSC Controlled Wood, controlled material, post-consumer reclaimed, and pre-consumer reclaimed.</p>	<p>Material category: Categories of virgin or reclaimed material that, if eligible input, can be used in FSC product groups:</p> <ul style="list-style-type: none"> a) FSC 100% material b) FSC Mix material c) FSC Recycled material d) FSC Controlled Wood e) controlled material f) post-consumer reclaimed material g) pre-consumer reclaimed material
		<p>Minor components: Forest based components of an FSC 100% or FSC Mix assembled product constituting less than 5% of the weight or volume of the virgin and reclaimed materials in the product. Minor components can be exempted from the requirements for Chain of Custody control as specified by this standard.</p>

<p>Neutral material: Material that comes from outside a forest matrix (i.e. non-forest based material). Examples are non-wood plant fibres or lignified materials (e.g. flax used in the manufacture of a board classified as a woodbased panel or of a composite product) and synthesized or inorganic materials (e.g. glass, metal, plastics, fillers, brighteners). Neutral materials do not include non-timber forest products and salvaged wood. Neutral materials used in FSC product groups are exempt from CoC control requirements. <u>Once a non-forest-based material has been included in the scope of an FSC certificate, FSC will determine and communicate when it can no longer be classified as neutral material.</u></p>	<p>Non-forest based material: Material that comes from outside a forest matrix. Examples are non- wood plant fibres (e.g. flax used in the manufacture of a board classified as a wood-based panel, or of a composite product), synthesized or inorganic materials (e.g. glass, metal, plastics, fillers, brighteners, etc.), but do not include non-timber forest products or salvaged wood. Non-forest based materials used in FSC product groups are exempt from Chain of Custody control requirements.</p>
<p>Non-conforming product: Product or material for which an organization is unable to demonstrate that it conforms to the applicable FSC certification requirements and eligibility requirements for making FSC claims.</p>	
<p>Non-timber forest product: Any forest-based product except wood (timber), including other materials obtained from trees such as resins and leaves, as well as any other plant and animal products. Examples include, but are not limited to bamboo, seeds, fruits, nuts, honey, palm trees, rubber, cork, ornamental plants and other products originating from a forest matrix.</p>	<p>Non-timber forest product: All forest products except timber, including other materials obtained from trees such as resins and leaves, as well as any other plant and animal products. Examples include, but are not limited to seeds, fruits, nuts, honey, palm trees, ornamental plants and other forest products originating from a forest matrix.</p>
<p>Online Claims Platform (OCP): An FSC digital platform where transactions of FSC-certified products by FSC certificate holders are recorded for the purpose of transaction verification.</p>	
<p>On-product: The term applied to any FSC-certification-related label or marking that is attached or applied to a product or its packaging. Examples of on-product labels or marks include product tags, stencils, heat brands, information on retail packaging for small loose products (e.g. pencils), protective packaging, and plastic wrap.</p>	<p>On-product: Term applied to any label, packaging or marking attached or applied to a product. Examples of on-product labels or marks include product tags, stencils, heat brands, information on retail packaging for small loose products (e.g. pencils), protective packaging and plastic wrap.</p>
<p>Organization: The person or entity holding or applying for certification and therefore responsible for demonstrating conformity to the applicable requirements upon which FSC certification is based.</p>	<p>Organization: Individual, company or other legal entity responsible for the implementation of the standard.</p>
<p>Output: Raw materials, semi-finished products or finished products that are produced and/or supplied by an FSC-certified organization with an FSC claim.</p>	<p>Output: Raw materials, semi-finished or finished products that are produced and/or supplied by an organization with an FSC claim.</p>
<p>Outsourcing: The practice of contracting an internal business process (i.e. activities or tasks that produce a specific service or product) to another organization. Outsourcing activities usually take place outside the organization’s facilities. However, the organization may establish outsourcing agreements with other companies operating within its facilities when the organization has no control or supervision over the activities performed by the contractor.</p>	

