



Directive

FSC DIRECTIVE ON PROJECT CERTIFICATION

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30/04/2024



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FOREWORD

FSC received various comments from certification bodies and stakeholders requesting a reduction in the number of normative documents to make the documented certification system more comprehensible. FSC therefore combined all previous advice notes into single documents which are called “directive”. A directive includes all advice notes issued in relation to a single standard. The relation to a standard is reflected in the document code. Where new advice note is approved, these will be added to the directive and the revised document will be reissued.

The intention of this document is to standardize understanding and implementation of requirements by FSC accredited certification bodies and certificate holders.

This document will be revised as required. The content of the directive will be incorporated into the related standards in each major review as feasible.

Changes and amendments to the directive will be announced to the FSC Network immediately.

Note on use of this directive

All aspects of this document are considered to be normative, including the scope, effective date, references, terms and definitions, tables and annexes, unless otherwise stated.

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A. SCOPE

This document provides FSC's formal interpretation of the requirements included in FSC-STD-40-006.

B. REFERENCES

The following referenced documents are indispensable for the application of this document. For undated references, the latest edition of the referenced document (including any amendments) applies:

FSC-STD-40-006	FSC Standard for Project Certification
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C. TERMS AND DEFINITIONS

For the purposes of this document, terms and definitions are provided in <[FSC-STD-01-002 FSC Glossary of Terms](#)> and in <[FSC-STD-40-006 FSC Standard for Project Certification](#)>. Further advice-related definitions may be provided in the context of each advice.

Advice Note: errata or addenda to normative documents.

Change request: a documented and justified request from any stakeholder for adding, deleting or changing a requirement of an approved and valid FSC normative document.

Directives: compilations of Advice Notes.

Verbal forms for the expression of provisions:

[Adapted from *ISO/IEC Directives Part 2: Rules for the structure and drafting of International Standards*]

“shall”: indicates requirements strictly to be followed in order to conform with the standard.

“should”: indicates that among several possibilities one is recommended as particularly suitable, without mentioning or excluding others, or that a certain course of action is preferred but not necessarily required. A ‘should requirement’ can be met in an equivalent way provided this can be demonstrated and justified.

“may”: indicates a course of action permissible within the limits of the document.

“can”: is used for statements of possibility and capability, whether material, physical or causal.

Part 1 General Issues

- 1 The FSC Directive contains all advice notes related to a specific FSC international policy or standard that are collected into a single document for improved accessibility for certification bodies, certificate holders and other interested stakeholders. The FSC Directive provides clear advices on the implementation of FSC's international policies and standards.
- 2 If a certification body is in doubt about the correct implementation of an FSC policy or standard, the certification body must request clarification from the FSC Performance and Standards Unit. If required, such clarification will be provided in the form of a new advice note or standard interpretation.
- 3 Prior to the finalisation of an advice note, a certification body may make its own decision in relation to a question for which clarification has been sought. In such a case, responsibility for the consequences of the decision shall rest exclusively with the certification body concerned. Formal advice note subsequently provided by the FSC International will be applicable retrospectively.
- 4 The advices provided in this document represent the formal position of the FSC International unless and until it is superseded by the approval of a more recent policy, standard, or advice note. In such cases the requirements specified in the more recent document shall take precedence.
- 5 Certification bodies are required to comply with the most recent formal advice notes, and the FSC Accreditation Business Unit will base its evaluations and issue of corrective actions on these.
- 6 Finalised advice notes are approved by the Head of the Unit of the Performance and Standards Unit or the FSC Director General. If a certification body wishes to contest the advice note provided it may do so by requesting a formal review and decision by the FSC Policy and Standard Committee. Until and unless such a review and decision has been finalised, the certification body shall continue to comply with the position of the FSC International.
- 7 Directives are under continual review and may be revised or withdrawn in response to new information, experience or changing circumstances, for example by the development of new policies or standards approved by the FSC Board of Directors.

