



Procedure

RISK ASSESSMENT FRAMEWORK

FSC-PRO-60-006b V2-0 EN



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V1-0	Initial version.	November 2014
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INTRODUCTION

This procedure defines the process and content requirements to develop, review and revise FSC Risk Assessments. The development of the current version has been guided by the Strategy for FSC Mix Products and Controlled Wood, <FSC-POL-01-007 Policy to Address Conversion>, the European Union Regulation on Deforestation-free Products (EU) 2023/1115 (EUDR),¹ and <FSC-POL-01-004 Policy for Association>.

The <FSC-PRO-60-006b Risk Assessment Framework> outlines two types of processes that can be used to develop or revise a FSC Risk Assessment; namely a centralized or major type of process. A centralized process can be conducted by FSC or an organization participating in the Risk Information Alliance - RIA² (hereinafter referred to as 'responsible organization') by following the process requirements outlined in this procedure. Major processes are conducted through a chamber balanced Working Group and follow the process requirements specified in <FSC-PRO-60-006 The Development and Revision of FSC Country Requirements>, with equal representation of the perspectives of the social, environmental and economic chambers of the FSC membership.

NOTE: The <FSC-PRO-60-006 The Development and Revision of FSC Country Requirements> is currently being revised. The approved version is planned to be published on 1 July 2025. Process requirements contained under <FSC-PRO-60-006b Risk Assessment Framework> are aligned with the process requirements in <FSC-PRO-60-006 The Development and Revision of FSC Country Requirements>.

¹ Source: Regulation (EU) 2023/1115 of the European Parliament and of the Council on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/2010.

² For further information on the Risk Information Alliance, please access the following link:
<https://www.riskinformationalliance.org/>

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OBJECTIVE

The objective of this procedure is to provide requirements to ensure consistent and robust assessment of risks for sourcing material from certain supply areas. In the context of FSC certification, it relates to sourcing timber and/or Non-Timber-Forest Products (NTFPs) under <FSC-STD-40-005 Requirements for Sourcing FSC Controlled Wood>. NTFPs that may be included in the scope of a risk assessment are restricted to bamboo and NTFPs derived from trees (e.g., cork, resin, bark, rubber/latex).

SCOPE

This procedure is applicable to developers of FSC Risk Assessments. It specifies the following:

- a) Process steps and requirements for developing and revising risk assessments through centralized type of processes;
- b) Maintenance requirements for all risk assessments, independently of the process type;
- c) Requirements to determine the risk (i.e., 'negligible risk' or 'non-negligible risk'); and
- d) Requirements for establishing mitigation measures for sourcing material.

Parts I and II of this procedure apply to centralized type of processes. Parts III, IV, V, VI, VII and Annexes of this procedure apply to all risk assessments, including both centralized and major type of processes.

Parts IV, V, VI and VII of this procedure may be used by an organization to develop Extended Company Risk Assessments (ECRA) according to <FSC-STD-40-005 Requirements for Sourcing FSC Controlled Wood> and <FSC-STD-01-004 FSC Regulatory Module>.

This document shall be used in conjunction with the requirements of <FSC-PRO-60-006 The Development and Revision of FSC Country Requirements>, which contains the process requirements for the development and revision of FSC Risk Assessments (RA) and FSC Forest Stewardship Standards (FSS).

All aspects of this document are considered to be normative, including the scope, effective and validity dates, references, terms and definitions, tables, and annexes, unless otherwise stated and/or marked as an example.

REFERENCES

The following referenced documents are indispensable for the application of this document.

For references without a version number, the latest version of the referenced document (including any amendments) applies:

FSC-PRO-60-006	The Development and Revision of FSC Country Requirements
	Common Guidance for the Identification of High Conservation Values ³
	FSC Motion 20 Study on the Impacts of Large-Scale Forestry Operations in Global North and South
	United Nations Declaration on the Rights of Indigenous Peoples ⁴
	International Labour Organization Convention No. 169 ⁵

³ Source: [Common Guidance for the Identification of HCV | HCV Network](#)

⁴ Source: [UN Declaration on the Rights of Indigenous Peoples | OHCHR](#)

⁵ Source: [C169 - Indigenous and Tribal Peoples Convention, 1989 \(No. 169\) \(ilo.org\)](#)

TERMS AND DEFINITIONS

For the purposes of this document, the terms and definitions included in <[FSC-PRO-60-006 The Development and Revision of FSC Country Requirements](#)>, <[FSC-STD-01-002 FSC Glossary of Terms](#)>, <[FSC-STD-01-001 FSC Principles and Criteria for Forest Stewardship](#)>, and the following apply:

Controlled material: Material confirmed as being in conformity with the standard <[FSC-STD-40-005 Requirements for Sourcing FSC Controlled Wood](#)> and is used internally by the organization as an input material category in FSC production.⁶

Conversion: A lasting change of natural forest cover or High Conservation Value areas induced by human activity. This may be characterized by significant loss of species diversity, habit diversity, structural complexity, ecosystem functionality or livelihoods and cultural values. The definition of conversion covers gradual forest degradation as well as rapid forest transformation.⁷

NOTE: The definition of conversion is applicable after 31 December 2020.

Deforestation: Conversion from forest to agricultural use, whether human-induced or not.⁸

Ecoregion: A large unit of land or water containing a geographically distinct assemblage of species, natural communities, and environmental conditions. The boundaries of an ecoregion are not fixed and sharp, but rather encompass an area within which important ecological and evolutionary processes most strongly interact.⁹

Effective protection: The effectiveness of nature protection in an area shall be determined based on both the:

- a) Quality of nature protection, and the
- b) Quantity of nature protection.

The quality of nature protection shall be demonstrated by a legally established protected area network whose protection is legally enforced. The protected area network shall meet the standard of IUCN categories 1-3 (or equivalent).¹⁰ IUCN categories 4-6 (or equivalent)¹⁰ are permissible if commercial logging does not occur within protected areas. The reserve network must sample all forest types present in the country.

NOTE: Enforcement of legislation is determined through a risk assessment for relevant indicators.

The quantity of nature protection is considered sufficient if the minimum quantum of protected areas meets the targets of the Kunming-Montreal Global Biodiversity Framework established under the Convention on Biodiversity (CBD)¹¹ for terrestrial ecosystems or are equivalent for countries which have not ratified the CBD.

⁶ Source: <[FSC-STD-40-005 Requirements for Sourcing FSC Controlled Wood](#)>

⁷ Source: <[FSC-POL-01-007 Policy to Address Conversion](#)>

⁸ Source: [Regulation \(EU\) 2023/1115 of the European Parliament and of the Council on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation \(EU\) No 995/2010](#). Glossary definitions as provided in Chapter 1 Article 2.

⁹ Source: [Terrestrial Ecoregions of the World | Publications | WWF \(worldwildlife.org\)](#)

¹⁰ Source: [Guidelines for applying the IUCN protected area management categories to marine protected areas | IUCN Library System](#)

¹¹ Source: [COP15: Final text of Kunming-Montreal Global Biodiversity Framework | Convention on Biological Diversity \(cbd.int\)](#)

Forest degradation: Structural changes to forest cover, taking the form of the conversion of:

- a) primary forests or naturally regenerating forests into plantation forests or into other wooded land;
or
- b) primary forests into planted forests.¹²

NOTE: In the context of conversion and degradation, FSC ensures alignment of this risk assessment framework with <FSC-POL-01-007 Policy to Address Conversion>. This is achieved through the revised requirements for assessing risk pertaining to forest conversion and degradation (as outlined in section 16 of this risk assessment framework, i.e., in indicators 55, 56 and 57), in combination with the requirements for assessing the risk of High Conservation Values (HCVs) (as outlined in section 15 of this risk assessment framework, i.e., in indicators 58, 59, 60, 61, 62 and 63). Furthermore, the requirements for assessing risk pertaining to forest conversion and degradation (as outlined in section 16 of this risk assessment framework) use the approach included in the EUDR. This ensures the operability of the FSC requirements for conversion and deforestation from <FSC-POL-01-007 Policy to Address Conversion> in the context of mass balance system.

Harvest (-ing / -ed): A general term for the removal of produce from the forest for utilization; often comprising cutting trees; additionally, this may also include initial processing (e.g., tipping and trimming) and/or the removal of forest products from the forest to a loading point for the purposes of transportation elsewhere (including felling, yarding, and decking).¹³

Homogeneous risk designation: A homogeneous risk designation involves categorizing similar risks within the most basic common area that shares common characteristics. This is determined primarily by the availability of information on the risk in question.

Illegally harvested wood: Forest products harvested in violation of any laws applicable to harvesting in that location or jurisdiction including the acquisition of the harvesting rights from the rightful owner; the harvesting methods used and the payment of all relevant fees and royalties.¹⁴

Intact forest landscape (IFL): A territory within today's global extent of forest cover which contains forest and non-forest ecosystems minimally influenced by human economic activity, with an area of at least 500 km² (50,000 ha) and a minimal width of 10 km (measured as the diameter of a circle that is entirely inscribed within the boundaries of the territory) (Source: Intact Forests / Global Forest Watch. Glossary definition as provided on Intact Forest website. 2006-2014).¹⁵

Minimum areas of Intact Forest Landscapes are determined by maps available at <http://intactforests.org>.

Management activities: Management activities include harvesting, processing and trading.

Means of verification: Indicates how the organization implementing mitigation measures can demonstrate that a mitigation measure is adequate, assess its effectiveness, or both. Such evidence may include records, documents, maps, site visits and interviews.

¹² Source: Regulation (EU) 2023/1115 of the European Parliament and of the Council on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/2010. Glossary definitions as provided in Chapter 1 Article 2.

¹³ Source: Based on the Dictionary of Forestry (XII World Forestry Congress, 2002)

¹⁴ Source: <FSC-STD-01-002 FSC Glossary of Terms>

¹⁵ Source:<FSC-STD-60-004 International Generic Indicators>.

Mitigation measure: An action that the organization shall take to mitigate the risk of sourcing material from unacceptable sources.

Natural forest: A forest area with many of the principal characteristics and key elements of native ecosystems, such as complexity, structure and biological diversity, including soil characteristics, flora and fauna, in which all or almost all the trees are native species, not classified as plantations. 'Natural forest' includes the following categories:

- a) Forest affected by harvesting or other disturbances, in which trees are being or have been regenerated by a combination of natural and artificial regeneration with species typical of natural forests in that site, and where many of the above-ground and below-ground characteristics of the natural forest are still present. In boreal and north temperate forests which are naturally composed of only one or few tree species, a combination of natural and artificial regeneration to regenerate forest of the same native species, with most of the principal characteristics and key elements of native ecosystems of that site, is not by itself considered as conversion to plantations.
- b) Natural forests which are maintained by traditional silvicultural practices including natural or assisted natural regeneration.
- c) Well-developed secondary or colonizing forest of native species which has regenerated in non-forest areas.
- d) The definition of 'natural forest' may include areas described as wooded ecosystems, woodland, and savanna.

Natural forest does not include land that is not dominated by trees, was previously not forest, and that does not yet contain many of the characteristics and elements of native ecosystems. Young regeneration may be considered as natural forest after some years of ecological progression (Shortened version, source: FSC-STD-01-001 V5-3).¹⁶

Negligible risk: A conclusion, following a risk assessment, that there is no cause for concern either that material from a specific geographic area originates from unacceptable sources, or that material is mixed with non-eligible inputs or material with a different origin in such a way that would not allow the level of risk related to origin to be confirmed as negligible.

