



## CROSS-BORDER CREDIT/ PERCENTAGE SYSTEM PILOT PROJECT

To have a comprehensive evaluation of the social, environmental, and economic benefits and costs of the application of the percentage system (or credit system) at a multiple-site level when enabling cross-site and cross-border percentage/credit sharing without the transfer of physical material for certificate holders between:

- Canada and the US (North America), and
- non-Eurozone and Eurozone countries of the European Economic Area (EEA).



### PROJECT RESULT

1. Impacts for CHs confirmed
  - ❖ Reduce transportation costs (reduction of GHGs)
  - ❖ Better logistics and resource planning
  - ❖ Efficient usage of FSC credits
  - ❖ Broadening of the FSC-certified products/ offerings on the marketplace.
2. No concerns were recorded regarding key sectorial impacts.
3. Stakeholders' engagement was not recorded.
4. Long-term impacts and complexity in setting up the centralized accounting system need further assessment.
5. No integrity risks were raised.

### NORMATIVE DOCUMENT

#### FSC-STD-40-004

10.4. calculate the percentage based on an average FSC% of the inputs received by all sites (located within the same country or the Eurozone)

11.3. Establishment of a centralized credit account covering multiple sites (within the same country or the Eurozone).

### EXTERNAL CONSULTANT:

Conduct a detailed assessment on the ground regarding the general flow of inputs/outputs and real-case impacts regarding GHG emissions. Early involvement is key to understanding the potential variables and how to get the most out of the collected information.

### ADDITIONAL ENGAGEMENTS:

- Key affected business partners and stakeholders (e.g., suppliers and customers) for a broader understanding of the demand for FSC-certified material, meaning the relation between inputs and outputs.
- Key interested stakeholders (e.g., private and state forest owners, key relevant environmental and social organizations) to survey the existence of any noticeable comprehend effective changes/impacts that occurred during the pilot duration and to collect their substantiated concerns, if any.
- Network Partners and Regional Offices, supporting the engagement with the stakeholders on the ground with in-depth interviews and surveys. Environmental, social, and livelihood impacts would be a focus on a qualitative level.