



COC WORKSHOPS RESULTS

Using for revision process of FSC normative documents:
FSC-STD-40-004 V3-1, and FSC-STD-40-007 V2-0



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Personal data included?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

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INTRODUCTION

<FSC-PRO-01-001 The development and revision of FSC requirements> provided an official process flow of FSC Normative Document revision, in which the 'Conceptual Phase' was introduced. In this phase, FSC will gather all the proposed changes to the requirements to support the drafting of the Term of Reference (ToR).

In 2023, FSC organized a series of workshops aimed at enabling stakeholders to contribute to the development of key concepts. The recommendations and suggestions provided by the participants will shape the revision of the Chain of Custody Standards. This report has been prepared to serve as a supporting document for the consultation on the conceptual phase that is scheduled for 2024. The results of this consultation will be used as reference material for developing the Terms of Reference, which will guide the Working Group (WG) during the drafting phase. It is important to note, however, that the recommendations mentioned in the report do not guarantee the proposed changes mentioned in the Terms of Reference.

This report summarizes the results of the workshops as part of the conceptual phase in the revision process of <FSC-STD-40-004 V3-1 Chain of Custody Certification>, <FSC-STD-20-011 V4-2 Chain of Custody Evaluations> and <FSC-STD-40-007 V2-0 Sourcing reclaimed material for use in FSC Product Groups or FSC Certified Projects>.

ABBREVIATION

ASI	Assurance Services International
CH	Certificate Holder
CFM	Controlled Forest Management
CLR	Core Labour Requirements
CoC	Chain of Custody
CW	Controlled Wood
CWRNA	Controlled Wood National Risk Assessments
FM	Forest management
FSC	Forest Stewardship Council
GPS	Global Positioning System
IGIs	International Generic Indicators
ILO	International Labour Organization
OHAS	Occupational Health and Safety
ToR	Terms of Reference
WG	Technical Working Group

TERMS AND DEFINITIONS

If there are no additional terms and definitions to add, the drafter (s) shall include the following statement “No terms and definitions are listed in this document”.

For the purposes of this document, the terms and definitions included in <[FSC-STD-01-002 FSC Glossary of Terms](#)>, and the following apply:

Technical Working Group: a group of selected experts with professional experience in the field of question, to advise and provide content related input to the development or revision process of a FSC normative document.

Source: FSC-PRO-01-001 V3-1

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1. Workshop 1: FSC-STD-40-007 Expansion the scope of sourcing reclaimed materials

Inclusion of certain categories of co-products under the scope of the standard

Background

Co-products are the output produced during the process of primary manufacturing of another (principal) product from the same inputs (e.g., sawdust, chips generated during lumber processing). In order to use these co-products in the FSC system, the organization must be able to trace them back to their origin (covered by forest management or controlled wood standards). However, this is often not possible, which excludes a significant source of material from entering the FSC system.

The workshop was to help identify the need to reconsider some co-products and evaluate the possibility of using them as reclaimed material.

Results from the consultation review report

Co-products that are result of wood processing are alternative and valuable source of woody biomass. In general, sawmills can recover approximately 50% of the input material as sawn product, with the balance being co-product in the form of bark, sawdust, and woodchips. However, the current FSC Chain of Custody and Controlled Wood mechanisms do not allow for some of the co-products (e.g., sawdust) to be recognized as eligible inputs.

Unfortunately, this represents the significant source of biomass material that could be sustainably utilized if enabled to enter the FSC systems. This revision process is the chance for FSC to reconsider the position of some of the co-products (e.g., sawdust) and explore the chance to include them as reclaimed material.

Results from the consultation workshop

A total of 90 participants attended the workshop, and an average of 42 individuals reacted to the polls, accounting for 47% of the attendees. The majority of participants are certification bodies (18%), certificate holders (17%), and FSC Network Partners (15%). However, consultants, associations, and FSC members also showed interest in the topic (Figure 1).