NOTE: FSC is replacing the term 'low risk' with 'negligible risk'. The term 'low risk' was used in <FSC-PRO-60-002a FSC National Risk Assessment Framework>.

Negligible risk area: A negligible risk area refers to an area where the level of risk of sourcing material is assessed as negligible through the risk assessment described in <FSC-PRO-60-006b Risk Assessment Framework>.

Non-negligible risk: A conclusion, following a risk assessment, that there is cause for concern that material from unacceptable sources may have been sourced or entered the supply chain from a specific geographic area. The nature and extent of this risk is specified for the purpose of defining efficient mitigation measures.

NOTE: FSC is replacing the term 'specified risk' with 'non-negligible risk'. The term 'specified risk' was used in <FSC-PRO-60-002a FSC National Risk Assessment Framework>.

¹⁶ Source: <FSC-POL-01-007 Policy to Address Conversion>

Non-negligible risk area: A non-negligible risk area refers to an area where the level of risk of sourcing material is assessed as non-negligible through the risk assessment described in <[FSC-PRO-60-006b Risk Assessment Framework](#)>.

Precautionary approach: An approach requiring that when the available information indicates management activities pose a threat of severe or irreversible damage to the environment or a threat to human welfare, explicit and effective measures to prevent the damage and avoid the risks to welfare are required, even when the available information is incomplete or inconclusive, and when the vulnerability and sensitivity of environmental values are uncertain (Source: Based on Principle 15 of Rio Declaration on Environment and Development, 1992, and Wingspread Statement on the Precautionary Principle of the Wingspread Conference, 23–25 January 1998).¹⁷

NOTE: In the case of risk assessments, there are situations in which no evidence of specific risks may be found. This does not always mean that the risk is negligible. In those cases, it is necessary to look at other indications of risk related to, but not exactly aligned with, the indicator being assessed (e.g., international indices). Furthermore, not every piece of evidence of risk automatically results in a non-negligible risk designation. The evidence must be relevant and reliable in order to be considered as an indication of non-negligible risk.

Scale, intensity and risk (SIR)

- a) **Scale:** A measure of the extent to which a management activity or event affects an environmental value or a Management Unit in time or space. An activity with a small or low spatial scale affects only a small proportion of the forest each year, while an activity with a small or low temporal scale occurs only at long intervals.
- b) **Intensity:** A measure of the force, severity, or strength of a management activity or other occurrence affecting the nature of the activity's impacts.
- c) **Risk:** The probability of an unacceptable negative impact arising from any activity in the Management Unit combined with its seriousness in terms of consequences.¹⁷

Supplier: Individual, company or other legal entity providing goods or services to an organization.¹⁸

Supply unit: A spatial area with clearly defined boundaries managed to a set of explicit long-term forest management objectives. It includes all facilities and areas within or adjacent to these spatial areas that are under legal title or management control of, or operated by or on behalf of, the supply unit manager for the purpose of contributing to the management objectives.

Traditional peoples: Traditional peoples are social groups or peoples who do not self-identify as Indigenous and who affirm rights to their lands, forests and other resources based on long established custom or traditional occupation and use.¹⁷

NOTE: The above definition includes forest-dependent communities with traditional rights living in or adjacent to forests. Further specification of the traditional rights to be considered in the risk assessment shall take place during the risk assessment process.

Unassessed area: An area that is not covered by a risk assessment.

¹⁷ Source: <[FSC-STD-01-001 FSC Principles and Criteria for Forest Stewardship](#)>

¹⁸ Source: <[FSC-STD-40-004 Chain of Custody Certification](#)>

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 to be followed strictly in order to conform with the standard.
- “should”:
Indicates that among several possibilities, one option or item 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.

ABBREVIATIONS

EUDR	European Union Regulation on Deforestation-free Products
FPIC	Free, Prior and Informed Consent
FSS	FSC Forest Stewardship Standard
GMO	Genetically Modified Organisms
HCV	High Conservation Value
IFL	Intact Forest Landscape
RA	Risk Assessment
RIA	Risk Information Alliance

PROCESS REQUIREMENTS FOR DEVELOPING AND REVISING RISK ASSESSMENTS

PART I: GENERAL

1 General aspects

- 1.1 Risk assessments shall be developed and revised following the methodology for risk assessment (see Figure 1 for further information) and the process requirements defined in this Section. The requirements which apply for each step of the development process are explained in the clauses provided below.

2 Involved parties

- 2.1 The organization responsible for the development and/or maintenance of a risk assessment shall designate a process lead to oversee the development and/or maintenance of the risk assessment.

NOTE: In the context of the Risk Information Alliance (RIA), this term can be used interchangeably with the term 'Task Manager'.

- 2.2 The process lead shall be selected based on the following criteria:

- a) Soft skills: skilled in teamwork, clarity of expression, cultural sensitivity, critical thinking and consensus building;
- b) Contribution: oriented towards achieving solutions and results, while also respecting the process timelines;
- c) Engagement: possesses the ability to engage their constituency and encourage active participation;
- d) Facilitation and drafting: possesses skills for coordination, drafting and facilitation; and
- e) Technical skills: expertise on the commodity sector and the geographical area under assessment are recommended, but are not necessary to manage the risk assessment process.

NOTE: The description of the criteria provided above may be adapted to the specific needs of the respective process.

- 2.3 The process lead shall manage the process by:

- a) Establishing and executing the work plan;
- b) Drafting the risk assessment(s);

NOTE: This includes delegating and coordinating the drafting of the risk assessment with the country specialist as needed.

- c) Responding to feedback from the reviewer and improving the draft risk assessment accordingly;
- d) Organizing the consultation(s), as well as collecting feedback and analysing the results; and
- e) Submitting the risk assessment for decision to the decision-making body.

2.4 The process lead shall engage country specialist(s) to ensure the use of local knowledge during the development and/or revision of a risk assessment, unless the process lead meets the criteria of country specialist as defined in Clause 2.5. In such a case, it is not required to engage a country specialist unless the support is needed.

NOTE: The role can be fulfilled by one in-country expert, or more if relevant, to cover the needed expertise on the indicators under assessment.

2.5 The country specialist shall meet, at a minimum, the following criteria:

- a) A minimum of bachelor's degree in a relevant field;
- b) Experience in the field relevant to the risk assessment (e.g., forest management, labour rights, third parties' rights, High Conservation Values (HCV), Genetically Modified Organisms (GMO), conversion and forest degradation, etc.);
- c) Proven research and analysis skills; and
- d) Proven detailed understanding of the country/regional context and system, including an understanding of the legal system governing the commodity in question.

2.6 The process lead shall consult experts on the draft risk assessment (including but not limited to selected indicators), if:

- a) there are limited publicly available sources of information to evaluate the indicator and to reach a risk conclusion;
- b) there are doubts on how risk conclusions shall be graded (e.g., whether the risk is widespread, systematic, etc.); and
- c) input is needed to establish mitigation measures.

NOTE: The expert consultation is recommended even if the above criteria are not met.

2.7 Selected experts shall have knowledge and/or experience on the indicator(s) being consulted. Competence in the local language is desirable.

2.8 The process lead shall submit the draft risk assessment for review to the reviewer before the stakeholder consultation and before the submission to the decision-making body.

2.9 The responsible organization shall designate a reviewer with high level of expertise on risk assessments following the requirements of this document.

2.10 The reviewer shall review the drafts of risk assessments submitted by the process lead and shall provide feedback on what aspects need further improvement.

2.11 The Performance and Standards Unit Director at FSC shall be the decision-making body for risk assessments. Experts from other organizations may also be involved during the decision-making process.

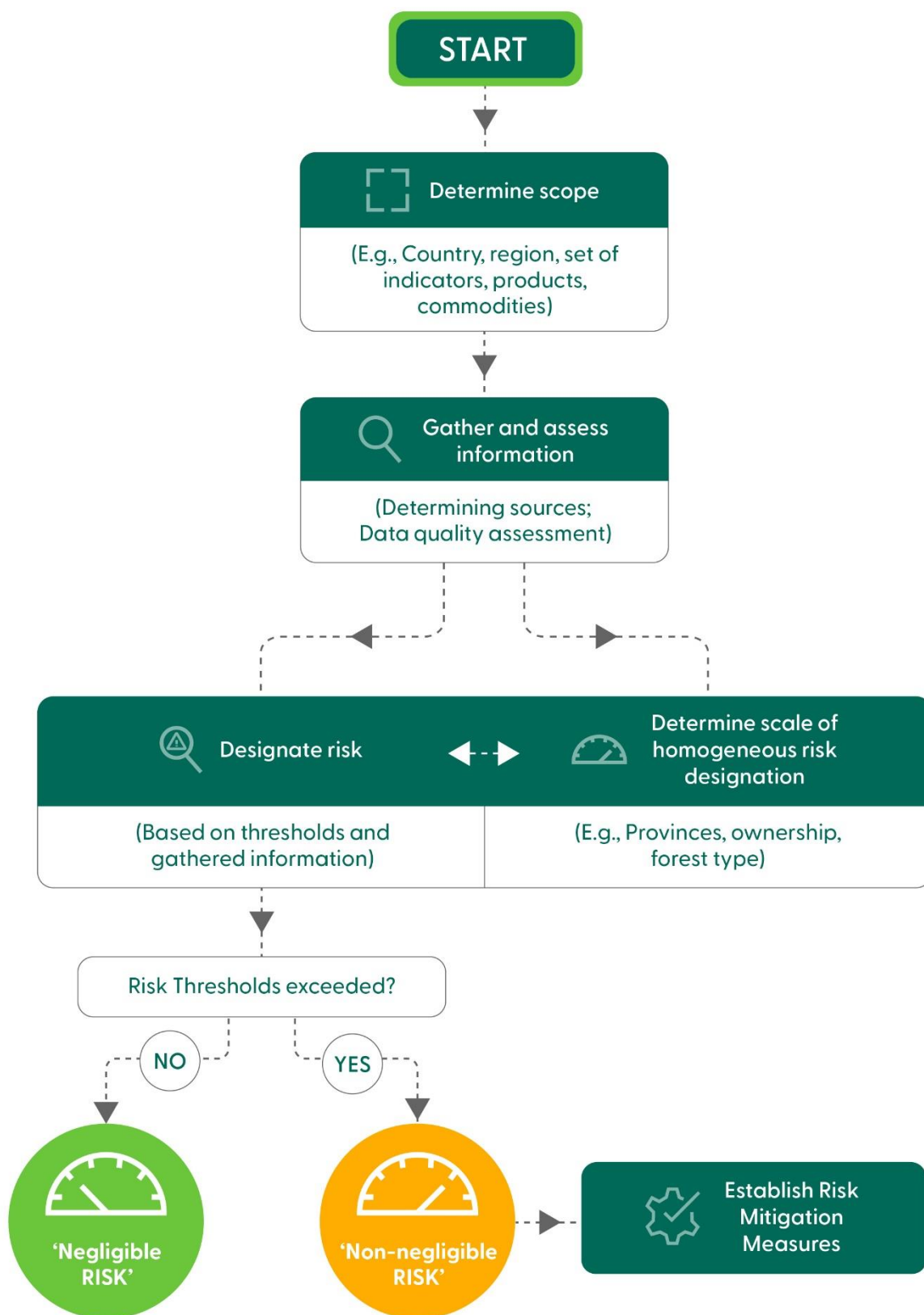


Figure 1. Steps required in the risk assessment process.

Table 1. Involved parties for centralized and major type of processes for developing and revising risk assessments.






















