

Description of the certification procedure

Products bearing the FSC® certification (Forest Stewardship Council®) often pass through several stations between the forest and the final consumer, and multiple ownership situations relate to such stations. This so-called Chain of Custody (CoC) can be of variable length. All legal owners in the product chain must be CoC-certified. The product chain certification serves as a guarantee to the consumer that wood products bearing the FSC mark actually come from a certified or responsibly operated forest enterprise.

The important elements of the certification include the evidence of the wood origin, a volume plausibility check and the assurance that certified wood is not mixed inadmissibly with uncertified wood. Consequently, FSC wood remains clearly identifiable at any time in each processing and trading stage.

1. Advantages of the certification for companies according the FSC CoC standard:

- Evidence that the requirements of a globally accepted standard have been met;
- Higher acceptance of your wood and/or your wood products by customers and consumers requesting a proof of origin for the purchased product;
- Reaching new environmentally aware customers;
- The FSC mark is a strong marketing support, offering you a competitive advantage;
- Complete control over all wood or wood fibre components of a product provides evidence that the input material does not come from doubtful sources.

2. How are certifications awarded to wood operations?

- You must prove that FSC wood is not mixed with non-certified wood, which usually requires clear product identifications, or you demonstrate a strong system for controlling non-certified wood inputs.
- Under a basic “transfer system”, you must be able to give evidence about the quantity of the FSC wood received, the quantity per supplier and the corresponding storage in your warehouse.
- You shall also be able to document the FSC wood quantities that have left your company. Many companies already use such inventory control system. In most cases, it only needs minor adoptions to fulfil the FSC CoC requirements.
- With regards to the wood processing, you must provide exact evidence of which quantities of which FSC-certified wood have been processed at which time and into which products.
- If choosing percentage or volume credit methods, you must establish a control system for non-certified wood inputs and ensure that FSC credits purchased are not overdrawn, or that minimum FSC percentage thresholds are met.

3. Scope of inspection and certification

The certification in the basic “transfer system” refers to wood from certified forestry operation and in particular to the following steps in the supply chain:

- Purchase of certified wood;
- Processing of certified wood;
- Storage of certified wood;
- Sale of certified wood.

In addition, depending on the system applied in your enterprise, it might be required to keep track of all non-certified inputs under a controlled wood system, and/or the purchase of reclaimed wooden material such as paper fibre for recycling needs to be documented and verified. In various extent, this is the case under percentage or volume credit systems.

4. FSC CoC certification

The FSC product chain certification (FSC Chain of Custody, CoC) is based on the following principles:

- The customer meets the FSC-CoC standard, and
- The certification body verifies the fulfilment of this standard during an on-site audit.
- The client shall not make any claim of conformity or near conformity with FSC requirements until a certificate is awarded resp. the registration in the database of FSC is made by the certification body.

The FSC-CoC certification procedure consists of several stages. The certification body manager appoints the auditors according the industry and qualification.

4.1 Preparation for the audit

The audit preparation stage serves to ensure that the applicant is sufficiently prepared for a certification. The preparation can be performed by preliminary audit audit stage 1 (optional) or by a desk review of documentation.

The preliminary audit aims to identify if the company meets the necessary preconditions for a certification audit. The result of the preliminary audit is explained to the applicant or, if preferred by the customer, recorded in a report. The scope is determined in agreement with the applicant. The audit is usually performed by an FSC CoC Lead Auditor. A preliminary audit can only be performed once.

4.2 Audit Stage 2

The auditor evaluates the information submitted by the company during audit stage 1 and determines whether the applicant is prepared for the certification procedure. If the company is prepared, an agenda for the audit stage 2 is established. This agenda must account for any FSC provisions, concerned processes and units in the company as well as a schedule. The agenda is sent to the applicant (customer) at least two weeks before the start of the audit. The FSC CoC Lead Auditor and the applicant’s contact (FSC responsible for the company) adjust the audit agenda and the FSC CoC Lead Auditor informs the other auditors in the team, if applicable.

The company's task during the audit is to demonstrate the practical application of its documented procedure. The audit's key elements are:

- Verification of the valid proof of certification of the supplier(s) and verification of any records relevant for the certified product (e.g. purchase and shipping documents, bill of lading/delivery notes and invoices for the respective current freight).
- Verification of the input and output of certified goods. This should be comprehensible from the utilisation rate and/or inventory of purchase quantities, stock and sales quantities.
- Verification of the physical separation of certified and non-certified products, if applicable.
- Verification of the directly available parameters (e.g. identification of tree trunk numbers, timber and stocks).
- Visual inspection of equipment and workflows in order to determine whether certified goods can be clearly identified.
- Verification of the internal administrative procedures (e.g. written procedures, staff training).

Consequently and according to the common practice, the operation maintains relevant records about the product chain, i.e. records on the material flow, including all recordings with regards to shipment, bills of receipt and calculations of the certified material. The certifier can therefore access existing internal administration and control systems without having to request and changes of running systems.

