

For more information about FSC chain of custody certification:



## Controlled Wood



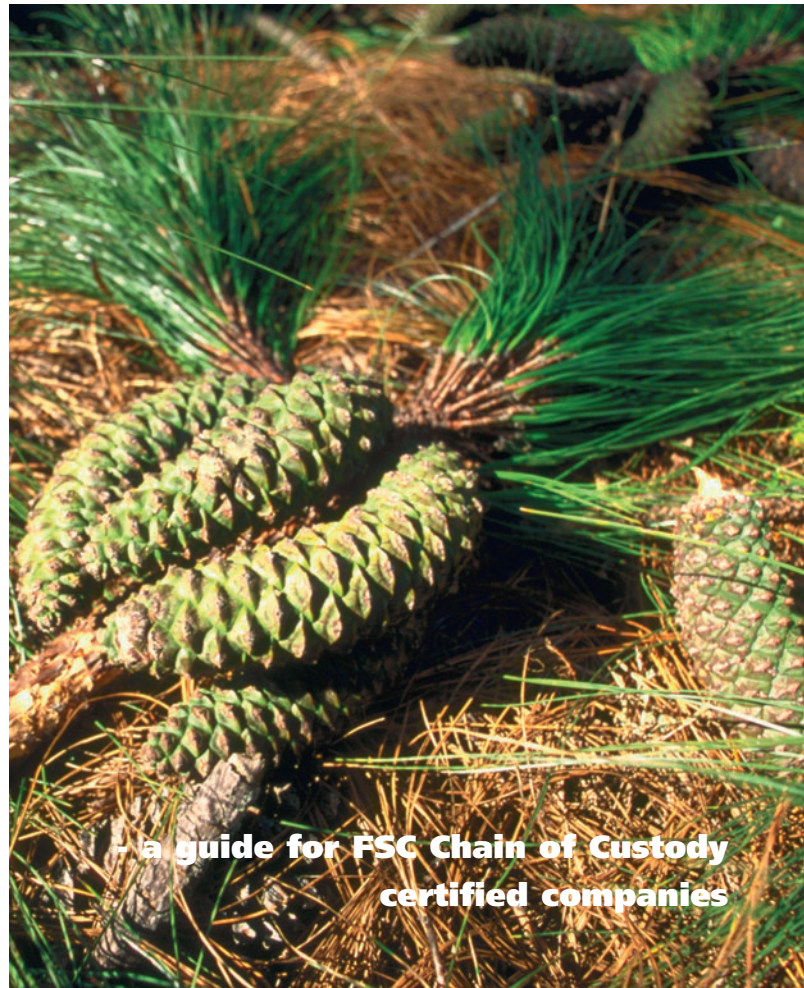
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**- a guide for FSC Chain of Custody  
certified companies**



## Controlled Wood and this guide

This guide is to support FSC Chain of Custody certified companies to implement the FSC Controlled Wood requirements for 'uncertified wood' in their FSC Mixed product groups.

The *FSC standard for company evaluation of FSC Controlled Wood* (FSC-STD-40-005) enables forest product companies to:

- Avoid purchasing non-FSC certified wood from environmentally and socially damaging forestry sources for their 'FSC Mixed' production; and
- Communicate business-to-business in sales and shipping documentation about the source of their uncertified wood.

This guide outlines the steps companies can take to identify, characterize and control their wood sources and presents the key concepts and technical requirements of the FSC Controlled Wood standard. It cannot be used in place of the full Controlled Wood requirements described in the FSC standard: *Standard for company evaluation of FSC Controlled Wood* Version 2-1 (Ref. code: FSC-STD-40-005). The standard is available on-line ([www.fsc.org/en/about/documents/Docs\\_cent/2,37](http://www.fsc.org/en/about/documents/Docs_cent/2,37)) to any interested party.