INVOLVED PARTIES	CENTRALIZED PROCESS	MAJOR PROCESS
 Responsible organization	 FSC International or partner organizations participating in the Risk Information Alliance (RIA)	 FSC Network Partner, FSC Regional Office (so called Responsible Body)
 Process lead	 Representative designated by FSC International or representative designated by partners organizations participating in the Risk Information Alliance	 FSC Network Partner, FSC Regional Office
 Working Group members	 N/A	 Chamber balanced members: a) National/subnational risk assessment: At least 2 members of each chamber b) Regional risk assessment: At least 1 member of each chamber per each country
 Reviewer	 Designated FSC staff or designated staff by partner organizations participating in the Risk Information Alliance	 Designated FSC staff
 Decision-making body	 Performance and Standards Unit (PSU)	 Policy and Standards Committee (PSC)
 Country specialist	 Consultant or organization who specializes in the area under assessment and can provide support to the development process	 N/A
 Experts	 Person who has knowledge and/or experience on the indicators or thematic areas relevant to the area under assessment and is consulted when applicable	 Person who has knowledge and/or experience on the indicators or thematic areas relevant to the area under assessment. An expert can be invited to Working Group discussions

Table 2. Involvement of parties on key steps for the development and revision of risk assessments through centralized type of processes.

KEY PROCESS STEP	LEAD	SUPPORTING FUNCTION
Registration	 Responsible organization	
Preparation of 1st draft	 Process lead	 Country specialist (when applicable) Experts (when applicable)
Review of 1st draft	 Reviewer	
Improvement of 1st draft based on review	 Process lead	 Country specialist (when applicable) Experts (when applicable)
30-day focused consultation	 Process lead	 FSC Network Partner/ Standard Development Group (SDG)/ Working Group (where they exist) Country specialist (when applicable) Experts (when applicable)
Collection and analysis of stakeholder feedback	 Process lead	 Country specialist (when applicable)
Preparation of final draft	 Process lead	 Country specialist (when applicable) Experts (when applicable)
Review of final draft	 Reviewer	
Improvement of final draft based on review	 Process lead	 FSC Network Partner (where they exist) Country specialist (when applicable) Experts (when applicable)
Decision-making	 Approval body (PSU)	 Reviewer
Closing conditions (when applicable)	 Process lead	 Reviewer
Publication	 Responsible organization	 Process lead FSC Network Partner (where they exist)
Annual review	 Responsible organization	 Process lead (when applicable) FSC Network Partner (where they exist) Country specialist (when applicable) Experts (when applicable)

PART II: REQUIREMENTS FOR DEVELOPMENT AND REVISION

3 Process registration

- 3.1 The process lead shall define and register with the responsible organization the following information relevant to the risk assessment process, in the provided template:
 - a) Scope of the risk assessment (commodity, area covered by the assessment [e.g., country, region], indicators);
 - b) Justification for the need to develop the risk assessment;
 - c) Timetable of the risk assessment process, including start date and planned date of submission of the final draft by the process lead; and
 - d) Budget and description of how funds have been or shall be secured.
- 3.2 If relevant, a partial risk assessment may be developed which covers some of the indicators. The indicators excluded from the scope of the assessment shall be marked as 'Not assessed'. The potential exclusion of indicators shall always be decided by the organization responsible for the specific country/region during registration.
- 3.3 The communication channels and formats of the documents to be used throughout the risk assessment process shall be agreed between the process lead and the responsible organization at the beginning of the process and documented; in the event of proposed changes, mutual agreement shall be reached.
- 3.4 In case of long or recurring delays compared to the original timetable, the responsible organization may declare the process as a failed process and may reassign the risk assessment process to another process lead.

4 Drafting

- 4.1 The process lead shall draft the risk assessment using the template provided by FSC.
- 4.2 The process lead shall prepare at minimum the following two drafts:
 - a) The first draft to be consulted, and shall be submitted to the reviewer in English prior to the consultation; and
 - b) The second draft, developed based on the input from stakeholder consultation(s), and shall be submitted to the reviewer for review prior submission to the decision-making body.
- 4.3 The process lead shall guarantee the high quality of the risk assessment draft versions, including by ensuring drafts are proofread and edited prior to submission to the reviewer.
- 4.4 Upon receipt of the first draft, the reviewer shall review the documentation within a maximum of fourteen (14) working days and inform the process lead if further improvements are required before the first draft of the risk assessment can be released for consultation.
- 4.5 The process lead shall address all comments from the reviewer and amend the first draft of the risk assessment accordingly.
- 4.6 The process lead shall release the risk assessment to consultation after completing the requirement in Clause 4.5.

- 4.7 The process lead shall prepare a submission package to present the draft to the reviewer before decision making. This submission package shall be free of editorial errors and include a formal statement from the process lead confirming the final draft has undergone required process requirements.
- 4.8 The submission package shall include:
- a) A summary of the development process, including any deviations from the original work plan and an assessment of how content and process requirements have been met;
 - b) A record of any outstanding concerns;
 - c) The final draft risk assessment in English;
 - d) A justification for non-applicability of an indicator;
 - e) A list of all stakeholders invited to participate during the consultation; and
 - f) The stakeholder consultation report(s).

NOTE 1: FSC maintains anonymity by default but may refer to the stakeholder group (see Annex 1).

NOTE 2: The submission package may include any other evidence that the process lead deems relevant to demonstrate conformity with the requirements specified in this procedure (e.g., minutes of meetings).

NOTE 3: Submission packages not meeting the above requirements will not be processed, nor will they be considered as timely submissions according to the agreed upon timelines.

- 4.9 Upon receipt of the final draft, the reviewer shall review the documentation within a maximum of fourteen (14) working days and inform the process lead if further improvements are required before the final draft risk assessment can be considered ready for approval.
- 4.10 The process lead shall address all comments from the reviewer and amend the final draft of the risk assessment accordingly within a maximum of fourteen (14) working days.
- 4.11 Once the reviewer confirms the risk assessment is ready for decision, the reviewer shall present the final draft to the decision-making body.

5 Consultation

- 5.1 The process lead shall conduct one round of focused consultation on the draft risk assessment lasting 30 days.

NOTE: Testing of the draft after consultation is optional and to be decided on a case-by-case by the responsible organization. Testing requirements can be either desk, field or pilot testing, in accordance with Annex 3 of <FSC-PRO-01-001 The Development and Revision of FSC Requirements>.

- 5.2 The draft risk assessment to be consulted shall at minimum include the information provided under clause 9.1.
- 5.3 The process lead shall ensure that stakeholders from the groups listed in Annex 1 are invited to participate in the consultation.

NOTE: The <FSC-GUI-30-011 FSC Guidance for Stakeholder Engagement> may be used as a tool to guide the stakeholder mapping process.

- 5.4 The process lead shall engage FSC Network Partners, where they exist, during the consultation of draft risk assessments. In countries where FSC Network Partners do not exist, FSC Standard Development Groups (SDGs) and/or Working Groups (WGs) should be consulted.
- 5.5 The process lead shall invite Indigenous Peoples' representatives in the country that are covered by the scope of the risk assessment to participate in the consultation(s) of the draft risk assessment, having considered the most appropriate form of engagement. The relevant information released together with the draft risk assessment for consultation shall highlight the aspects where the opinion and position of Indigenous Peoples' representatives is particularly recommended.

NOTE: This clause is applicable for countries where the presence of Indigenous Peoples is confirmed or is likely within the scope of the risk assessment.

- 5.6 The process lead shall be proactive in seeking input from representatives of identified stakeholders, including using a variety of means to inform stakeholders, appropriate to the stakeholders being contacted.

NOTE: Techniques may include: face-to-face meetings, workshops, personal contact by phone or letter, notices published in the national and/or local press and on relevant websites, local radio announcements, announcements on local customary notice boards in the language of the local people, and emails in the language of the recipients.

- 5.7 The process lead shall review all comments provided by stakeholders and address them in subsequent drafts, in line with relevant requirements.
- 5.8 The process lead shall prepare a consultation report, including a general response to the comments and an indication as to how the issues raised were addressed, excluding confidential information and personal data.
- 5.9 The responsible organization shall publish the consultation report together with the approved risk assessment, using relevant FSC communication channels.

6 Decision-making

- 6.1 The decision-making body shall make a decision to:
- Approve the risk assessment;
 - Approve the risk assessment with conditions; or
 - Reject the risk assessment and request further work be done prior to its re-submission. If the decision-making body requests further work, it shall state the reasons for the decision and list the conditions which are necessary to be fulfilled in order for the final draft to be approved.
- 6.2 In case of approval with conditions, the process lead shall address the conditions and send the improved risk assessment to the responsible organization within twenty working days (20) after the communication is made official.
- 6.3 If the stipulated timelines for improving the risk assessment addressing the approval conditions are not met by the process lead, the reviewer should address and close the approval conditions on behalf of the responsible organization.

NOTE: If the information needed to close the approval condition is not available, the reviewer will provide a 'non-negligible' risk designation to the respective indicator.

PART III: MAINTENANCE

7 Publication and implementation

- 7.1 Upon approval, the responsible organization shall publish the risk assessment on the relevant webpages and websites such as FSC Connect.
- 7.2 An approved risk assessment shall become effective on the date of publication.
- 7.3 An approved risk assessment remains valid from the date of publication until replaced by a new version.

8 Monitoring and review

- 8.1 The responsible organization shall annually review the comments received from stakeholders on published risk assessments to ensure that the applicable legislation, risk designations and mitigation measures are up to date.
- 8.2 Stakeholders and experts shall have the possibility to continuously provide inputs to the risk assessment and share information through an online platform provided by the responsible organization.
- 8.3 The responsible organization may collect additional information during an annual review, by the following means:
 - a) Inviting experts and stakeholders to provide input to risk findings to identify additional information and gaps; and/or
 - b) Arranging webinar(s) for feedback gathering; and/or
 - c) Holding a country specific consultation, if considered relevant.
- 8.4 The responsible organization shall confirm the accuracy of the input received from stakeholders and experts on the applicable legislation, risk designations and mitigation measures.
- 8.5 If there are changes in the area under assessment leading to a change in applicable legislation, risk level or risk mitigation, the responsible organization shall decide if a revision should be done immediately or if the information can be stored and included during the scheduled revision instead (as specified in Clause 8.7).
- 8.6 In case the need for a revision following an annual review is confirmed, the responsible organization shall follow the requirements for accelerated process type as specified in <FSC-PRO-60-006 The Development and Revision of FSC Country Requirements>.
- 8.7 The responsible organization shall conduct a review and eventual revision of the risk assessment every five (5) years. This full review and eventual revision shall cover all sections of a risk assessment, including the scope, country overview, assessment of indicators, legislation, mitigation measures, annexes, etc.
- 8.8 In the event of rapidly changing circumstances that pose a serious risk to the integrity or reputation of FSC's certification scheme within the area under assessment, FSC may revise a risk assessment and establish mandatory mitigation measures for indicators with non-negligible risk designation, following the requirements for accelerated process type as specified in <FSC-PRO-60-006 The Development and Revision of FSC Country Requirements>.

CONTENT OF RISK ASSESSMENTS

PART IV: GENERAL REQUIREMENTS

9 General aspects

9.1 The risk assessment shall at minimum include:

- a) The scope description;
- b) An overview of the country;
- c) A description of the supply chain;
- d) The establishment of geopolitical scale and source types;
- e) An assessment of each indicator, including the risk designation;
- f) The establishment of mitigation measures; and
- g) Supporting documents, such as applicable legislation, sources of information, and/or risk mitigation related documents.