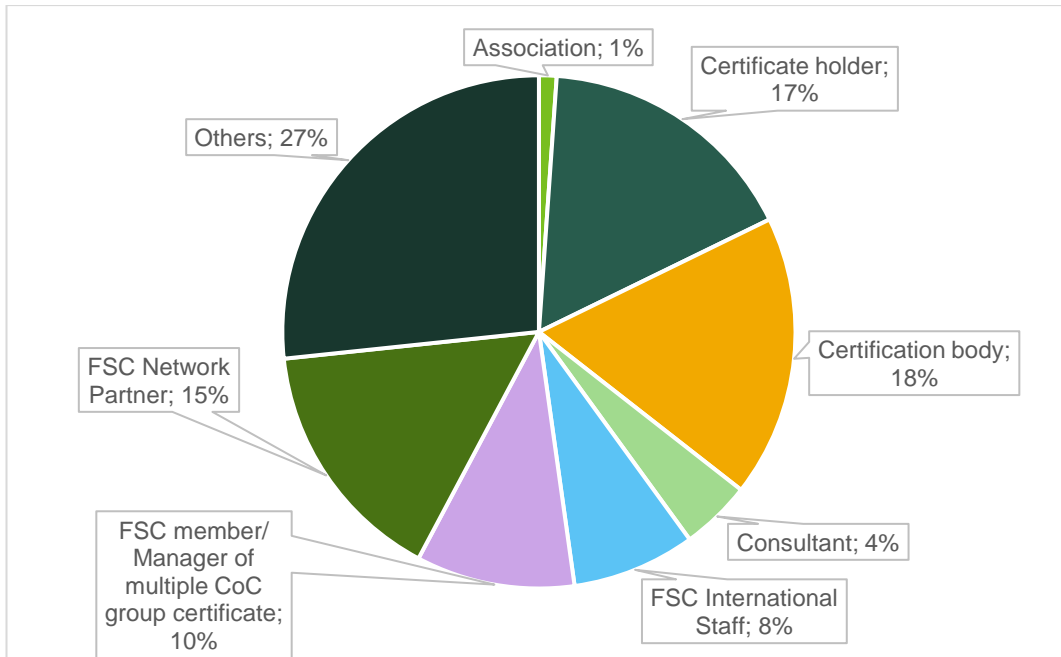


Figure 1. Stakeholders participated in the workshop.

FSC proposed two downgrading options for claims on products using FSC Recycled input. Option 1 is FSC Mix, and Option 2 is FSC Recycled. Respondents agreed that both options should be included (54% of the total agreement), and the responses towards the FSC Recycled option were slightly higher than the FSC Mix claim option, with 24.3% in agreement with the former, and 19.5% for the latter (**Error! Reference source not found.**).