Upon completion of the audit, the applicant is informed about the audit result in a final meeting. The result is documented in a report. Non-conformities are documented in a non-conformity report. The auditors decide on the classification in critical and non-critical non-conformities. A critical non-conformity either leads to a follow-up audit, i.e. in a new on-site verification, or the submission of new documents. In case of more than four critical non-conformities ("majors"), the FSC CoC Lead Auditor interrupts and cancels the audit. The Lead Auditor determines the scope of the follow-up audit; however only items concerned by the non-conformity are verified. The follow-up audit is performed according to the price list depending on the required time. In case of non-critical non-conformity, corrective actions are determined and verified in the 1st monitoring audit.

4.3 Report, verification and certification

The auditor prepares a report about the results of the respective audit with recommendations for a certification of the audited product chain elements. The TÜV NORD CERT GmbH certification body reviews the report and in case of a consistent result confirms the auditor's recommendations with regards to the certification. The certification is only awarded when all critical non-conformities have been resolved.

In case of a successful audit and verification, TÜV NORD CERT GmbH issues a certificate for the audited part of the product chain and provides information on the certification's terms of use. The TÜV NORD CERT GmbH certification is valid for five years, with mandatory annual monitoring audits being performed in the company.

4.4 Monitoring

The first monitoring audit is performed within a year at latest 15 months after the previous audit on-site took place. All elements and corrective actions from the previous audit are inspected during this monitoring audit. The monitoring audit is usually performed by an auditor. The audit date is agreed with the customer. Non-conformities trigger the same procedure as in the certification audit. The certification can be revoked (suspended) in case of critical non-conformities.

The certification body has the right of non-announced or short notice surveillance evaluations in individual cases.

4.5 Re-audit:

A re-audit for extending the certification for another five years must be performed in the company prior to the expiry of the term of validity. The audit procedure is similar to the certification audit.

5. Multisite and/or group certification

Such certifications are awarded to companies or organisations with multiple production sites or companies with offices that are considered as branch offices only. In case of a combined and/or group certification, the sites to be audited are determined using a specific random sampling procedure.

The multisite and/or group certification is awarded for two types of organisational structures:

- Small independent companies: Groups of small companies that are supported by an organisation, like e.g. a professional association or a cooperative (group certification), e.g. small family owned sawmills, round wood and timber merchants, craftsmen, print shops etc.
- Companies with multiple offices or numerous small subdivisions who require a joint certification (multisite certification).

A multisite and/or group certification requires the wood or wood product management systems of each member of the group to fulfil the FSC CoC standard. Some provisions regarding the management and the communication with the certification body can be combined in the head office/central organisation, which reduces the monitoring and evaluation time. Requirements for combined and/or group certifications:

- The group/organisation must use a common controlling system that is applied by all sites of the group.
- The products and/or services of the individual sites must be similar or comparable (applies only to multisite certification, not to group certification).
- Certain activities of common importance must be planned, controlled and managed at one of the involved sites which is designated as “head office”. An external institution such a consultancy may take over this role.
- The head office explains and implements and permanently controls the control system. The head office is entitled to implement corrective actions at any site. The FSC responsible is authorised for all sites.

6. The FSC website

The certification body issues a certificate and uploads it on the FSC database. The certificate is valid as soon as it is listed on <http://info.fsc.org/>.

7. FSC terms and conditions and use of the logo

FSC might get access to confidential information that your company submits to TÜV NORD CERT GmbH. In practice, the FSC reviews customer information for accreditation purposes only. After a successful FSC certification, your company is entitled to apply the FSC logo to the certified products. A logo licence agreement with FSC International for the use of the logo must be signed for this purpose.

Contents of the agreement:

- The logo is limited to FSC-certified products.
- Each packaging bearing a FSC can be inspected by FSC.
- The guidelines for using the logo must have been accepted.

Each trademark application must be approved by the certification body. You may access our specialised staff at TNCERT-FSC@tuev-nord.de for this purpose.

8. FSC accreditation fee

The fee for management and accreditation is determined by FSC International. The amount depends on the current FSC Table (FSC-POL-20-005). The certificate holder must inform the certification body about the turnover of the 12 months before the certification audit with wood and / or paper fiber products. The certification body must calculate the accreditation fee according to the FSC-POL-20-005-table, collect and remit 100% of the accreditation fee to FSC International. See also www.fsc.org .

9. Appeal

If you do not agree to the audit result, you can file an objection with TÜV NORD CERT GmbH. If the answer of TÜV NORD CERT GmbH to your objection is not satisfactory, TÜV NORD CERT GmbH will forward your appeal to FSC, who will handle the objection according to the complaint procedure in connection with FSC CoC. The related costs are invoiced directly by the FSC according to the applicable fee regulation.

10. Modification of the certification requirements

TÜV NORD CERT GmbH will inform you appropriately about any modifications to the certification requirements. In addition, the customer shall inform the certification body about any changes in the company that could be related to the validity of the certification, like e.g. planned modifications of the product, the manufacturing process or, if applicable, its quality management system, which might impact the conformity of the system. The certification body must determine whether such announced modifications require further investigations.