NOTE: Relevant instructions for each of the entry fields are included in the template provided by FSC, as specified in Clause 4.1.

9.2 The risk assessments shall include an assessment of all indicators covered by this procedure (listed in Table 3), except as specified in Clause 3.2 in case of partial risk assessments.

PART V: ASSESSING RISK

10 Determining the scope

- 10.1 The risk assessment shall specify the area covered by the assessment (e.g., a country, a region that is part of a country, or a region that covers more than one country) and the indicators that are covered in the case of partial risk assessments (as specified in Clause 3.2) by references to the existing available spatial data.
- 10.2 The risk assessment shall specify the product/commodity scope under assessment (e.g., timber, NTFPs, etc.).

NOTE: NTFPs that may be included in the scope of a risk assessment are restricted to bamboo and NTFPs derived from trees (e.g., cork, resin, bark, rubber/latex).

11 Gathering and assessing information

- 11.1 Sufficient information shall be gathered to assess each indicator and respective risk threshold to justify the risk designation reached.
- 11.2 The assessment shall be developed based on a combination of public sources of information and consultations with experts and stakeholders during the risk assessment process. However, in other situations, information obtained on-site may be included. In these cases, the different types of information shall be combined.
- 11.3 All sources of information used in the risk assessment shall be reliable and well recognized.
- 11.4 The sources of information used in the risk assessment should be selected based on objective criteria.
- NOTE: Examples of objective criteria to evaluate information sources include publication indices,¹⁹ credibility of data providers,²⁰ dates of publication, methodology used for data gathering, etc.
- 11.5 Information sources older than five (5) years should be avoided unless their continued relevance and reliability can be confirmed.
- 11.6 For the assessment of each indicator, general sources of information provided by key topics in the template shall be considered.
- 11.7 In addition to the general sources of information provided in the template, sources of information specific to the area under assessment shall be gathered and documented in the risk assessment.
- 11.8 Whenever possible, information relevant to the specific context of forest- or farm-level management in the area under assessment should be used.
- 11.9 Information used in the risk assessment, including information gathered via experts, shall be referenced to ensure that sources of information are verifiable by third parties (e.g., reference to fsc.org, Google search results, or similar is not specific enough for the purposes of data validation).

¹⁹ For example, Impact Factor (IF) (<https://researchguides.uic.edu/if/impact>), Science Citation Index (SCI) (<https://clarivate.com/webofsciencegroup/solutions/webofscience-scie/>), etc.

²⁰ Preferred data providers may include: scientific entities based on their international ranks and publication in high-ranked journals, International Agencies, Non-governmental Organizations (NGOs), governmental agencies, etc.

NOTE: Names of experts are anonymized by default (unless explicit permission is given), but the names of experts consulted is recorded and kept on file by FSC with other methodological materials.

- 11.10 Any existing conflicts between indicator requirements and applicable legislation identified for the area under assessment shall be identified and described. Such cases shall be documented and addressed on a case-by-case basis in consultation with the responsible organization and relevant stakeholders identified during the risk assessment process.

NOTE: Instances where indicator requirements are more stringent than relevant legislation does not constitute a conflict.

12 Determination of source types

- 12.1 The geopolitical scale relevant for the area under assessment shall be determined. Geopolitical scale is determined based on geographical boundaries, such as administrative sub-divisions (e.g., states, counties, provinces, etc.) and/or biological and/or geographical sub-divisions (e.g., bioregions, ecoregions, water catchments, watersheds, etc.).

- 12.2 Source types relevant for the area under assessment shall be established.

NOTE: Establishing source types relevant for the area under assessment will allow for a clear designation of risk for the possible origins of material under assessment, as well as the provision of clear and meaningful mitigation measures.

- 12.3 In the determination of source types, the following aspects shall be considered:

Non-geographical characteristics, such as the type of forested area (e.g., plantations, managed forests, or natural forests), tenure or ownership (e.g., public, private, corporate, Indigenous, or community forests), scope of management (e.g., presence or absence of particular planning requirements, type and/or quality of forest inventory, etc.), as well as scale, intensity and risk of forest management operations.

NOTE: Example of source types include: State-owned plantations on forest land at province level, private company owned plantations on forest land at state level, etc.

- 12.4 The homogeneity of the area under assessment should be considered when determining the source types.

- 12.5 Source types shall be clearly described and identifiable by risk assessment users.

- 12.6 The process lead shall provide, at a minimum, shapefile with the layer of polygons representing the homogenous risk areas at the geopolitical scale within the area of the assessment, covering the whole area of the assessment using GIS format, and clear description of the source types. Only data meeting internationally recognized spatial standards (e.g., Open Geospatial Consortium standards) shall be used.

- 12.7 When ecoregion(s) are used to represent homogeneous risk areas within the area under assessment, the boundaries of ecoregion(s) used should have clearly defined spatial boundaries.

13 Designation of risks

- 13.1 A risk designation shall be provided at the level of indicator and corresponding scale of assessment used.

NOTE: An indicator may have different risk designations depending on the scale of assessment.

- 13.2 The risk designation shall be determined by evaluating the information in identified sources against the 'non-negligible' risk thresholds associated with each indicator.
- NOTE: A 'non-negligible' risk designation can only be reached when the risk threshold(s) associated with each indicator are met.
- 13.3 Each indicator under assessment shall be determined as either:
- a) 'Negligible risk', in the event that evidence indicates that the 'non-negligible' risk threshold(s) are not exceeded, and that there is no other information that would lead to a 'non-negligible risk' designation; OR
 - b) 'Non-negligible risk', in the event that available means of verification do not show evidence that the negligible risk category is applicable; or that one or more specific risk areas were identified; OR
 - c) 'Not applicable', when an indicator is not considered applicable in the risk assessment.
- 13.4 When assessing indicators in the risk assessment, the following aspects shall be considered:
- a) All entities involved in harvesting and production activities (e.g., contractors);
 - b) The scale and intensity of the management operation within the area under assessment; and
 - c) The impact and likelihood of the risk when providing the risk designation, as follows:
 1. Non-negligible risks are those which:
 - i. Affect a wide area, causes significant damage, and/or continues over a long period of time;
 - ii. Indicate the absence or breakdown of enforcement of the legal system;
 - iii. Are not corrected or adequately responded to upon being identified;
 - iv. Have a significant negative impact on society, the production of forest products and other services, the forest ecosystem and the people directly and indirectly affected by management activities.
 2. Negligible risks are those which are:
 - i. Temporary;
 - ii. Unusual or non-systematic;
 - iii. Limited in their impact;
 - iv. Effectively controlled through the implementation of monitoring and enforcement measures carried out by efficient and effective government agencies.
- 13.5 Each identified risk(s) related to the indicator under assessment shall be described.
- 13.6 Risk designation shall be substantiated, including the rationale behind the final conclusion (e.g., "based on findings x, y and z, it is concluded that the risk is non-negligible for this indicator").
- 13.7 A precautionary approach shall be applied when assessing an indicator, and a 'non-negligible risk' designation shall be assigned, if the following conditions are met:
- a) The assessment of indicators 10, 11 and 12 conclude that there is a risk of corruption and fraud in the country/region in question; and
 - b) Little or no evidence can be obtained to indicate that the risk is negligible.
- 13.8 Similar or related indicators concluded as 'non-negligible' risk should be considered when applying a precautionary approach.

- 13.9 If little or no information can be obtained to assess an indicator, a 'negligible risk' designation may be concluded if:
- a) The assessment of indicators 10, 11 and 12 conclude there is a 'negligible risk' of corruption and fraud in the country/region in question; and
 - b) The country/region in question scores well on international governance indicators regarding the quality of governance (e.g., WB Worldwide Governance Indicators²¹); and
 - c) The assessment of other similar or related indicators of the risk assessment have also concluded that there is 'negligible risk'.
- 13.10 When assessing indicators relating to legal compliance, the aspects below shall be considered:
- a) Differences between national and sub-national legislation, where applicable. If legislation is applicable for the purposes of understanding the risk designation, those legal requirements shall be described;
 - b) Governance of the sector in the area under assessment, including the administrative capacity to oversee effective implementation of laws and regulations, as well as their enforcement; and
 - c) Corruption and data and document falsification. When assessing the level of corruption, consultation with experts shall help to evaluate the extent of corruption in the sector, taking into account corruption related to the specific indicator in addition to the findings of indicators 10, 11 and 12 on corruption and document fraud. Special attention shall be given to the enforcement of laws requiring approval from public bodies, such as permits, concession licenses, custom declarations, etc.
- 13.11 In cases where the country/region already has an approved FSS, the risk assessment should cross reference the relevant and up-to-date legislation identified in the FSS for the country/region under assessment.²²
- 13.12 Risk designations for the area under assessment shall be compared against the risk designations of risk assessment(s) of similar areas. In case the risks identified in the assessment of the corresponding indicator under comparison are similar but result in a different risk designation, an explanation of the reason for the difference(s) in risk designation shall be provided. This includes regions in different countries.

NOTE: Examples of characteristics for identifying similar areas include the following: size of the area, type(s) of forests, dominant management characteristics, proximity, type of identified risks, and applicable legislation, among others; 'relevance' and 'similarity' are expected to be determined on a case-by-case.

14 Establishment of mitigation measures

- 14.1 Where 'non-negligible risks' are identified, mitigation measures shall be established which, when implemented, are expected to reduce the risk from 'non-negligible' to 'negligible', either individually or in combination with other mitigation measures.
- 14.2 Mitigation measures can be of two types: mandatory or recommended. Both types of measures shall be distinguished in the risk assessment.

²¹ Available at: <https://www.worldbank.org/en/publication/worldwide-governance-indicators/interactive-data-access>.

²² Approved FSS are available at the FSC Document Centre: <https://connect.fsc.org/document-centre>.

- 14.3 Mandatory mitigation measures are only possible to be established when developing or revising a risk assessment through a major type of process according to <FSC-PRO-60-006 The Development and Revision of FSC Country Requirements>.
- 14.4 Mitigation measures shall be provided for each identified risk and contain the following information:
- a) Classification of the verifier used in evaluating the mitigation measure (e.g., document verification, stakeholder consultation, field visit, etc.). Often, multiple types of verification may be needed to effectively mitigate a risk; and
 - b) The type of information to be used as per the verifiers and the associated mitigating actions to address the identified risk(s). Examples of type of information include relevant document(s) to collect and verify, stakeholders to consult, and other types of information needed to address the risk(s).
- 14.5 Mitigation measures shall be established according to each risk and source type identified.

PART VI: INDICATOR SPECIFIC REQUIREMENTS

15 High Conservation Values (HCVs)

- 15.1 For the assessment of indicators 58, 59, 60, 61, 62 and 63 as provided in Table 3 (below), the requirements under this section shall be followed.
- 15.2 The scope of the assessment of HCVs includes:
- The assessment of HCV presence; and
 - The assessment of threats to HCVs caused by management activities, including harvesting or production which occurs outside the scope of a formal management process.

NOTE 1: In the context of risk assessments, identification of HCVs is not expected at the forest of origin.²³

NOTE 2: The use of the Common guidance for the identification of High Conservation Values for the assessment of HCV presence is recommended.