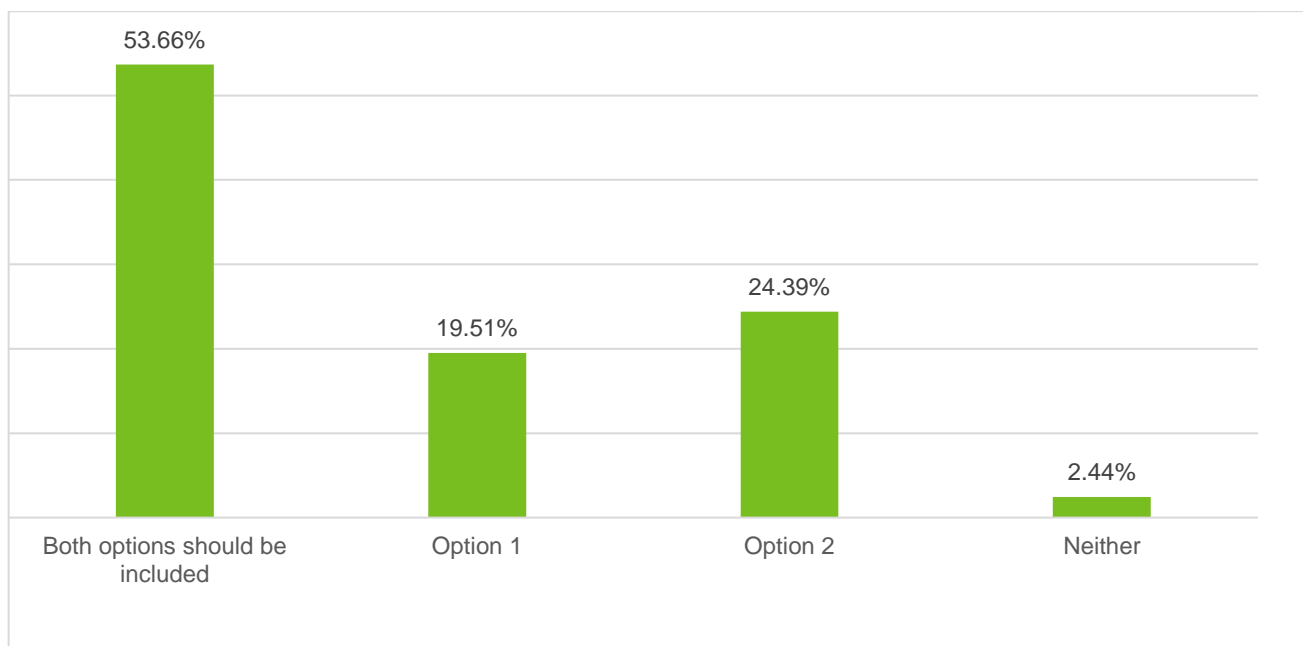


Figure 2. Claim option should be allowed in FSC-STD-40-004.

Some stakeholders argued that using waste/ co-products can pose additional risks, such as waste from uncertified sawmills in tropical forests, which would be a high-risk situation if they were allowed in FSC-STD-40-007. Therefore, it is believed that analysing the risks of different waste in different contexts would be considered beneficial. Stakeholders recommended that FSC consider aligning with the legislation requirements on recycled products because there is a chance that a country’s legislation does not allow the co-products to be considered recycled products.

Treatment of salvaged wood and trees harvested in urban areas

Background

Salvaged wood (specifically with uncertain or unknown origin) and trees from urban areas cannot be covered under the Forest Management and Controlled Wood Standards. The current version of <FSC-STD-40-007 V2-0 Sourcing reclaimed material for use in FSC Product Groups or FSC Certified Projects> recognizes them as forestry waste, which is not accepted as reclaimed wood material.

Based on stakeholder feedback, FSC could consider allowing such materials to be recognized as controlled or, where this is not possible, as reclaimed material. Allowing additional materials into the FSC system that would normally be disposed of as waste, may promote greater recovery and higher-value uses of these materials and help to reduce landfill disposal of recyclable materials. Ultimately, it has the potential benefit of reducing the pressure on forests for virgin material.

Results from the consultation review report

The review report suggested that the FSC should reconsider the treatment of certain wood-based materials and consider incorporating them in the scope of this standard in order to facilitate more sustainable resource management and allow the FSC to increase the amount and the type of materials entering the FSC system. However, additional materials and products, which are usually disposed as waste may bring different challenges and integrity risks in the FSC upstream value chains.

Salvaged wood (specifically with uncertain or unknown origin and therefore cannot be covered by the forest management or controlled wood standards) and trees from urban areas generate large quantities of wood material globally and present a great opportunity for FSC. However, the current standard recognizes salvaged urban trees as forestry waste, which is not accepted as a reclaimed wood material source (ANNEX I).

By treating salvaged wood and elements generated from wood waste as reclaimed material, FSC will promote greater recovery and higher-value uses of these materials in an energy-efficient manner while helping to reduce landfill disposal of recycled materials.

Results from the consultation workshop

Treatment of Salvage wood

70% of stakeholders supported the proposal of including 'Salvaged wood' in FSC-STD-40-007 (Figure 3). However, most stakeholders (63%) disagreed that this would only apply when organization can prove the origin is not traceable (Figure 4).

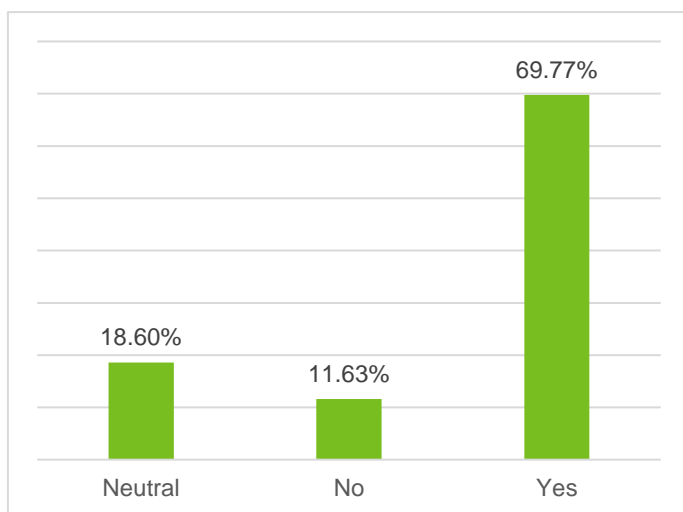


Figure 3. Agreement toward the proposal that "Salvaged Wood" should be included in FSC-STD-40-007