The certification body is entitled within certification's scope of validity to implement modifications based in the updated FSC requirements. The company is obligated to implement and eventually document the related modifications in its organisation and to bear any additional costs related thereto (e.g. changes of the FSC licence fee), notwithstanding your right of extraordinary termination.

Certificate holders that were certified prior to the date of approval of an applicable FSC standard shall comply with the requirements of the new FSC approved standard in accordance with the "Standards effective date" specified in the new standard.

11. Role of FSC

The company accepts that all rights to logo and FSC are in the full ownership of FSC. The company doesn't restrict these rights.

12. Additional regulations of FSC and ASI regarding contracts with clients according to FSC-STD-20-001 4.0, 1.2

Herewith the client agrees to:

- a) Conform with all applicable certification requirements;
- b) Conform with any conditions set by the certification body for granting or maintaining certification;
- c) Disclose current or previous application or certification with FSC and/or other forestry certification schemes in the last five years;
- d) Agree to the conduct of evaluations at the required intervals, including the certification body's right to carry out unannounced or short notice audits;
- e) Agree to witness audits of ASI;
- f) Agree, that specified information is published, as indicated in the applicable FSC normative documents;
- g) Consider the participation of observers as specified in FSC-PRO-01-017;
- h) Agree, that a complaint is first handled according to the certification body's dispute resolution procedure and if not resolved referred to ASI and ultimately to FSC, in case of disagreement with audit findings related to FSC normative documents;
- i) Making claims regarding certification consistent with the scope of certification and not making any claims of conformity (or near conformity) with FSC certification requirements until and unless certification is granted;
- j) Not use its certification in such a manner as to bring the certification body, FSC or ASI into disrepute and not make any statement regarding its certification that may be considered misleading or unauthorized;
- k) Keep a record of all complaints made known to it relating to conformity with certification requirements and make these records available to the certification body when requested, and:
 - i. Take appropriate action with respect to such complaints and any deficiencies found in products that affect conformity with FSC certification requirements;
 - ii. Document the actions taken.
- l) Inform the certification body within ten (10) days of changes in the ownership, structure of the organization (e.g. changes in key managerial staff), certified management systems or circumstances which relate to the implementation of FSC certification requirements;

- m) Agree, that in case of reduction, suspension or withdrawal of the scope of certification body's FSC accreditation, the certification of the affected clients will be suspended within six (6) months after the date of reduction, suspension or withdrawal of the respective scope of FSC accreditation; regarding the rights of the certification body, ASI and FSC
- n) Agree, that the certification body has the right to delay or postpone its decision on certification, in order to take account of new or additional information which has not already been considered in its audit report and which, in the opinion of the certification body, could affect the outcome of its evaluation;
- o) Agree, that the certification body shall not be obliged to grant or maintain certification, if activities of the client conflict with the obligations of the certification body as specified in its accreditation contract with ASI, or which, in the sole opinion of the certification body, reflect badly on the good name of the certification body;
- p) Agree, that the certification body and FSC have the right to revise the requirements of certification within the period of validity of the certification, including the revision of costs and fees;
- q) Agree, that the certification body, FSC and ASI have the right to access confidential information, examine documentation deemed necessary, and access to the relevant equipment, location(s), area(s), personnel, and bodies providing outsourced services to clients;
- r) Agree, that the certification body has the right to use information which is brought to its attention, to follow up on misuses of the FSC trademarks and of the intellectual property rights held by FSC;
- s) Acknowledge the title of the FSC's intellectual property rights and that FSC retains full ownership of the intellectual property rights and that nothing shall be deemed to constitute a right for the client to use or cause to be used any of the intellectual property rights;
- t) Agree, that the certification body has the right to suspend and/ or withdraw its certification with immediate effect if, in the sole opinion of the certification body, the client is not in conformity with the conditions specified for the maintenance of certification; Regarding the actions relating to suspensions or withdrawal of certification.
- u) Meet the following obligations on suspension or withdrawal of certification:
- i. Immediately cease to make any use of any FSC trademarks, or to sell any products previously labeled or marked using the FSC trademarks, or to make any claims that imply that they conform with the requirements for certification;
 - ii. Identify all existing certified and uncertified customers, inform those customers of the suspension or withdrawal in writing within three (3) days of the suspension or withdrawal, and maintain records;
 - iii. Cooperate with the certification body and with FSC in order to allow the certification body or FSC to confirm that these obligations have been met.
- v) Meet the following additional obligations on withdrawal of certification:
- i. Return the certificate to the certification body or destroy the original, and commit to destroy any electronic copies and printed copies in their possession;
 - ii. At its own expense remove all uses of FSC's name, initials, logo, certification mark or trademarks from its products, documents, advertising or marketing materials.
- w) The most recent version of FSC rules and regulations are obligatory and are available online at www.fsc.org.