### **This guide is divided into eight parts:**

1. Understanding FSC Controlled Wood
2. Users of the standard
3. Steps for controlling wood sources
4. Company verification of wood sources
5. Evaluating the risk of wood sources
6. Controlling wood from 'unspecified' areas
7. Controlling wood from low risk areas
8. Selling FSC Controlled Wood

## Understanding FSC Controlled Wood

Products with the FSC label carry a promise to consumers: “By buying this product, you are supporting responsible forest management.” Behind this label, the FSC Chain of Custody system is in place to verify the origin of the wood in the product.

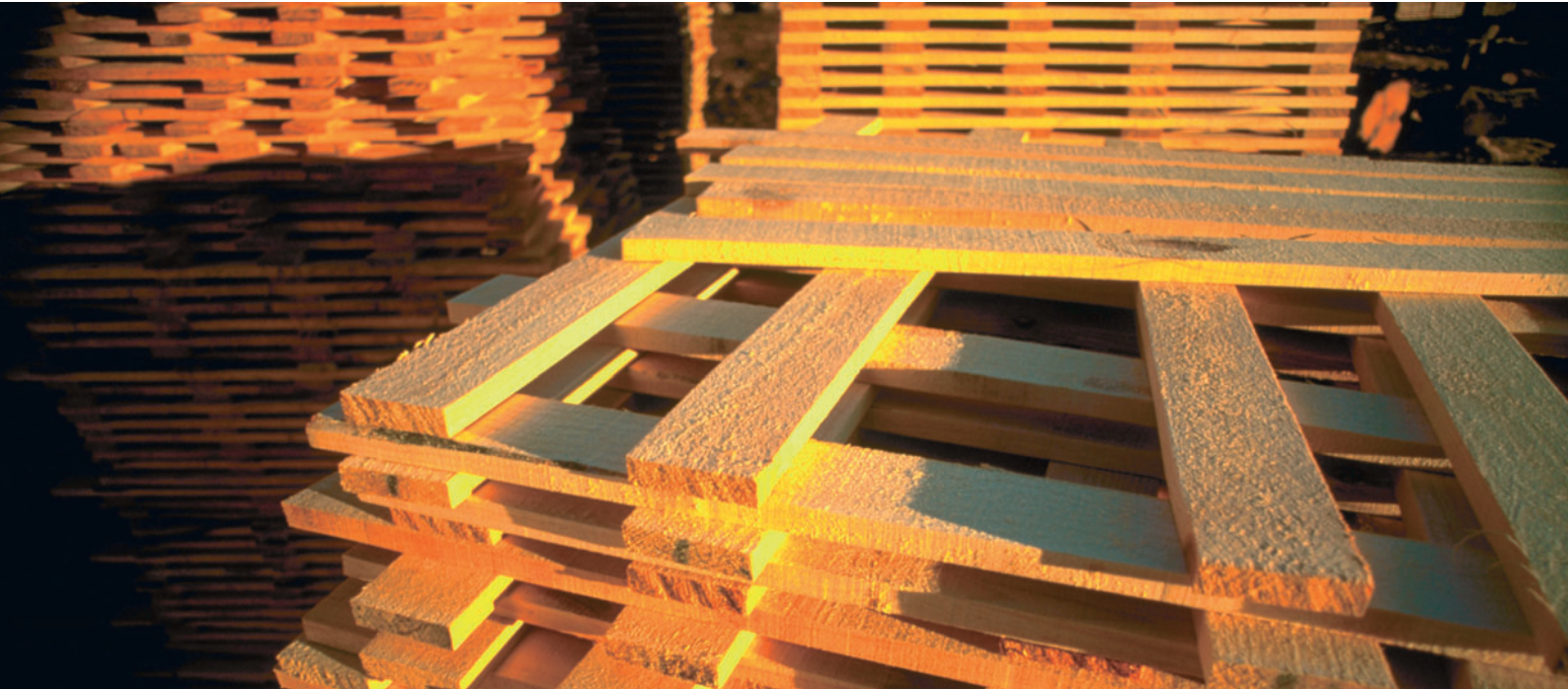
The primary objective of FSC Controlled Wood is to avoid mixing wood from ‘unacceptable’ sources with FSC certified material during the production of FSC Mixed products. FSC Controlled Wood is not the same as FSC certified wood which has met all the requirements of the FSC Principles and Criteria.