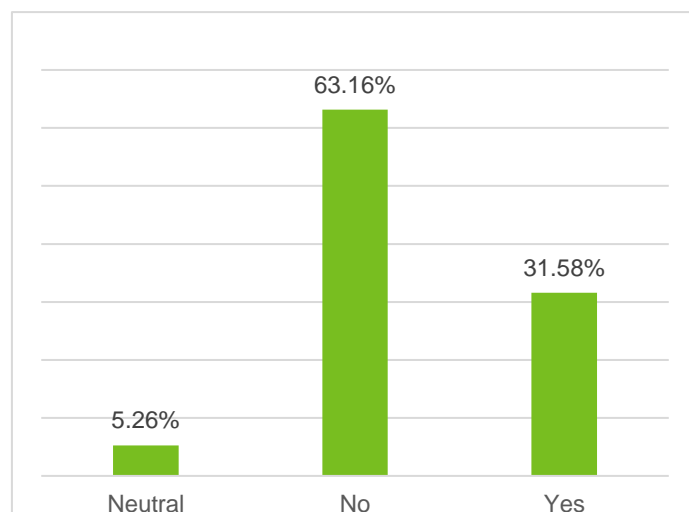


Figure 4. Agreement toward the proposal that it should be applicable only if the organization can prove the origin is not traceable.

Stakeholders argued that the treatment of salvaged wood and urban wood can be traceable to the geographical level. Therefore, it is possible to integrate the requirement on geolocation (Address, longitude/ latitude, and other detailed information). This is because salvaged wood with unknown origins

may cause problems for the FSC standards. The unknown-origin salvaged wood can include some uncontrolled materials, such as illegally cut timber and the timber from shore in the illegal felling at the shoreline.

However, like trees harvested in urban areas, the expansion of FSC-STD-40-007 may support companies in maximizing the use of recycled wood. Stakeholders suggested FSC to consider a risk-based approach, specifically for Salvaged wood because of the foreseen risks in some geographies.

Treatment of trees harvested in urban areas

Most of the survey respondents (75.5%) agreed that ‘trees harvested in urban areas’ should be included in FSC-STD-40-007 (Figure 5). However, 83.3% of stakeholders disagreed that this should only apply when organization can prove the origin is not traceable (Figure 6).

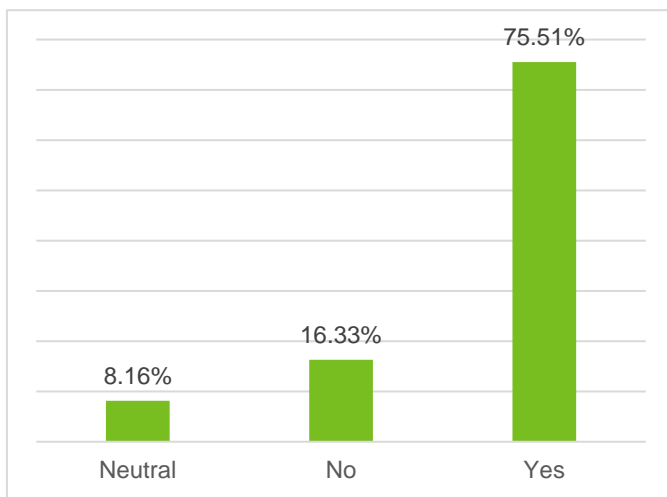


Figure 5. Agreement toward the proposal that “Trees harvested in urban areas” should be included in FSC-STD-40-007

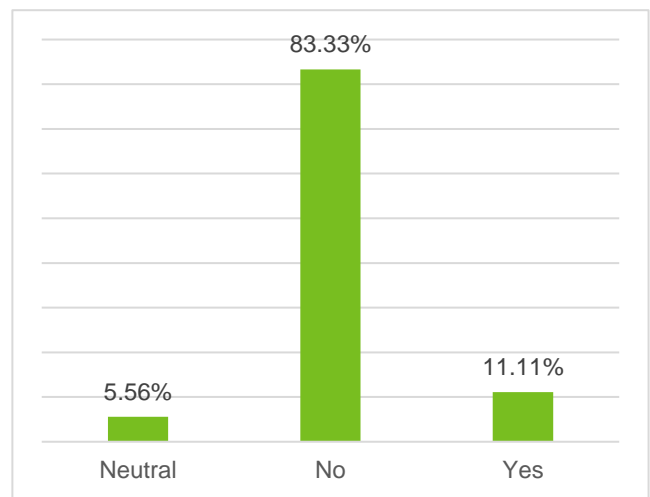


Figure 6. Agreement toward the proposal that it should be applicable only if the organization can prove the origin is not traceable.