Part 2 FSC Advices

ADVICE-40-004-01	Registering Projects on FSC Certification Database
Normative reference	FSC-STD-40-006 Clause 7.1; FSC-STD-20-001 Clause 4.6.1
Publication date	15 October 2021
Effective date	Effective from date of publication.
Background	<p><<u>FSC-STD-40-006 V2-0 FSC Standard for Project Certification</u>> became effective as of the 1st of February 2020. A key change in the new version of the standard is that certification will now be granted to the organization/entity managing the project, rather than to the project itself.</p> <p>In addition, an organization can be certified for the duration of a single project or retain certification for continuous certification of multiple projects.</p> <p>With these changes, only organizations can now be registered on the FSC Certification Database and not projects. However, this raises a concern that stakeholders cannot find FSC certified projects or verify FSC certified project claims on the FSC Certification Database anymore.</p> <p>The purpose of this Advice Note is to facilitate certification bodies (CBs) in registering both organizations and projects certified against V2-0 of the Standard on the FSC Certification Database.</p> <p>NOTE: FSC will review this Advice Note in case of changes in the management of the FSC Certification Database or after the completion of the transition period of V2-0 of the <<u>FSC-STD-40-006 FSC Standard for Project Certification</u>>.</p>
Advice	<p>Before registering organizations applying the <<u>FSC-STD-40-006 V2-0 FSC Standard for Project Certification</u>> on the FSC Certification Database, the CB shall verify whether an organization record and a certification record for the organization already exists on the FSC Certification Database.</p> <p>In case the organizational record does not exist, the CB shall create an organization record and a new certification record for the organization. This will automatically create a License code in the format FSC-C XXXXXX.</p> <p>NOTE: Organizations that are certified would already be having a License code in the format FSC-C-XXXXXX.</p> <p>For each certified organization, in the certification record, under Organizational level records, the CB shall set the field Type to “Project Certificate” unless they also have a regular COC certification.</p>

	<p>Under the certification record, the CB shall include project certification to the scope by adding <u><FSC-STD-40-006 V2-0 FSC Standard for Project Certification></u> as an applicable standard.</p> <p>Each certified organization with <u><FSC-STD-40-006 V2-0 FSC Standard for Project Certification></u> in their scope will have corresponding project(s) associated with it. For each project/sub-project, the CB shall create a project certification record associated with the organization. Adding the project certification record will automatically create a project license code in the format FSC-P XXXXX.</p> <p>NOTE: Every project/sub-project, whether it is a single project or a part of multiple projects in a continuous certification will need to have their own distinct project records.</p> <p>The project certification records can be created by the CB at any time, but at the latest, it shall be created by the time the project is finalized and prior to the issuance of the project statement by the organization. The CB shall set the certification date to be the date of the issuance of the project statement.</p> <p><u><FSC-STD-40-006 V2-0 FSC Standard for Project Certification></u> Clause 7.1 requires each project/sub-project to have a unique identifier. This unique identifier shall correspond to the project license code obtained from the FSC Certification Database as per Clause 5 above. (e.g., ABC-COC-123456-XXXXX)</p> <p>The list of all projects/sub-projects of a given organization shall be made available on the FSC Certification Database as a supplementary file (PDF document) attached to the certification record. The list shall contain at least the project statement for each project and where relevant, for sub-projects</p>
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ADVICE-40-006-02	Requirements for The Organization to provide information to the certification body (CB) for Annual Administration Fee (AAF) calculation
Normative reference	FSC-STD-40-004 V3-1 Chain of Custody Certification FSC-STD-40-006 V2-0 FSC Standard for Project Certification
Approval date	29 04 2024
Effective date	01 July 2024
Scope	This Advice Note is applicable to all organizations applying for or holding chain of custody certification.
Background	The AAF Policy <u><FSC-POL-20-005 V3-4 AAF Policy></u> provides requirements that the CB shall collect from the organization necessary information for calculating the AAF, in order for the CB to verify and enter this information on the FSC Certification Database (Clause 2.2 of <u><FSC-POL-20-005 V3-4 AAF Policy></u>).