- 15.3 The following HCVs shall be assessed regarding the risk of being threatened by management activities:
- HCV 1—Species diversity. Concentrations of biological diversity including endemic species, and rare, threatened or endangered species that are significant²⁴ at global, regional²⁵ or national levels.
 - HCV 2—Landscape-level ecosystems and mosaics. Intact forest landscapes and large landscape-level ecosystems and ecosystem mosaics that are significant at global, regional or national levels, and that contain viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance.
 - HCV 3—Ecosystems and habitats. Rare, threatened, or endangered ecosystems, habitats or refugia.
 - HCV 4 —Critical ecosystem services. Basic ecosystem services in critical situations, including the protection of water catchments and control of erosion of vulnerable soils and slopes.
 - HCV 5—Community needs. Sites and resources fundamental for satisfying the basic necessities of local communities or Indigenous Peoples (e.g., for livelihoods, health, nutrition, water, etc.), identified through engagement with these communities or Indigenous Peoples.

²³ Forest of origin refers to Management Unit or Supply Unit depending on the context that this term is used.

²⁴ For interpretation of 'Significant values', please refer to Common Guidance for the Identification of High Conservation Values. Significance of values may also be assigned by FSC Forest Stewardship Standards.

²⁵ The context for 'regional' in assessing this value should be ecological in nature. In large countries such as the United States of America, Australia, Russia, Canada, and Brazil, there will be many ecological regions. Conversely, in a small European country, forests may form a small part of a larger ecosystem which crosses national boundaries. Risk assessments should be informed by the status of values that cross national boundaries, using the precautionary approach, even when the risk assessment does not cover more than one country. Where a value might be common at a national level, if the country contains the only or most examples of the value that was once geographically much more widespread, then the value will meet the threshold for HCV 1. Example: Most of the to medium- to large-weight mammals associated with European natural forest ecosystems can be found in the forests of Belarus; however, most of these are extinct in the rest of Europe, making the forest of Belarus particularly important for these HCV values.

- f) HCV 6—Cultural values. Sites, resources, habitats and landscapes of global or national cultural, archaeological or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities or Indigenous Peoples, identified through engagement with these local communities or Indigenous Peoples.

NOTE: Identification of HCVs 5 and 6 requires engagement of local communities and Indigenous Peoples. For the scope of the risk assessment, consultation on the risk assessment process conducted according to section 5 under 'Process requirements for developing and revising risk assessments' and/or any targeted consultation conducted with the right holders and/or experts during the risk assessment process is considered sufficient when identifying HCVs 5 and 6.

- 15.4 'Threat' in the context of HCVs shall refer to common management activities that cause or may cause loss or degradation of HCVs.

NOTE 1: The risk assessment may include other threats specific to national and/or regional conditions.

NOTE 2: While assessing existing threats to HCVs, information as specified in indicator 9.2.1 of <FSC-STD-60-004 International Generic Indicators> may be used.

15.4.1 The following threats shall be considered for HCV1:

- a) Habitat removal;
- b) Habitat fragmentation; and the
- c) Introduction of alien/invasive species.

15.4.2 The following threats shall be considered for HCV2:

- a) Fragmentation, including access (roading); and
- b) Commercial logging, or logging for the primary purpose of wood production (this applies only to IFLs.)

15.4.3 The following threat shall be considered for HCV3:

- a) Lack of effective protection of HCV 3.

15.4.4 The following threats shall be considered for HCV4:

- a) Reduction of water quality/quantity, and
- b) Negative impacts on human health (e.g., poisoning water, etc.).

15.4.5 The following threat(s) shall be considered for HCV5:

- a) The compromising (impacting) of fundamental needs of Indigenous Peoples, Traditional Peoples, and local communities by management activities.

15.4.6 The following threat(s) shall be considered for HCV6:

- a) Destruction and/or disturbance of rights or values determining HCV 6.

- 15.5 Best available information to be used for the identification of HCV and assessment of threats to HCVs includes, but is not limited to:
- a) Available HCV surveys conducted in the area under assessment;
 - b) Consultation with relevant databases and maps; and
 - c) Consultation with relevant local and regional experts.
- NOTE: The precautionary approach applies in the absence of best available information (or the lack of any available information).
- 15.6 Existing nature protection schemes implemented in the country/area under assessment shall be recognized and evaluated in terms of potential usefulness for HCV identification and protection (see Clause 15.11.a).
- 15.7 Spatial data documenting HCV presence shall be used whenever possible. Data meeting internationally recognized spatial standards (e.g., Open Geospatial Consortium standards) shall be prioritized.
- NOTE 1: Forest district maps, concession maps, land cover maps, administrative sub-units, and similar may be very helpful by informing data layers in addition to data that relates directly to the HCVs.
- NOTE 2: When spatial data is used for the assessment of HCV presence, only the areas of homogenous risk have to be documented in the risk assessment template provided by FSC, as specified in Clause 4.1.
- 15.8 FSC-approved HCV frameworks (or parts thereof) that have previously been developed as part of the development of an FSC Forest Stewardship Standard (FSS) based on FSC Principles and Criteria version 5 (FSC P&C V5) shall be used as a primary source of information about HCV presence and threats in the risk assessment, provided they meet the requirements of this document.
- 15.9 Where there is no FSC-approved HCV framework developed as part of the development of a FSS based on FSC P&C V5, an HCV framework for the given country/region shall be developed as part of the risk assessment process, including identification of areas where HCV are present and threat(s) to them posed by management activities, according to the requirements of this document.
- 15.10 All Intact Forest Landscapes (IFL) as defined by the maps at <http://intactforests.org> shall be used as IFL unless other sources indicate that this data is not up to date or complete. In those cases, the process lead shall use other forms of best available information such as IFLs identified in existing HCV frameworks according to Clause 15.8, historical harvesting documentation, maps and external data provided by independent organizations, scientists, and experts.
- 15.11 When assessing risk thresholds for HCVs, the following shall be considered and utilized where relevant:
- a) In areas where HCVs are protected by country or regional nature protection schemes, the effectiveness of the implementation of those protection schemes shall be assessed. This shall include governance assessment and sufficiency of HCV protection;
- NOTE 1: Protection schemes may include, for instance, a system of protected areas or international protection programs (e.g., National Parks, Natura 2000). The existence of network protection schemes on their own does not justify a 'negligible risk' designation. Only effective protection schemes assessed as appropriate for risk mitigation may justify a 'negligible risk' designation.

NOTE 2: The assessment of indicators 13, 14, 16, 17, 18, 19, 20, 21, 24, 42, 44 and 46 on legal compliance can be used when assessing governance of HCV protection.

- b) In cases where there is ongoing external regional/national consultation on specific issues related to HCVs that affect risk designation, the outcomes of such processes shall be considered, applying the precautionary approach; and
- c) In areas where there is forest conversion and degradation, the assessment of indicators 55, 56 and 57 shall be considered.

16 Forest conversion and degradation

- 16.1 For the assessment of indicators 55, 56 and 57 as provided in Table 3 (below), the requirements under this section shall be followed.

NOTE: In the context of conversion and degradation, FSC ensures alignment of this risk assessment framework with <FSC-POL-01-007 Policy to Address Conversion>. This is achieved through the revised requirements for assessing risk pertaining to forest conversion and degradation (as outlined in this section), in combination with the requirements for assessing the risk of High Conservation Values (HCVs) (as outlined in section 15 of this risk assessment framework, i.e., in indicators 58, 59, 60, 61, 62 and 63). Furthermore, the requirements for assessing risk pertaining to forest conversion and degradation (as outlined in this section) use the approach included in the EUDR. This ensures the operability of the FSC requirements for conversion and deforestation from <FSC-POL-01-007 Policy to Address Conversion> in the context of mass balance systems.

- 16.2 When assessing risk thresholds for forest conversion and degradation, the following aspects shall be considered:

- a) Extent and impact of activities, including structures, responsible for endangering forest cover;
- b) Spatial data meeting internationally recognized spatial standards and documenting forest conversion and degradation shall be used whenever possible;
- c) The use of spatial data for risk assessment should be supported by other data types whenever possible; and

NOTE: Other data types may include, but are not limited to, land change registries, statistics, or land/forest management plans.

- d) Governance assessment in areas where conversion of natural forest is prohibited by law. This may include an assessment of the overall effectiveness of the administration (national or sub-national agencies) to ensure the implementation of laws and regulations pertaining to conversion and degradation.

NOTE: The assessment of degradation is introduced based on <FSC-POL-01-007 Policy to Address Conversion>. A 'non-negligible' risk designation can only be reached when the risk threshold(s) as per indicator 57 are met.

- 16.3 Considering the provisions of <FSC-POL-01-007 Policy to Address Conversion> the precautionary approach shall be applied for the assessment of indicator 55; thus, a 'non-negligible' risk designation shall be concluded, subject to Clause 16.4.
- 16.4 In cases where a risk assessment is conducted via major type of process (following the requirements under <FSC-PRO-60-006 The Development and Revision of FSC Country Requirements>), a chamber balanced Working Group may designate an area as 'negligible risk', provided they are able to demonstrate via data that applicable conversion has not taken place in the area under assessment since 31 December 2020.

17 Genetically Modified Organisms (GMO)

- 17.1 For the assessment of indicator 64 as provided in Table 3 (below), the requirements under this section shall be followed.
- 17.2 When assessing the 'non-negligible' risk thresholds on the use of GMO, the following aspects shall be considered:
- a) In areas where GMO are allowed in commercial plantations, the systems for controlling the use of GMO²⁶ shall be assessed. The ability to locate plantations of GMO trees through official documents is essential for determining risk and the implementation of mitigation measures; and
 - b) In countries or areas with poor or unclear governance on GMOs, the risk assessment should focus on the presence of GMO in plantations and/or forests.

NOTE: The risk in relation to GMO is usually species-specific. Examples of species that have been used to develop GMO tree species include American chestnut (*Castanea dentata*), Elm (*Elmerrillia sp.*), Eucalyptus (*Eucalyptus sp.*), Pinelia (*Pinelia sp.*), Poplar (*Populus sp.*), Silver Birch (*Betula pendula*), Spruce (*Picea sp.*) and Walnut (*Juglans sp.*).

²⁶ A Genetically Modified Organism (GMO) is an organism in which the genetic material has been altered in such a way that does not occur naturally by mating and/or natural re-combination.

PART VII: INDICATORS FOR RISK ASSESSMENTS

When assessing each indicator, the risk thresholds provided in Table 3 below should be used as 'and/or'. If one of the thresholds is met, then it will result in 'non-negligible' risk designation. For indicators 56 and 57, applying risk thresholds are specified in the table.

Table 3. Risk assessment indicators.

No.	Indicator	Non-negligible risk thresholds
Land use and management		
1	<i>Land tenure rights are secured and registered according to legal requirements.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
2	<i>Land management rights are in place and registered according to legal requirements.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
3	<i>Forest concession licenses are in place and are issued and registered according to legal requirements.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
4	<i>Harvesting permits are in place and are issued and registered according to legal requirements.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.

No.	Indicator	Non-negligible risk thresholds
5	<i>Legal requirements for land-use and management planning are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
Taxes and fees		
6	<i>Legal requirements for payment of royalties, land/area taxes and fees are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
7	<i>Legal requirements for payment of value-added taxes and/or other sales taxes are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
8	<i>Legal requirements for payment of corporate taxes are complied with, including profit taxes.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
9	<i>Legal requirements for payment of trade and/or export taxes and fees are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.