	<p>Participating site: A site included in the scope of a multi-site or group certificate. Contractors that are used within the terms of outsourcing agreements are not considered participating sites.</p>	
		<p>Percentage claim: Part of an FSC claim for FSC Mix or FSC Recycled products that specifies the percentage of their FSC or post-consumer input, respectively. Buyers of such products must use the percentage claim for subsequent calculations of input percentages or FSC credit.</p>
	<p>Percentage system: FSC control system which allows outputs to be sold with FSC claims corresponding to the <u>proportion of claim-contributing inputs</u> in a job order or over a specified <u>claim period</u>.</p>	<p>Percentage system: A Chain of Custody system applied at the product group level which allows all outputs to be sold with a percentage claim that corresponds to the <u>proportion of FSC and post-consumer input</u> over a certain <u>period in time</u>.</p>
	<p>Physical possession: Physical handling of FSC-certified materials and products by the organization (e.g. logging, storage, manufacturing, distribution). Transportation is not considered physical possession in the context of this standard.</p>	
		<p>Post-consumer input: Input of post-consumer reclaimed and FSC Recycled material that counts towards the input percentage or towards the FSC credit for a product group as follows:</p> <ul style="list-style-type: none"> a) Post-consumer reclaimed material: counts as the full quantity stated on the supplier b) material with an FSC Recycled x% claim: counts as the percentage of its quantity that is stated on the supplier invoice;. c) material with an FSC Recycled credit claim: counts as the full quantity stated on the supplier invoice.
	<p>Post-consumer reclaimed material: Forest-based material that is reclaimed from a consumer or commercial product that has been used for its intended purpose by an individual or household, or by a commercial, industrial, or institutional facility in its role as end-user of the product.</p>	<p>Post-consumer reclaimed material: Material that is reclaimed from a consumer or commercial product that has been used for its intended purpose by individuals, households or by commercial, industrial and institutional facilities in their role as end-users of the product.</p>
	<p>Pre-consumer reclaimed material: Forest-based material that is reclaimed from a process of secondary manufacture or further downstream industry, in which the material has not been intentionally produced, is unfit for end use, and not capable of being re-used on-site in the same manufacturing process that generated it.</p>	<p>Pre-consumer reclaimed material: Material that is reclaimed from a process of secondary manufacture or further downstream industry, in which the material has not been intentionally produced, is unfit for end use and not capable of being re-used on-site in the same manufacturing process that generated it.</p>
	<p>Primary manufacturing: Any processing that transforms virgin roundwood or chip materials into other products. For chip and fibre products, primary manufacturing includes the pulp and paper production from virgin roundwood or chip materials.</p>	<p>Primary manufacturing: Any processing that transforms roundwood into materials other than roundwood. For chip and fibre products, primary manufacturing includes the pulp mill as well as the paper mill stage.</p>
	<p>Procedure: A specified way to carry out an activity or process.</p>	<p>Procedure: A specified way to carry out an activity or process. <u>Procedures can be documented or not.</u></p>

<p>Product group: A product or group of products specified by the organization, which share basic input and output characteristics and thus can be combined for the purpose of control of FSC output claims and labelling.</p>	<p>Product group: A product or group of products specified by the organization, which share basic input and output characteristics and thus can be combined for the purpose of FSC Chain of Custody control, percentage calculations and labelling according to the FSC material categories: FSC 100%, FSC Mix, FSC Recycled or FSC Controlled Wood.</p>
<p>Product type: A general description of outputs based on a classification system specified in <u>FSC-STD-40-004a FSC Product Classification</u>.</p>	<p>Product type: A general description of outputs based on a <u>categorization or classification system</u>. Examples of product types according to the FSC product classification are: 'logs of coniferous wood', 'wood charcoal', 'chemical wood pulp', 'garden furniture', or 'particle board'.</p>
<p>Publication date: The date on which the approved FSC normative document is announced and published on the FSC website (usually a minimum of 90 days prior to the effective date).</p>	
<p>Reclaimed material: Material that demonstrably would have otherwise been disposed of as waste, but has instead been collected and reclaimed as input material, in lieu of virgin material, for re-use, recycling, or re-milling in a manufacturing process or other commercial application. Inputs of the following material categories are classified as reclaimed material: FSC Recycled, post-consumer reclaimed, and pre-consumer reclaimed. <u>This category excludes the reuse of virgin forest residues such as salvaged wood and other organic materials produced outside a forest matrix (e.g. agricultural residues).</u></p>	<p>Reclaimed material: Material that demonstrably would have otherwise been disposed of as waste or used for energy recovery, but has instead been collected and reclaimed as input material, in lieu of virgin material, for re-use, recycling, re-milling in a manufacturing process or other commercial application. Inputs of the following material categories are classified as reclaimed material:</p> <ol style="list-style-type: none"> a) FSC Recycled material; b) Post-consumer reclaimed material; c) Pre-consumer reclaimed material.
<p>Retailer: An organization that sells finished products to the public for use or consumption rather than for resale.</p>	
<p>Rolling average percentage: The FSC percentage calculated for the claim period of a specific product group which is based on an average calculation of a specified number of previous claim periods, not greater than 12 months.</p>	
<p>Sales document: A legal commercial instrument that attests to the sale of a product (e.g. invoice, bill of sale, contract of sale, or credit note), serving as a demand for payment and becoming a document of title when paid in full. It can be physical or electronic and it identifies both the trading parties, the items sold, and the quantities, dates of sale, and prices.</p>	<p>Sales document: Physical or electronic commercial instrument issued by a seller to a buyer. Also called invoice, bill of sale, contract of sale, it identifies both the trading parties and lists, describes, and quantifies the items sold, shows the date of sale, prices and delivery and payment terms. It serves as a demand for payment and becomes a document of title when paid in full.</p>
<p>Salvaged wood: Wood that was:</p> <ul style="list-style-type: none"> • <u>naturally felled</u> (e.g. by storm or snow); • <u>felled and subsequently lost or abandoned</u> (e.g. logs that sank to the bottom of a river or lake while being transported, felled trees never picked up in a logyard, logs washed up on shore); • <u>felled for purposes other than wood production</u> (e.g. wood from orchard 	<p>Salvaged wood: Wood that has been <u>felled and subsequently lost or abandoned</u>. Examples include <u>lake/river salvage</u> (logs/timber that sank to the bottom of a river or lake while being transported), <u>wood from orchard clearance</u>, <u>wood from road clearance</u> and <u>urban harvested wood</u>. For the purposes of FSC Chain of custody Control and labelling salvaged wood is considered as <u>virgin material</u> and shall be controlled for use in FSC product groups.</p>