FSC Chain of Custody certified companies who are mixing FSC certified and non-FSC certified wood in their FSC product groups must demonstrate that the non-FSC certified wood has been controlled to avoid sources from the five categories listed in Box 1.

FSC Controlled Wood applies to wood based products and also to Non Timber Forest Products (NTFP’s).

### Box 1. FSC Controlled Wood categories

- Illegally harvested wood;
- Wood harvested in violation of traditional or civil rights;
- Wood harvested from forests in which high conservation values are threatened by management activities;
- Wood harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest uses; and
- Wood from forests in which genetically modified (GM) trees are planted.



## 2 Users of the standard (FSC-STD-40-005)

1. Manufacturers who mix uncertified material with FSC certified material in order to sell products as 'FSC Mixed';
2. Traders who mix uncertified material with FSC certified material on order to sell a collection of products as 'FSC Mixed'; and
3. Traders who handle and sell 'FSC Controlled Wood' to FSC Chain of Custody certified operations.



## 3 Steps for controlling wood sources

There are three ways an FSC Chain of Custody company can control its non-FSC certified wood sources:

1. Purchase wood from forest enterprises that have been verified by an FSC accredited Certification Body to meet the requirements of FSC-STD-30-010 *FSC Controlled Wood Standard for forest management enterprises*;
2. Purchase FSC Controlled Wood from suppliers holding a valid FSC Chain of Custody certificate which includes an FSC Controlled Wood registration code; and
3. Internally verify its wood sources according to the requirements of FSC-STD-40-005 *Company evaluation of FSC Controlled Wood*. Compliance with this standard has to be audited by an FSC accredited Certification Body and the company will then receive an exclusive FSC Controlled Wood registration code. This is only an option for companies who can trace wood back to its origins.

**For case 1**, the company shall request the corresponding FSC Controlled Wood certificate from their suppliers issued by an FSC accredited Certification Body and verify its validity at [www.fsc-info.org](http://www.fsc-info.org).

**For case 2**, the company shall request the corresponding FSC Chain of Custody certificate from their suppliers which shall include the registration code for FSC Controlled Wood, and verify its validity at [www.fsc-info.org](http://www.fsc-info.org).

**For case 3**, the company shall comply with the requirements of FSC-STD-40-005. The remaining part of this document will focus on providing information to companies that fall in this category. In order to comply with FSC-STD-40-005 a company shall have procedures in place for controlling their wood sources, including:

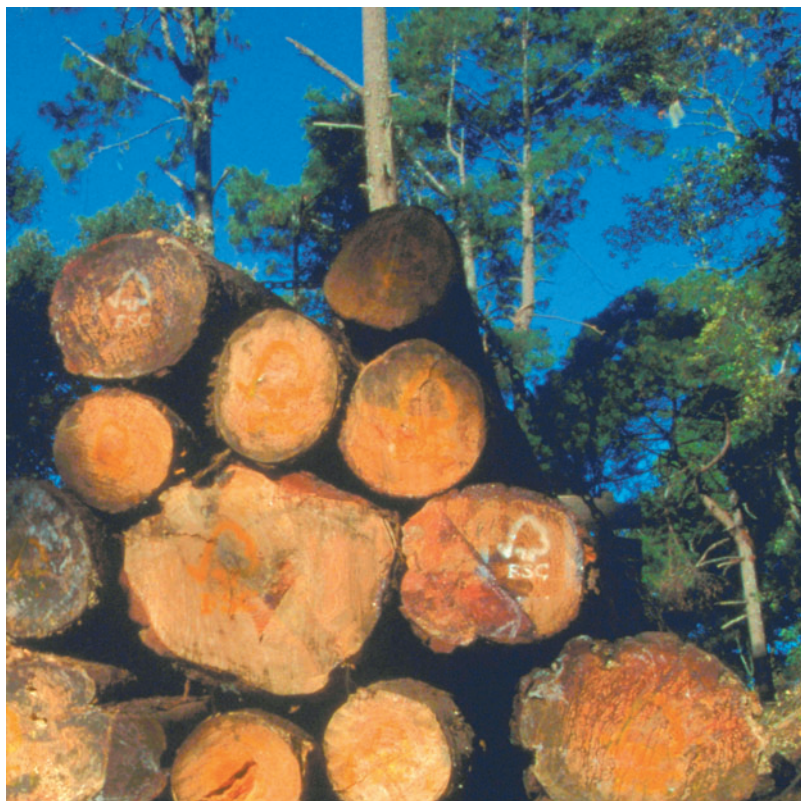
- Have one person/position responsible for ensuring the FSC Controlled Wood requirements are met, according to FSC-STD-40-005;
- Ensure that all key personnel (employees and contractors) understand their role in controlling incoming shipments of wood and fiber. The company needs to identify, provide and document any necessary training for staff;
- Identify and record documents that show compliance with the applicable requirements of the standard;
- Verify that for all foreign suppliers of wood species listed in Annex 1, 2 or 3 of CITES (See Box 2 below), all applicable licenses and permits are accompanied with trading documents;
- Have a publicly-available written commitment to control specified wood sources in order to avoid material that comes from any of the five categories listed in Box 1;
- Keep a list of all incoming wood and fiber that the company wishes to control. This list should include species, volume, country, district of origin, and the name and address of the supplier;
- Establish a system to ensure that 'uncontrolled' wood is not mixed with wood that is controlled in accordance with the requirements outlined in FSC-STD-40-005 and with wood that is FSC certified<sup>1</sup>;
- Implement a company verification program of their wood suppliers;
- Assess the risk of their suppliers in accordance to the requirements specified in FSC-STD-40-005;
- Implement an audit system of wood supplies from sources which cannot be classified as low risk<sup>2</sup> at the Forest Management Unit level in accordance to the requirements specified in FSC-STD-40-005; and
- Implement a complaints mechanism to address evidence related to its risk assessment conclusions.

## Box 2: What is CITES?

CITES - the Convention on International Trade in Endangered Species of Wild Fauna and Flora - is an international agreement between governments. It was adopted in 1973 and its aim is to ensure that international trade in specimens of wild animals and plants does not threaten their survival. If a species is listed in one of its Annexes, it means that special requirements apply to their international trade. For more information, please visit: [www.cites.org](http://www.cites.org).

<sup>1</sup> Wood that has been verified to come from Forest Management Units which have been certified in compliance with the FSC Principles and Criteria.

<sup>2</sup> In case of doubt as to whether a district is low risk, the district shall be classified as 'unspecified' risk which means 'non low-risk'.



## 4 Company verification of wood sources

All uncontrolled wood supplies that the company wishes to use as 'FSC Controlled Wood' shall be included in the company verification program.

When the company is internally verifying its wood sources, the company needs to:

Determine and list the origin of all incoming wood and fiber that the company wishes to control on a country and district level.



Identify and record documents from suppliers to confirm the wood and fiber origin to the district level.



Check that the information is correct by sampling transport and purchase documents.



Evaluate and classify the risk of each supply district in relation to each of the FSC Controlled Wood categories.

*Part 5 provides more information on evaluating risk.*



For districts which cannot be considered low risk, further evaluation at the Forest Management Unit of origin is needed to determine if the wood can be considered as FSC controlled.

*Part 6 provides more information on controlling wood from 'unspecified' risk districts.*



As a result of the evaluation, identify the wood source as controlled or uncontrolled.

## 5 Evaluating the risk of wood sources

The company shall implement a risk assessment in accordance to the five FSC Controlled Wood categories listed in Box 1 for all supplies from non-FSC certified suppliers included in the FSC Controlled Wood company verification program.