No.	Indicator	Non-negligible risk thresholds
Corruption and/or document and data falsification		
10	<i>Legal requirements related to corruption, including bribery, fraud and conflict of interest, are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
11	<i>All forms of bribery and corruption are avoided.</i>	<ol style="list-style-type: none"> 1. Applicable legislation for the area under assessment covers the requirements under this indicator, but the risk assessment for indicator 10 confirms a designation of 'non-negligible risk'; 2. Applicable legislation for the area under assessment contradicts indicator requirement(s); 3. Evidence indicates widespread or systematic violation of requirements covered under this indicator.
12	<i>Data and document falsification do not occur.</i>	<ol style="list-style-type: none"> 1. Applicable legislation for the area under assessment covers the requirements under this indicator, but the risk assessment for indicator 10 confirms a designation of 'non-negligible risk'; 2. Applicable legislation for the area under assessment contradicts indicator requirement(s); 3. Evidence indicates widespread or systematic violation of requirements covered under this indicator.
Management activities and environmental protection		
13	<p><i>Legal requirements for management activities and related operational requirements are complied with.</i></p> <p>NOTE: Operational requirements include, but are not limited to: selective cutting, shelter wood regenerations, clear felling, transport of timber from the felling site, seasonal limitations, establishment of buffer zones (e.g., along water courses, open areas and breeding sites),</p>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.

No.	Indicator	Non-negligible risk thresholds
	<p>maintenance of retention trees on the felling site, biodiversity conservation, environmental requirements for forest machineries, establishment of skidding or hauling trails, road construction, drainage systems and bridges, planning and monitoring of harvesting activities, etc. Typically, this includes regulations on the size of felling areas, minimum age and/or diameter for felling activities, and elements that shall be preserved during felling, and other harvesting practices.</p>	
14	<p><i>Development and maintenance of infrastructure associated with management activities comply with applicable codes and legal requirements for the protection of environmental values.</i></p>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
15	<p><i>Development and maintenance of infrastructure associated with management activities is done in a way that minimizes adverse impacts on environmental values.</i></p>	<ol style="list-style-type: none"> 1. Applicable legislation for the area under assessment covers the requirements under this indicator, but the risk assessment for indicator 14 confirms a designation of 'non-negligible risk'; 2. Applicable legislation for the area under assessment contradicts indicator requirement(s); 3. Evidence indicates widespread or systematic violation of requirements covered under this indicator.
16	<p><i>Legal requirements related to biodiversity conservation, protected sites, and the protection of endemic, rare, threatened, or endangered species and their habitats are complied with.</i></p>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.

No.	Indicator	Non-negligible risk thresholds
17	<i>Legal requirements relating to the harvesting, collection, and trade of CITES species are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
18	<i>The volume and impacts of waste from management activities comply with legal requirements, and are managed and minimized.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities; 4. Applicable legislation for the area under assessment contradicts indicator requirement(s); 5. Evidence indicates widespread or systematic violation of requirements covered under this indicator.
19	<i>Pollution resulting from management activities comply with legal requirements, and is controlled and minimized.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities; 4. Applicable legislation for the area under assessment contradicts indicator requirements; 5. Evidence indicates widespread or systematic violation of requirements covered under this indicator.
20	<i>Water resources are protected and used responsibly in compliance with legal requirements, and with the aim of ensuring long-term viability.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities;

No.	Indicator	Non-negligible risk thresholds
		<ol style="list-style-type: none"> 4. Applicable legislation for the area under assessment contradicts indicator requirement(s); 5. Evidence indicates widespread or systematic violation of requirements covered under this indicator.
21	<p><i>Negative impacts on soils from management activities are minimized, and comply with legal requirements.</i></p>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities; 4. Applicable legislation for the area under assessment contradicts indicator requirement(s); 5. Evidence indicates widespread or systematic violation of requirements covered under this indicator.
Health and safety		
22	<p><i>Legal requirements related to occupational health and safety are complied with.</i></p>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
23	<p><i>Facilities and activities are safe and support worker's health, and workers have access to and use appropriate Personal Protective Equipment commensurate with the activities undertaken.</i></p>	<ol style="list-style-type: none"> 1. Applicable legislation for the area under assessment covers the requirements under this indicator, and the country has ratified the Occupational Safety and Health Convention (C155)²⁷ and Promotional Framework for Occupational Safety and Health Convention (C187)²⁸, but the risk assessment for indicator 22 confirms a designation of 'non-negligible risk'; 2. Applicable legislation for the area under assessment contradicts indicator requirement(s);

²⁷ ILO Convention 155: [Occupational Safety and Health Convention](#)

²⁸ ILO Convention 187: [Promotional Framework for Occupational Safety and Health Convention](#)

No.	Indicator	Non-negligible risk thresholds
		<ol style="list-style-type: none"> 3. Evidence indicates widespread or systematic violation of requirements covered under this indicator; 4. The non-fatal occupational injuries in the area under assessment are more than 591.5 per 100'000 workers and occupational fatalities are more than 2.45 per 100'000 workers.
24	<p><i>The use, application, storage, and disposal of chemicals in management activities addresses the protection of the environment and human health and safety and complies with legal requirements.</i></p>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities; 4. Applicable legislation for the area under assessment contradicts indicator requirement(s); 5. Evidence indicates widespread or systematic violation of requirements covered under this indicator.
Human and labour rights		
25	<p><i>Human rights protected under international law, as enshrined in national law, are complied with.</i></p>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
26	<p><i>Harvest or trade in products do not contribute to a violation of international human rights or is not associated with armed conflicts.</i></p>	<ol style="list-style-type: none"> 1. The area is a source of conflict timber,²⁹ 2. The area is covered by a UN security ban on exporting timber;

²⁹ The links between timber exploitation and conflict are essentially of two broad types: First, revenues from the timber trade may be channeled towards activities that perpetuate conflict, such as the purchase of weapons. Thus, 'conflict timber' is defined as 'timber that has been traded at some point in the chain of custody by armed groups, be they rebel factions or regular soldiers, or by a civilian administration involved in armed conflict or its representatives, either to perpetuate conflict or take advantage of conflict situations for personal gain. Conflict timber is not necessarily illegal' (Global Witness 2002, cited in Le Billon 2003).

Second, the exploitation of timber may itself be a direct cause of conflict (Thomson and Kanaan 2003). This may be because of disputes over, for example, ownership of forest resources, the distribution of benefits, local environmental degradation, or social conflicts caused by immigration of timber workers. In some countries, especially when other sources of income are lacking, there is little attempt to ensure that timber production is sustainable or socially responsible (Source: UNEP, Africa Environment Outlook: <https://www.unep.org/resources/report/africa-environment-outlook-2-our-environment-our-wealth>). Such cases, however, are assessed by other indicators covering requirements based on ILO provisions; thus, they are not in the scope of indicator 38.

No.	Indicator	Non-negligible risk thresholds
		<ol style="list-style-type: none"> 3. The area is covered by any other international ban on timber export; 4. Operators in the area are involved in the supply or trade of conflict timber (identified entities should be specified whenever possible while maintaining compliance with the law); 5. Individuals or entities in the forest sector are facing UN sanctions; 6. There are rapidly changing circumstances within the area under assessment that pose a serious risk to the integrity or reputation of the FSC certification scheme.
27	<p><i>Legal requirements related to child labour and employment of young workers are complied with.</i></p>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
28	<p><i>Child labour is not present, and the employment of young workers is responsibly managed, including related rights as specified in the ILO Fundamental Principles and Rights at Work.</i></p>	<ol style="list-style-type: none"> 1. Applicable legislation for the area under assessment covers all ILO Fundamental Principles and Rights at Work, but the risk assessment for indicator 27 confirms a designation of 'non-negligible risk'; 2. Applicable legislation for the area under assessment contradicts indicator requirement(s); 3. There is substantial evidence of widespread or systematic violation of labour rights against child labour, including as specified in the ILO Fundamental Principles and Rights at Work.
29	<p><i>Legal requirements related to modern slavery, including forced and compulsory labour, are complied with.</i></p>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.

No.	Indicator	Non-negligible risk thresholds
30	<i>Modern slavery, including forced and compulsory labour are not used, promoted, or supported in any way, including as specified in the ILO Fundamental Principles and Rights at Work.</i>	<ol style="list-style-type: none"> 1. Applicable legislation for the area under assessment covers all ILO Fundamental Principles and Rights at Work, but the risk assessment for indicator 29 confirms a designation of 'non-negligible risk'; 2. Applicable legislation for the area under assessment contradicts indicator requirement(s); 3. There is substantial evidence of widespread or systematic violation of labour rights against modern slavery, including forced and compulsory labour, including as specified in the ILO Fundamental Principles and Rights at Work.
31	<i>Legal requirements related to the Freedom of Association, the Right to Organise and the Right to Collective Bargaining are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
32	<i>Labour rights related to the Freedom of Association, the Right to Organize and the Right to Collective Bargaining are respected, including as specified in the ILO Fundamental Principles and Rights at Work.</i>	<ol style="list-style-type: none"> 1. Applicable legislation for the area under assessment covers all ILO Fundamental Principles and Rights at Work but the risk assessment for indicator 31 confirms a designation of 'non-negligible risk'; 2. Applicable legislation for the area under assessment contradicts indicator requirement(s); 3. There is substantial evidence of widespread or systematic violation of the Freedom of Association, the Right to Organize and the Right to Collective Bargaining, including as specified in ILO Fundamental Principles and Rights at Work.
33	<i>Legal requirements related to the recruitment and employment of workers are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.

No.	Indicator	Non-negligible risk thresholds
34	<i>Legal requirements related to the contracts and working permits, and requirements for competence certifications and other training requirements are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
35	<i>Legal requirements related to workers' wages and other payments, such as social insurance contributions and the payment of social and income taxes withheld by the employer on behalf of the worker, are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
36	<i>Legal requirements related to working hours, overtime, rest time and time off are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
37	<i>Labour rights related to recruitment and employment, contracts, training, workers' wages and other payments, working hours, overtime, rest time and time off are upheld, including as specified in the ILO Fundamental Principles and Rights at Work are upheld.</i>	<ol style="list-style-type: none"> 1. Applicable legislation for the area under assessment covers all ILO Fundamental Principles and Rights at Work, but the risk assessment for indicators 33, 34, 35, and 36 confirm a designation of 'non-negligible risk'; 2. Applicable legislation for the area under assessment contradicts indicator requirement(s); 3. There is substantial evidence of widespread or systematic violation of requirements covered under this indicator.
38	<i>Legal requirements related to discrimination against workers are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.

No.	Indicator	Non-negligible risk thresholds
39	<i>There is no discrimination against workers in processes related to hiring, remuneration and access to training, promotion, termination, or retirement, including related rights as specified in the ILO Fundamental Principles and Rights at Work.</i>	<ol style="list-style-type: none"> 1. Applicable legislation for the area under assessment covers all ILO Fundamental Principles and Rights at Work but the risk assessment for indicator 38 confirms a designation of 'non-negligible risk'; 2. Applicable legislation for the area under assessment contradicts indicator requirement(s); 3. There is substantial evidence of widespread or systematic violation of requirements covered under this indicator.
40	<i>Legal requirements related to gender equality in the workplace are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
41	<i>Gender equality is protected following best practices, including ensuring availability of job opportunities, equal remuneration for work of equal value and sufficient maternity and paternity leave, and other related rights as specified in the ILO Fundamental Principles and Rights at Work.</i>	<ol style="list-style-type: none"> 1. Applicable legislation for the area under assessment covers all ILO Fundamental Principles and Rights at Work, but the risk assessment for indicator 40 confirms a designation of 'non-negligible risk'; 2. Applicable legislation for the area under assessment contradicts indicator requirement(s); 3. There is substantial evidence of widespread or systematic violation of requirements covered under this indicator.
Third parties' rights		
42	<i>Legal requirements related to the rights of Indigenous Peoples are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.