	<p>For CoC certification, including projects, the calculation of the AAF is based on Forest Products Turnover (FPT) (Clause 5.1.1 of <u><FSC-POL-20-005 V3-4 AAF Policy></u>), and for the organizations that do not have FPT, AAF is calculated based on the annual overall purchasing cost of certified material and products (Clause 5.6.1 of <u><FSC-POL-20-005 V3-4 AAF Policy></u>). For projects under <u><FSC-STD-40-006 Standard for Project Certification></u>, AAF is calculated on the overall cost of each project (one-time projects) or the aggregated overall costs (multiple projects) instead of FPT.</p> <p>Neither the chain of custody certification (CoC) standard <u><FSC-STD-40-004 V3-1 Chain of Custody Certification></u> nor the project certification standard <u><FSC-STD-40-006 Standard for Project Certification></u> have specific requirements for the organization to provide information for calculating the AAF to the CB.</p> <p>The objective of this Advice Note is to provide normative reference and clarification on the requirements for the organization to provide the necessary information for the calculation of AAF to the CB on request. Additionally, for exceptional cases, this advice note clarifies how the AAF shall be calculated when an organization does not provide the FPT and/or Revenue.</p>
<p>Terms and definitions</p>	<p>Annual Administration Fee (AAF):</p> <p>The AAF is the fee charged by FSC Global Development (FSC GD) to accredited certification bodies (CBs) calculated on the basis of the respective certificate holder (CH) portfolio. The purpose of the fee is to support the service provided by FSC GD to uphold the FSC certification scheme.</p> <p>(Source: FSC-POL-20-005 V3-4)</p> <p>Forest Product Turnover (FPT):</p> <p>a) The Revenue of all certified and uncertified forest products; and</p> <p>b) The Revenue of all products containing wood or fibre, and all products containing non-timber forest components, including forest-based reclaimed materials regardless of the percentage.</p> <p>NOTE 1: Forest products refers to wood products, pulp and paper products, and non-timber forest products as per <u><FSC-STD-40-004a FSC Product Classification></u>.</p> <p>NOTE 2: FPT does not refer to 100% non-forest products that companies might produce.</p> <p>NOTE 3: FPT does not refer to related services that a CH may provide to another organization. The related services a CH receives under an</p>

	<p>outsourcing agreement, that contribute to adding value of the product are already inherently included in the Forest Products Turnover figure and do not need to be incorporated in addition to the value.</p> <p>(Source: FSC-POL-20-005 V3-4)</p> <p>Revenue: Revenue means the total revenue of an organization derived from the provision of goods and services, less trade discounts, VAT, intracompany sales (i.e., after any consolidation where a financial group is existing), and any other Taxes based on this Revenue. Revenue refers to the most recently completed fiscal year and is the exact number to the nearest whole USD.</p> <p>NOTE 1: The Revenue figure includes the Revenue from all certified and uncertified products that an organization produces irrespective of the fact whether they include forest-based material or not.</p> <p>NOTE 2: Intracompany sales relate to sales within one specific certification only, including the sales within a multi-site certification. Sales from one CH to another CH (even if within the same corporate group) and sales made within a group between group members are not considered intracompany.</p> <p>(Adapted from: FSC-POL-20-005 V3-4)</p>
Advice	<ol style="list-style-type: none"> 1. The organization shall, on request of the CB, provide for each site (or participating site) verifiable information on FPT and/or Revenue for calculation of the AAF. <p>NOTE: Some options for providing this information are included in the Annex I of this advice note.</p> <ol style="list-style-type: none"> 2. If the organization does not have an FPT, because the organization does not sell any certified or uncertified forest-based materials or products (e.g., free certified catalogues and certified packaging for products they sell), the organization shall provide information on the annual overall purchasing cost of certified material and products. <p>NOTE: The cost of certified material and products include the cost of FSC Controlled Wood material and products.</p> <ol style="list-style-type: none"> 3. If the organization is a newly founded company that has not yet completed a full fiscal year and therefore cannot provide the required FPT, information on the FPT shall be provided in the following annual audit.