	<p>clearance, wood from road clearance, and urban harvested wood);</p> <ul style="list-style-type: none"> • <u>submerged by water and abandoned</u> as a consequence of artificial reservoirs and dam construction. <p>For the purposes of FSC CoC control and labelling, salvaged wood is considered as <u>virgin material and shall be assessed as controlled material or sold as FSC Controlled Wood</u>.</p>	
	<p>Scope: The organization's product groups, sites, and activities that are included in the evaluation by an FSC-accredited certification body, together with the certification standard(s) against which these have been audited.</p>	<p>Scope: The scope of a Chain of Custody certificate defines the organization's sites, product groups, and activities that are included in the evaluation by an FSC-accredited certification body, together with the certification standard(s) against which these have been audited.</p>
	<p>Site: A single functional unit of an organization situated at one physical location, which is geographically distinct from other units of the same organization. Organization's sub-sites may however be regarded as parts of a site if they are an extension of it with no purchasing, processing, or sales functions of their own (e.g. a remote stockholding). <u>Contractors that are used within the terms of outsourcing agreements (e.g. outsourced warehouse) are not considered sites</u>. Typical examples for sites are processing or trading facilities such as manufacturing sites, sales offices, or warehouses owned by the organization.</p>	<p>Site: A single functional unit of an organization or a combination of units situated at one locality, which is geographically distinct from other units of the same organization. One or more sub-sites may be regarded as part of a site if they are an extension of the main site with no purchasing, processing or sales functions of their own (e.g. a remote stockholding and despatch site).</p>
	<p>Small producer: A forest management unit (FMU) or group of FMUs that meet the SLIMF eligibility criteria (FSC-STD-01-003a) and addenda and are thus eligible for the FSC Small and Community Label. For FM group certificate holders that include non-SLIMF FMUs, only the FMUs categorized as SLIMFs are considered small producers.</p>	
	<p>Solid wood product: A product that is composed of a solid piece of wood (e.g. log, beam, plank).</p>	<p>Solid wood products: Products that constitute a single, solid piece of wood, such as a log, beam or plank.</p>
	<p>Supplier: An individual, company, or other legal entity <u>providing forest-based input materials</u> to the organization.</p>	<p>Supplier: Individual, company or other legal entity <u>providing goods or services</u> to an organization.</p>
	<p>Supply chain: The network of companies producing, handling, and/or distributing a specific product, encompassing the steps it takes to transform a product from the raw material to the final product and its distribution to the end-customer.</p>	
	<p>Timber legality legislation: National or international legislation established to ban the illegal trade of forest products (e.g. EU Timber Regulation (EUTR), US Lacey Act, Australian Illegal Logging Prohibition Act).</p>	
	<p>Trader: A person or legal entity that buys and sells wood and/or non-timber forest products and who takes legal possession of the goods. Traders do not conduct any transformation of these products, either</p>	

	<p>directly or through outsourcing.</p> <p>NOTE: Installation of finished products, kiln drying of wood, the filling of packaging, and cutting to size are not considered product transformation.</p>	
	<p>Trading Partners: Suppliers and customers of the organization for products purchased or sold with FSC claims.</p>	
	<p>Transaction Verification: Verification by certification bodies and/or Accreditation Services International (ASI) that FSC output claims made by certificate holders are accurate and match with the FSC input claims of their trading partners.</p>	
	<p>Transfer system: FSC control system which allows outputs to be sold with an FSC claim that is identical to, or lower than, the input material category and, if applicable, the lowest associated percentage claim or credit claim.</p>	<p>Transfer system: A Chain of Custody system applied at the product group level, which allows outputs to be sold with an FSC claim that is identical to the material category and, if applicable, the associated percentage claim or credit claim with the lowest FSC or post-consumer input per input volume.</p>
	<p>Transition period: The period of time (usually one year) after the effective date in which the new version of an FSC normative document is phased-in and, in parallel, the old version is phased-out (where it exists). To allow for gradual introduction, both versions are valid for an overlapping period of time. Six months after the end of the transition period, certificates issued against the old version are considered invalid.</p>	
	<p>Virgin material: Primary material originating in natural forests or plantations. This category excludes reclaimed materials.</p>	<p>Virgin material: Primary (i.e. non-reclaimed) material originating in forests or plantations. Inputs of the following material categories are classified as virgin material:</p> <ul style="list-style-type: none"> a) FSC 100%; b) FSC Mix; c) Controlled material.