For the risk assessment, the company shall implement the following actions:

1. Keep a record of all wood supplies included in the FSC Controlled Wood company verification program.
2. Identify and justify the country and district of origin, depending on the political and/or geographical boundaries, for each wood supply, and for each of the five FSC Controlled Wood categories listed in Box 1 (Box 3).
3. Identify sources of information for assessing risk.

Sources of information are provided as examples in Annex 2B of FSC-STD-40-005. Companies can also use other sources of information to assess the risk of the supplies district of origin. Interpretation and guidance provided by FSC accredited National Initiatives shall prevail.

FSC is developing a Resource Center to assist companies in the implementation of risk assessments. The information posted in this Resource Center shall be used as guidance by the company in its risk assessments. Results of the risk assessments performed by companies will be posted in the FSC Database by Certification Bodies, safeguarding confidential information.

### Box 3: Examples of districts for each Controlled Wood category

Category	Districts
• Illegally harvested wood	County, provinces, states
• Wood harvested in violation of traditional or civil rights	County, provinces, states
• Wood harvested from forests in which high conservation values are threatened by management activities	Eco-regions
• Wood harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest uses	County, provinces, states
• Wood from forests in which genetically modified (GM) trees are planted	Country

## Controlling wood from 'unspecified risk' areas

4. Assess whether the suppliers' district of origin is a confirmed low risk area for each of the five FSC Controlled Wood categories.

The risk assessment shall begin at the broadest relevant scale, at a country level for example. If conditions at a given scale are not sufficiently homogeneous to establish whether the origin of the wood supplies is low risk (in accordance to all the indicators included in Annex 2B of FSC-STD-40-005), the scale shall be further decreased. For example, risk designation may be possible at a national scale under certain homogeneous conditions. Whereas under more heterogeneous conditions risk designation may be only possible at a district or local level.

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

If any indicators for any of the five FSC Controlled Wood categories are not met, the district shall be considered as 'unspecified risk' for that specific category. See part 6 of this document for provisions related to 'unspecified risk' areas.

When buying wood from forest districts that the company has classified as **'unspecified' risk districts, or 'non-low risk' areas**, it shall include the Forest Management Unit (FMU) of origin in the company verification program. This shall include samples for field evaluations.

The company verification program shall provide evidence that wood and/or fiber coming from a particular supplier has been controlled confirming compliance with Annex 3 of FSC-STD-40-005.

The company shall implement the following actions:

1. Specify and implement a regular (at least annual) verification audit process at the supplier level (FMU) to confirm the authenticity of the specified documentation and other evidence to demonstrate that wood complies with the specific requirements included in Annex 3B of FSC-STD-40-005.
2. Consult with relevant stakeholders, interview staff and visit harvesting sites during the field audit.
3. Determine the number of verification audits at the FMU level by sampling in accordance to the formula included in section 1.8 in Annex 3 of FSC-STD-40-005.
4. Classify the FMUs as sets of similar units in terms of forest type, geographical location and size of operation for the purpose of sampling.
5. For each sampling unit (FMU), verify that the supplier complies with ALL of the requirements included in Annex 3B of FSC-STD-40-005 for each of the categories identified as 'unspecified' risk.



## Controlling wood from low risk areas

Wood coming from sources identified as low risk for all the categories listed in Box 1 and that are included in the company's verification program, can be treated by the company as 'FSC Controlled Wood'.



## Selling FSC Controlled Wood

Trade of FSC Controlled Wood can be between FSC Chain of Custody operations when mixing with FSC certified material in FSC Mixed products. This means that any company supplying FSC Controlled Wood shall hold a valid FSC Chain of Custody certificate duly issued by an FSC accredited Certification Body, which includes an FSC Controlled Wood registration code.

Companies supplying FSC Controlled Wood can only make claims regarding FSC Controlled Wood or use the statement 'FSC Controlled Wood' in business to business communications (e.g. invoices, delivery notes and shipping documentation).

No claims on 'FSC Controlled Wood' are allowed for promotional purposes and no labeling is allowed for products sold as 'FSC Controlled Wood'.