NOTE: In the aforementioned case, the CB would use USD '100,000' as a fictitious figure for the FPT, as per AAF Policy, as the basis for the AAF calculation, until the fictitious figure is replaced by the actual FPT figure in the following annual audit.

4. If the organization is an existing company that has been purchased by another legal entity and has not yet completed the first fiscal year, information on the FPT shall be provided in the following annual audit

NOTE: In the aforementioned case, the CB would use USD '100,000' as a fictitious figure for the FPT, as per AAF Policy, as the basis for the AAF calculation, until the fictitious figure is replaced by the actual FPT figure in the following annual audit.

5. For projects certified according to <FSC-STD-40-004 Chain of Custody Certification Standard>, the organization shall provide information on FPT. This shall include all projects independent of whether a project claim is made or not.

6. For projects certified according to <FSC-STD-40-006 V2-0 Project Certification>, the organization shall provide:

- a) For single projects under one-time project certification, the overall cost of the project that is finalized; or
- b) For multiple projects under continuous project certification, the total aggregated project costs for the projects that are finalized.

7. If the organization chooses not to disclose information on FPT and/or Revenue, and neither clause 3 nor clause 4 of this advice note apply, only one or more of the following reasons for the non-disclosure of this information are permitted for provision to the certification body, and a relevant exception provided in clause 8 shall then apply:

- a) Legal restriction(s); and/or
- b) Organizational policy restriction(s).

8. If the organization provides the certification body with at minimum one of the permitted reasons for exception under clause 7, the following applicable figure shall be used to calculate the AAF:

- a) For organizations that have previously provided information on FPT and/or Revenue, based on the mid-point of two AAF Classes higher than the latest figure provided, or at a cap of USD '10,000,000,000', whichever is lower); or

	<p>b) For organizations that have not previously provided information on FPT and/or Revenue, based on:</p> <ul style="list-style-type: none"> i. A cap of USD '5,000,000' for each participating site of Group CoC certification; or ii. A cap of USD '10,000,000,000' for all other types of CoC certification. <p>NOTE: In the aforementioned cases, the AAF may be charged on the applicable basis until the required information has been provided.</p>
<p>Annex I</p>	<p>Examples of evidence and supporting documentation</p> <p>To provide the CB information on FPT and/or Revenue according to clauses 1 to 6 of this advice note, the organization may choose from the options provided below.</p> <p>Option 1</p> <p>A signed statement from a reputable professional services firm that includes the name of the Chartered Accountant or auditor, as well as the organization.</p> <p>NOTE: For Option 1, the CB may not request additional supporting documentation for the further investigation of the validity of the numbers stated.</p> <p>Option 2</p> <p>Financial data published by a reputable risk management and scoring company:</p> <ul style="list-style-type: none"> a) In the case of organizations with a 100% forest-based business where the Revenue reported by a reputable risk management and scoring company represents the FPT. b) In the case of organizations with a business that is not 100% forest-based, the Revenue reported by a reputable risk management and scoring company represents the Revenue instead of FPT. <p>NOTE 1: If a range for the FPT can be determined from a reputable risk management and scoring company, the upper value is to be used.</p> <p>NOTE 2: For Option 2, the CB may choose not to assess or investigate the validity of the provided information.</p>

	<p>Option 3</p> <p>A formal self-declaration that meets the following criteria:</p> <ul style="list-style-type: none"> a) State that the information is correct to the best of the organization's knowledge; and b) Be in writing (and not oral);and c) Be personally, or electronically (the threshold of advanced electronic signature according to Article 3 no.11 and Article 26 eIDAS regulation applies here) signed by an authorized individual (such as a legal representative or a designated accountant). <p>NOTE 1: A central office for a CoC Multi-site or Group is not required to collect written self-declarations of their individual sites/group members.</p> <p>NOTE 2: Option 3 is not considered sufficient on its own. A self-declaration may be used as supporting documentation only and it will be assessed by the CB for its reasonableness, plausibility and, as far as possible, accuracy.</p> <p>Other documentation that the CB may ask for in order to assess the reasonableness, plausibility, and accuracy of the reported FPT and/or Revenue include, but are not limited to:</p> <ul style="list-style-type: none"> a) Sales tax filings; b) Income tax records and filings; c) Accounting records; d) Financial statements; e) Declaration from an accountancy firm; f) Management accounts showing financial general ledger coding.
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ADVICE-40-006-03	Inclusion of the FSC CFM claim in the Chain of Custody Certification
Normative reference	FSC-STD-40-006 V2-0: <ul style="list-style-type: none"> - Clause 4.1 - Annex 1
Approval date	30 April 2024
Effective date	1 July 2024
Scope	This advice note applies to the CoC organization aiming to include the FSC CFM claim in their product groups scope, whether to source as an eligible input only or also use it as an output claim.