No.	Indicator	Non-negligible risk thresholds
43	<i>The rights of Indigenous Peoples, including land tenure and management, are respected and upheld according to the principles of Free, Prior and Informed Consent (FPIC).</i>	<ol style="list-style-type: none"> 1. The presence of Indigenous Peoples is confirmed or likely within the area under assessment. The applicable legislation for the area under assessment covers ILO provisions governing the identification and rights of Indigenous Peoples,³⁰ but the risk assessment for indicator 42 confirms a designation of 'non-negligible risk'; 2. The presence of Indigenous Peoples is confirmed or likely within the area under assessment. The applicable legislation for the area under assessment covers the United Nations Declaration on the Rights of Indigenous Peoples³¹ (UNDRIP) but the risk assessment for indicator 42 confirms a designation of 'non-negligible risk'; 3. The presence of Indigenous Peoples is confirmed or likely within the area. The applicable legislation for the area under assessment contradicts indicator requirement(s); 4. Substantial evidence of the widespread or systematic violation of Indigenous Peoples' rights exists; 5. Indigenous Peoples are not aware of their rights; 6. There is evidence of conflict(s) of substantial magnitude³² pertaining to the rights of Indigenous Peoples. Laws and regulations or other legally established processes do not exist that serve the resolution of conflicts in the area concerned, or, such processes exist but are not recognized by affected stakeholders as being fair and equitable. <p>NOTE: Processes for a resolution of conflicts pertaining to use rights, cultural interests or traditional cultural identity should provide means for recourse. They should also be free from overwhelming structural imbalances or inherent unfairness, should be acceptable to affected parties,</p>

³⁰ [International Labour Organization Convention No. 169](#)

³¹ [UN Declaration on the Rights of Indigenous Peoples | OHCHR](#)

³² For the purpose of indicator 43, a conflict of substantial magnitude is a conflict which involves one or more of the following:

- a) Gross violation of the legal or customary rights of Indigenous Peoples;
- b) Significant negative impact(s) that are irreversible or that cannot be mitigated;
- c) A significant number of instances of physical violence against Indigenous Peoples;
- d) A significant number of instances involving the destruction of property;
- e) The presence of military bodies;
- f) Systematic acts of intimidation against Indigenous Peoples.

Guidance:

In the identification of conflicts of substantial magnitude, one must also be aware of possible parallel activities of sectors other than the forest sector which can also impact the rights of Indigenous Peoples, and that the impacts of these activities can be cumulative. This cumulative impact can in turn lead to a 'gross violation of Indigenous Peoples' rights' or 'irreversible consequences', but the extent of the contribution of forest management operations to those impacts needs to be assessed. The substance and magnitude of conflicts shall be determined through the risk assessment process according to national/regional conditions. The risk assessment shall provide definition of such conflicts.

No.	Indicator	Non-negligible risk thresholds
		and give affected parties a means to resolve any conflicts of substantial magnitude. Rights may be defined by international structures (e.g., the UN) and local legal structures.
44	<i>Legal requirements related to the rights of Traditional Peoples are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
45	<i>The rights of Traditional Peoples, including land tenure and management, are respected and upheld according to the principles of FPIC.</i>	<ol style="list-style-type: none"> 1. The presence of Traditional Peoples is confirmed or likely within the area under assessment. The applicable legislation for the area under assessment covers ILO provisions governing the identification and rights of Traditional Peoples,³³ but the risk assessment for indicator 44 confirms a designation of 'non-negligible risk'; 2. The presence of Traditional Peoples is confirmed or likely within the area under assessment. The applicable legislation for the area under assessment contradicts indicator requirement(s); 3. Substantial evidence of widespread or systematic violation of Traditional Peoples' rights exists; 4. Traditional Peoples are not aware of their rights; 5. There is evidence of conflict(s) of substantial magnitude³⁴ pertaining to the rights of Traditional Peoples. Laws and regulations or other legally established processes do not exist that serve the resolution of conflicts in the area concerned, or, such processes exist but are not recognized by affected stakeholders as being fair and equitable.

³³ [International Labour Organization Convention No. 169](#)

³⁴ For the purpose of indicator 45, a conflict of substantial magnitude is a conflict which involves one or more of the following:

- a) Gross violation of the legal or customary rights of Traditional Peoples;
- b) Significant negative impact(s) that are irreversible or that cannot be mitigated;
- c) A significant number of instances of physical violence against Traditional Peoples;
- d) A significant number of instances involving the destruction of property;
- e) The presence of military bodies;
- f) Systematic acts of intimidation against Traditional Peoples.

Guidance:

In the identification of conflicts of substantial magnitude, one must also be aware of possible parallel activities of sectors other than the forest sector which can also impact the rights of Traditional Peoples, and that the impacts of these activities can be cumulative. This cumulative impact can in turn lead to a 'gross violation of Traditional Peoples' rights' or 'irreversible consequences', but the extent of the contribution of forest management operations to those impacts needs to be assessed. The substance and magnitude of conflicts shall be determined through the risk assessment process according to national/regional conditions. The risk assessment shall provide definition of such conflicts.

No.	Indicator	Non-negligible risk thresholds
		<p>NOTE: Processes for a resolution of conflicts pertaining to use rights, cultural interests or traditional cultural identity should provide means for recourse. They should also be free from overwhelming structural imbalances or inherent unfairness, should be acceptable to affected parties, and give affected parties a means to resolve any conflicts of substantial magnitude. Rights may be defined by international structures (e.g., the UN) and local legal structures.</p>
46	<p><i>Legally recognized customary and community rights are identified and respected.</i></p>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
47	<p><i>The rights of local communities are respected and upheld.</i></p>	<ol style="list-style-type: none"> 1. The presence of local communities is confirmed or likely within the area under assessment. The applicable legislation for the area under assessment covers ILO provisions governing the identification and rights of local communities, but the risk assessment for indicator 46 confirms a designation of 'non-negligible risk'; 2. The presence of local communities is confirmed or likely within the area under assessment. The applicable legislation for the area under assessment contradicts indicator requirement(s); 3. Local communities are not aware of their rights; 4. Evidence indicates widespread or systematic violation of the rights of local communities.
48	<p><i>Interaction with Indigenous Peoples, Traditional Peoples and local communities is conducted in a respectful and culturally appropriate manner.</i></p>	<ol style="list-style-type: none"> 1. Applicable legislation for the area under assessment covers the requirements under this indicator, but the risk assessment for indicators 42, 44, and 46 confirms a designation of 'non-negligible risk'; 2. Applicable legislation for the area under assessment contradicts indicator requirement(s); 3. Evidence indicates widespread or systematic violation of requirements covered under this indicator.

No.	Indicator	Non-negligible risk thresholds
Trade and transport		
49	<i>Legal requirements related to the trade and transport of products are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
50	<i>Legal requirements related to applicable trade restrictions and sanctions are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
51	<i>Legal requirements related to the classification of products are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
52	<i>Legal requirements related to the export and/or import of products are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
53	<i>Legal requirements relating to offshore trading and transfer pricing are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.

No.	Indicator	Non-negligible risk thresholds
Due diligence/due care		
54	<i>Legal requirements relating to due diligence or due care are complied with.</i>	<ol style="list-style-type: none"> 1. Identified laws are not consistently upheld by all entities, are often ignored, are not enforced by relevant authorities, or any combination thereof; 2. Violations of identified laws are not efficiently followed up on by the relevant entities; 3. Violations of identified laws are not followed up by preventive actions taken by the relevant entities.
Conversion and forest degradation		
55	<i>There is no conversion from natural forest and no transformation of plantations to agricultural use since 31 December 2020.</i>	<ol style="list-style-type: none"> 1. Evidence indicates that conversion from natural forest and/or transformation of plantations to agricultural use is occurring. NOTE 1: Various methods may be used to assess this risk threshold and proof that the requirements under this indicator are met. For example: enforcement of applicable legislation, spatial analysis, etc. NOTE 2: The requirement provided under Clause 16.3 applies: Considering the provisions of <FSC-POL-01-007 Policy to Address Conversion> the precautionary approach shall be applied for the assessment of indicator 55; thus, a 'non-negligible' risk designation shall be concluded, subject to Clause 16.4.
56	<i>There is no conversion from natural forest to land uses other than agriculture since 31 December 2020.</i>	<ol style="list-style-type: none"> 1. The applicable legislation for the area under assessment covers laws that prevent conversion from natural forest to land uses other than agriculture to the extent of 0.02% gross annual loss of natural forest area, but the risk assessment for relevant indicators on legal compliance confirms a designation of 'non-negligible risk'; or 2. Any of the following are true: <ol style="list-style-type: none"> a) Conversion of natural forests to land uses other than agriculture since 31 December 2020 in the area under assessment is more than 0.02% gross annual loss of natural forest area; b) Evidence indicates that degradation of natural forests is occurring on a widespread or systematic basis. <p>NOTE: This may include significant diminishing of protected areas in the area under assessment.</p>

No.	Indicator	Non-negligible risk thresholds
		c) There are projects that allow for conversion of natural forest in areas containing environmental values, and evidence indicates that conversion is happening.
57	<p><i>There is no degradation of natural forests since 31 December 2020.</i></p> <p>NOTE: The definition of the term 'natural forest' is based on FSC's definition, but the approach to assess this indicator is based on the EUDR requirements for 'forest degradation'. For further information, please see the section 'Terms and definitions'.</p>	<ol style="list-style-type: none"> 1. The applicable legislation for the area under assessment covers laws that prevent total natural forest degradation to 0.02% of the total natural forest area, but the risk assessment for relevant indicators on legal compliance confirms a designation of 'non-negligible risk'; or 2. Any of the following are true: <ol style="list-style-type: none"> a) The degradation since 31 December 2020 in the area under assessment is more than 0.02% of the total natural forest area on average per year; b) Evidence indicates that forest degradation is occurring on a widespread or systematic basis.
High Conservation Values (HCV)		
58	<p><i>Concentrations of biological diversity including endemic species, and rare, threatened, or endangered species that are significant at global, regional or national levels are identified and protected, maintained or enhanced (HCV1).</i></p>	<ol style="list-style-type: none"> 1. HCV 1 is identified, or its occurrence is likely in the area under assessment and is threatened by management activities.
59	<p><i>Intact forest landscapes and large landscape-level ecosystems and ecosystem mosaics that are significant at global, regional, or national levels, and which contain viable populations of the great majority of the naturally-occurring species in natural patterns of distribution and abundance, are identified and protected, maintained or enhanced (HCV2).</i></p>	<ol style="list-style-type: none"> 1. HCV 2 is identified, or its occurrence is likely in the area under assessment and is threatened by management activities.
60	<p><i>Rare, threatened, or endangered ecosystems, habitats or refugia are identified and protected, maintained, or enhanced (HCV3).</i></p>	<ol style="list-style-type: none"> 1. HCV 3 is identified, or its occurrence is likely in the area under assessment and is threatened by management activities.

