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# FSC RISK ASSESSMENTS

## FSC's new approach for risk assessments in forests

These risk assessments are the next generation of FSC's existing risk assessments for controlled wood sourcing. FSC Risk Assessments will now be available for forest management, chain of custody and controlled wood certification, and for both certified and non-certified companies and cover all EUDR requirements, providing one standardized risk assessment for each country. These Risk Assessments will become an invaluable tool for companies to efficiently assess and mitigate risks.



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## Levering partnerships aiming to remain global sustainability leaders with the Risk Information Alliance

FSC is establishing partnerships with other sustainability leaders to develop a joint Risk Assessment framework. This will:

- Allow users risk assessments to use one set of risk assessments through different supply and production streams.
- Streamline requirements for process and content development, including and decision making.
- Maintain leadership in multi-stakeholder discussions through collaboration on global best practices.
- Establish leadership in the field or risk assessment and mitigation beyond just FSC.
- Address time constraints and capacity challenges by having processes not dependent solely on FSC.
- Risk Assessment requirements further strengthened based on shared best practices.
- Promote FSC values such as requiring assessments of HCV protection and excluding GMOs to other schemes.



## Overview of changes

	Old	vs.	New
<b>Applicability</b>	Developed and used mainly for Controlled Wood		One type of <b>FSC Risk Assessment</b> , aligned with <b>EUDR requirements</b> , applicable to <b>Forest Management and Chain of Custody (including Controlled Wood)</b> . To be used for FSC-mix products (as the current Controlled Wood) as well as for risk assessments beyond FSC.
<b>Structure</b>	Mainly paper based; PDF of 150–300 pages		Digital formats through datasets that can be transferred to other formats, with geopolitical scale of the assessment that is mappable in GIS tools
<b>Sources</b>	Unprecise definitions for relevance and reliability for information sources		Assessment of relevance and reliability of each source using (more) objective and more standardized sources
<b>Assessment</b>	<ul style="list-style-type: none"> <li>Indicators divided by 5 Controlled Wood categories</li> <li>Long description of evidence found on each source used per indicator</li> <li>Pragmatic but sometimes not consistent use of scales for assessment of indicators</li> <li>Assessment of degradation of HCVs, and conversion based on numerical threshold focused on average net forest annual loss</li> </ul>		<ul style="list-style-type: none"> <li>Indicators aligned across various sustainability schemes</li> <li>Standardized template, clear structure for assessing each type of risk per indicator</li> <li>Assessment of indicators at same geopolitical spatial scale</li> <li>Assessment of deforestation of natural forests aligned with Policy to Address Conversion and EUDR's 'non-negligible risk' designation</li> <li>Assessment of forest degradation by integrating use of GIS solutions</li> </ul>
<b>Risk designation</b>	<ul style="list-style-type: none"> <li>'Specified' and 'low-risk' designation</li> <li>Criteria for risk designation difficult to understand and not fully consistent</li> </ul>		<ul style="list-style-type: none"> <li>Change to 'negligible' and 'non-negligible' risk designation</li> <li>Objective criteria for risk designation</li> </ul>
<b>Mitigation</b>	Not fully consistent establishment of control measures		Establishment of mitigation measures when 'non-negligible risk' is identified, and per each type of risk
<b>Maintenance</b>	Review/revision every 5 years		<ul style="list-style-type: none"> <li>Annual review: Digital platform + targeted consultation, focused on risk designation, legislation and update of mitigation measures</li> <li>Complete review/revision every 5 years</li> </ul>



## How the process is changing

### Current process to develop Centralized National Risk Assessments & National Risk Assessments

- Developed by chamber-balanced working group of FSC members or FSC with support of consultants
- Takes 1.5–2 years to develop
- Dependent on external capacity
- One or more public consultations
- 60-day public consultation
- Only FSC can approve Risk Assessments

### Proposed new process for FSC Risk Assessment development

- Preferred method is conducting a centralized process where FSC and other partners lead. Option to develop Risk Assessments by chamber-balanced working group remains.
- Less than one year
- Increased capacity with more external support
- Only one public consultation
- 30-day public consultation
- FSC approval body but can also invite committee comprising FSC and partner organizations can approve Risk Assessments to streamline decision making



## Looking Ahead: Developing Risk Assessments Quickly

Due to the timelines given by the EU for the EUDR, FSC is moving quickly in a pragmatic and reliable way. FSC will be driving risk assessment development through centralized processes to allow for speeding up through focused use of professional expertise. Risk assessments in priority countries will then be ready for use by companies and users in short timelines. In the long-term, national three-chamber balanced processes can contribute to centralized risk assessment development.

**Today**—FSC has 60 Risk Assessments.

Proposing to update existing Risk Assessments in a fast and centralized way for compliance with EUDR. More than half would be done by through our partnerships to streamline the process and ensure swift response to EUDR legislation.

**From July 2024–December 2024:** Updating/Maintaining 20 Risk Assessments.

**December 2024–on:** Development and maintenance of remaining FSC Risk Assessments.

**Find out more and get in touch**

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