<p>Terms and Definitions</p>	<p><u><i>New definitions</i></u></p> <p>FSC CFM: FSC claim for products based on inputs exclusively from Controlled Forest Management (CFM) certified management units.</p> <p>NOTE: The claim can also be presented as “FSC Controlled Forest Management”.</p> <p><u><i>Current definitions adapted from FSC-STD-40-006 V2-0</i></u></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 (except FSC CFM), 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>FSC-certified material: Input material that is supplied with an FSC 100%, FSC Mix, FSC CFM or FSC Recycled claim from an FSC-certified supplier.</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 CFM, FSC Controlled Wood, post-consumer reclaimed, and/or pre-consumer reclaimed.</p> <p>NOTE: Product groups that are exclusively made of reclaimed material, controlled material, FSC CFM and/or FSC Controlled Wood are not eligible to be sold with the FSC Mix claim.</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 CFM, FSC Controlled Wood, controlled material, post-consumer reclaimed, and pre-consumer reclaimed.</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, FSC CFM and FSC Controlled Wood.</p> <p>Source: <u><i>FSC-STD-40-004 V3-1</i></u></p>
<p>Abbreviations</p>	<p>CFM: Controlled Forest Management</p>

<p>Background</p>	<p><<u>FSC-STD-30-010 V3-0 Controlled Forest Management</u>> has introduced a new output claim (FSC CFM) to incentivize controlled forest management, and to distinguish it from forest products sourced as controlled material or FSC Controlled Wood (CW) that conform to <<u>FSC-STD-40-005 Requirements for Sourcing FSC Controlled Wood</u>>.</p> <p>This change in the FSC normative framework means that material originating from a forest management certified against FSC-STD-30-010 V2-0 (with the FSC CW claim), will be sourced as FSC CFM, once the certification is transitioned to V3-0 of the standard. It does not affect the chain of custody for material previously purchased and sold as FSC CW.</p> <p>The objective of this advice note is to include the new material category (FSC CFM) as an eligible input in FSC-certified projects.</p>								
<p>Advice</p>	<p>1. The Organization shall consider the FSC CFM claim as an eligible input in an FSC-certified project. Table B of <<u>FSC-STD-40-006 FSC Standard for Project Certification</u>> has been amended accordingly.</p> <table border="1" data-bbox="432 965 1332 1184"> <thead> <tr> <th data-bbox="432 965 657 1113">Material categories</th> <th data-bbox="657 965 879 1113">Full project claims</th> <th data-bbox="879 965 1106 1113">Claims on specific components</th> <th data-bbox="1106 965 1332 1113">Percentage claims</th> </tr> </thead> <tbody> <tr> <td data-bbox="432 1113 657 1184">FSC CFM</td> <td data-bbox="657 1113 879 1184">N/A</td> <td data-bbox="879 1113 1106 1184">✓</td> <td data-bbox="1106 1113 1332 1184">✓</td> </tr> </tbody> </table> <p>NOTE: As FSC CFM is considered eligible input but not claim-contributing under the percentage claims category.</p>	Material categories	Full project claims	Claims on specific components	Percentage claims	FSC CFM	N/A	✓	✓
Material categories	Full project claims	Claims on specific components	Percentage claims						
FSC CFM	N/A	✓	✓						



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