No.	Indicator	Non-negligible risk thresholds
61	<i>Basic ecosystem services in critical situations, including the protection of water catchments and control of erosion of vulnerable soils and slopes, are identified and protected (HCV4).</i>	1. HCV 4 is identified, or its occurrence is likely in the area under assessment and is threatened by management activities.
62	<i>Sites and resources fundamental for satisfying the basic needs of local communities or Indigenous Peoples are identified and protected (HCV5).</i>	1. HCV 5 is identified, or its occurrence is likely in the area under assessment and is threatened by management activities.
63	<i>Sites, resources, habitats, and landscapes of global or national cultural, archaeological, or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities or Indigenous Peoples are identified and protected (HCV6).</i>	1. HCV 6 is identified, or its occurrence is likely in the area under assessment and is threatened by management activities.
Genetically modified organisms (GMO)		
64	<i>There is no commercial use of GMO.</i>	<ol style="list-style-type: none"> 1. GMO use is legal, according to applicable legislation of the area under assessment; 2. GMO use is illegal according to applicable legislation of the area under assessment, but any of the following are true: <ol style="list-style-type: none"> a) Evidence of the implementation of the ban does not exist. b) Evidence indicates a systematic violation of the ban. c) When laws are violated, violations are not efficiently followed up on by relevant entities. d) When laws are violated, identified root causes are not addressed through the implementation of preventive actions by relevant entities. 3. There is evidence of commercial use of GMO species.

ANNEX 1: STAKEHOLDER GROUPS TO BE CONSULTED IN THE RISK ASSESSMENT PROCESS

Stakeholders representing the interests listed below shall be identified and notified during the process of the development of risk assessments. Each group specified may be represented by an unlimited number of representatives. The list is not exhaustive, and any other stakeholder groups relevant for a risk assessment under national/regional conditions shall be identified and notified (see Clause 5.3 under section 'Process requirements for developing and revising risk assessments').

1. Economic interests

- a) Forest owners and/or managers of large, medium and small forests; high-, medium-, and low-intensity managed forests;
- b) Tenure and use rights holders, including landowners;
- c) Forest contractors (including loggers);
- d) Representatives of forest workers and forest industries;
- e) Certificate holders relevant for the organizations participating in the Risk Information Alliance.

2. Social interests

- a) NGOs involved or with an interest in social aspects of forest management and other related operations;
- b) Forest workers;
- c) International, national and local trade/labour unions;
- d) Representatives of local communities involved in or possessing an interest in forest management, including those relevant for HCVs 5 and 6;
- e) Representatives of Indigenous Peoples and/or Traditional Peoples (if present and/or holding rights), including those relevant for HCVs 5 and 6;
- f) Representatives of recreation interests;
- g) Organizations working on gender issues.

3. Environmental interests

NGOs involved in or possessing an interest in the environmental aspects of forest management. Consultation should target the following areas of interest and expertise:

- a) Biological diversity;
- b) Water and soil;
- c) High Conservation Values related to the environment;
- d) Local communities, Indigenous Peoples, and Traditional Peoples' representatives.

4. FSC-accredited certification bodies active in the country;

5. FSC Working Groups and/or Standard Development Groups;

6. National and international FSC members;

7. Local development projects;

8. Government and enforcement agencies;

9. Experts, as specified in Clause 2.6 of the section 'Process requirements for developing and revising risk assessments';
10. Research institutions and universities;
11. National and regional offices of the organizations participating in the Risk Information Alliance.

ANNEX 2: EXAMPLES OF RISK ASSESSMENT CONSIDERING GEOPOLITICAL SCALE AND SOURCE TYPES

EXAMPLE 1:

Background information:

The country is divided into 4 provinces, each of which have different provincial laws. The applicable legislation for each province has been identified. Assessment of the enforcement of laws shows that laws are upheld in Provinces I, II and IV however in Province III, which has a high population density, there is data indicating significant problems pertaining to the theft of wood.

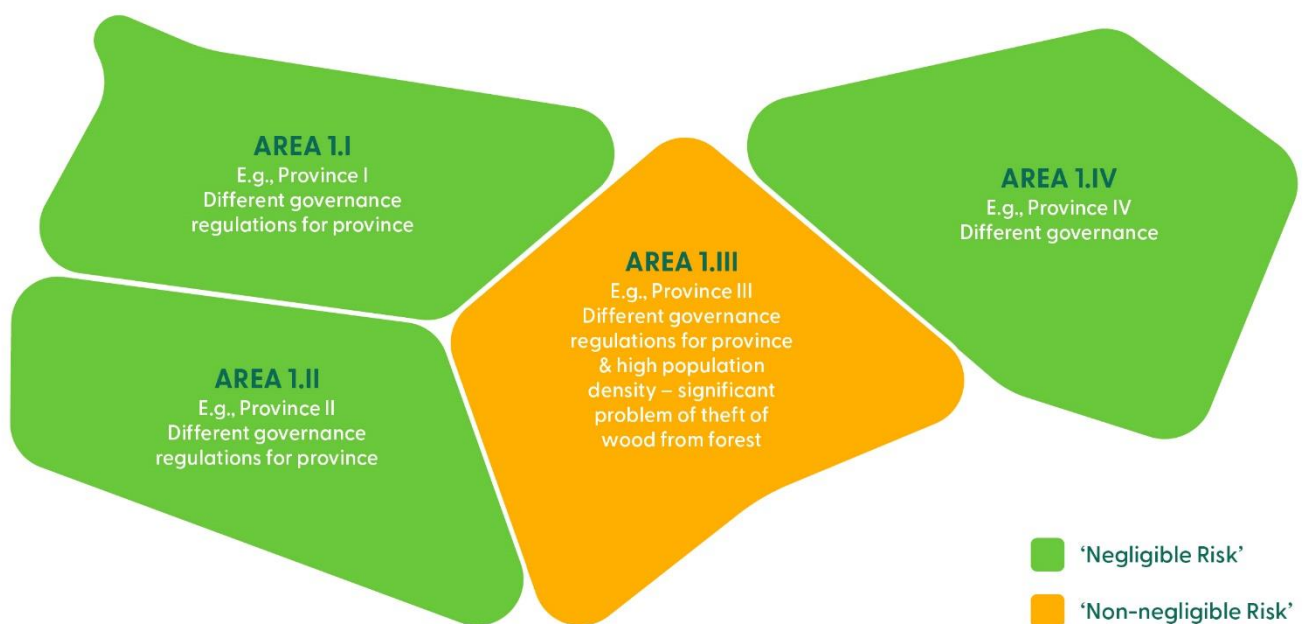


Figure 2. Designation of risks considering geopolitical scale.

Risk mitigation:

Area 1.III

- *Examples of mitigation measures for 'non-negligible risk':*
- *Sourcing wood from legally established forest management enterprises.*

Examples of verifiers:

- *Supplier documentation confirms legal rights to harvest in the forest of origin.³⁵*
- *Exclusion of suppliers that do not provide evidence of legal rights to harvest.*

³⁵ Forest of origin refers to Management Unit or Supply Unit depending on the context that this term is used.

EXAMPLE 2:

Background information:

This example is based on the country discussed in Example 1 above. Investigation and data analysis shows that social issues are dealt with differently in different provinces, so scale was determined based on administrative divisions.

Within Province I, there is no confirmed or likely presence of Indigenous and/or Traditional Peoples. This area has been assessed as 'negligible risk'. In Provinces II and III, there is a confirmed presence of Indigenous Peoples, including nomadic tribes who regularly migrate between the two Provinces. Cross-checking with the risk assessment carried out in Example 1 confirms that the rights of Indigenous Peoples are established and enforced. There is no data indicating conflicts in either Province; thus they have also been assessed as 'negligible risk'. Please note that the problem with theft as identified in Province III in Example 1 is not explicitly related to social rights for the purposes of this example.

Within Province IV, the presence of Indigenous Peoples has been confirmed. The applicable legislation does not cover Indigenous Peoples' rights, and there are no other regulations that would protect the rights of Indigenous Peoples. The mitigation of this risk will require the implementation of FPIC, and evidence of this shall be provided through agreements with the relevant Indigenous Peoples' representatives. In this area, forests are managed by private owners and public authorities. Special agreements have been signed for public forests between forest managers and Indigenous Peoples' representatives, ensuring the implementation of FPIC. Evidence exists that these agreements are upheld. There is no such agreement signed for private forests. The area is assessed as 'negligible risk' for public forests and as 'non-negligible risk' for other forests.

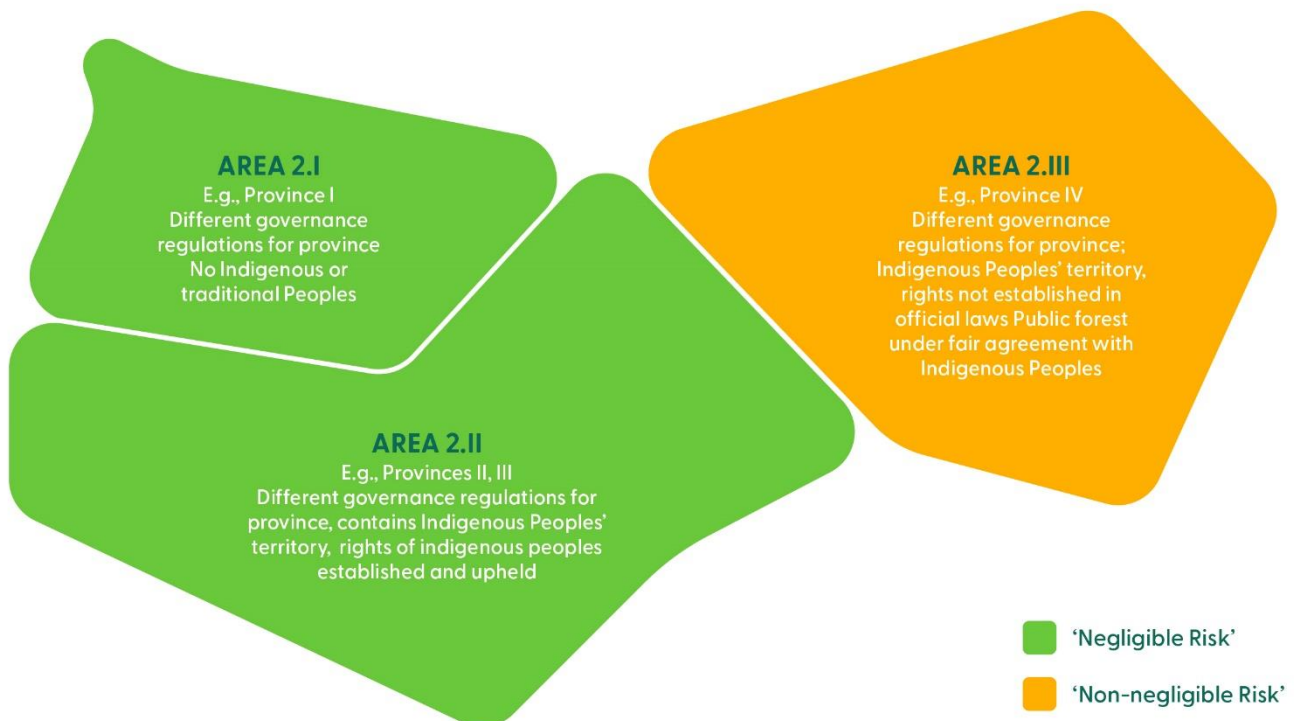


Figure 3. Designation of risks considering geopolitical scale and source types.

Risk mitigation:

Area 2.III

- Risk designation within Province IV:
- Public forest – ‘negligible risk’
- Other forests – ‘non-negligible risk’

Examples of mitigation measures for ‘non-negligible risk’:

- Supplier documentation confirming that an agreement between forest managers/owners and Indigenous or Traditional Peoples exists at the forest of origin³⁶ level, ensuring the proper implementation of FPIC.

³⁶ Forest of origin refers to Management Unit or Supply Unit depending on the context that this term is used.



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