Stakeholders argued that trees from urban areas are collected for various reasons. For example, when the growth of the tree affects the power line or fallen trees as a result of severe weather, such as thunderstorms. Therefore, it is possible to consider trees harvested in urban areas in the scope of FSC-STD-40-007; this could support board mills to maximize their recycled wood strategy.

Some participants argued that treatment of urban trees is a sensitive subject in terms of social attitude, because cutting down urban trees may cause negative social attention. Therefore, participants recommended FSC to have a system that prevents these negative social reviews, while considering including the recycling trees from urban areas in the FSC-recycled project.

Other opinions raised were that the trees harvested in urban areas should be limited in terms of definitions to include only fallen trees, and the materials would otherwise become waste. Therefore, it is necessary to have systematic revision in considering the extension to Forest Management (FM) certification for trees in urban areas.

Other suggestions

Some stakeholders mentioned the need to include the amount of post-consumer materials in FSC-Recycled products. Ideally, this information should be included in the claim. In contrast, participants suggested that FSC should consider simplifying the claim system.

Further discussion is suggested to focus on the risks and inclusion of low-risk product categories, the untraceable and traceable materials, and the claim contribution of the product if it is allowed in the FSC-STD-40-007.

2. Workshop 2: Reinforcing FSC 100%

Reinforcing FSC 100%

Background

In line with the Strategy for FSC Mix products and controlled wood, FSC aspires to create effective measures in the FSC system to reduce the reliance on FSC Mix and Controlled Wood and increasing forest management certification and the use of FSC 100%.

As per current requirements, FSC Controlled Wood (FSC CW) is an FSC claim, but the material is not considered FSC-certified. Therefore, for a chain of custody certificate holder (CoC CH) using a credit/percentage system, FSC CW inputs have no claim contribution (equal to zero). The FSC CW can be originated in the following ways:

- at the CoC level through the implementation of FSC-STD-40-005;
- at the forest management (FM) level through FSC-STD-30-010 V2-0;
- through the downgrading rule as per clause 5.9 in FSC-STD-40-004 V3-1.

One of the proposals for implementing the strategy from the working group of FSC-STD-30-010 V3-0 was distinguishing the two claims. “FSC CW” that is originated from FSC-STD-40-005 from the “FSC CW” that is originated from FSC-STD-30-010 at the management unit. The proposal was to give a new name to the claims sourced from the management units certified against FSC-STD-30-010 and on a next step, assign a percentage of claim contribution. This would incentivize forest managers certified against FSC-STD-30-010 V3-0 to uptake this certification and the organizations in the supply chain to use these products over products sourced from Due Diligence Systems (DDSs). For the first step, version 3-0 of FSC-STD-30-010 changed its name to “Controlled Forest Management” (CFM) standard and the products originated from these management units would carry the claim “FSC CFM”. For the next step, the working group proposed assigning 70% claim contribution of “FSC CFM” in the chain of custody system on the basis that above 70% of International Generic Indicators have been included in version 3-0 of FSC-STD-30-010. This means that forest managers implementing the requirements of this standard already conform to 70% of a nationally adapted forest management standard. Following this logic, the workshop “Reinforcing FSC 100%” was held.

Results from the consultation workshop

Overview of the overall opinion in the workshop

A total of 96 participants attended the workshop, in which an average of 51 responded to the survey questions, accounting for 53% of the total participants. Over a half of the participants were certificate holders and interested individuals (others) (Figure 7). Additionally, the workshop witnessed the presence of different certification bodies, FSC network partners, FSC members, and consultants.

The workshop introduced the new updates on version 3-0 of FSC-STD-30-010, including a new output claim, alignment with International Generic Indicators (IGIs), and a requirement to step up to forest management certification based on the full set of requirements of the applicable locally adapted FSS after one certification cycle. To align with <FSC-STD-30-010 V3-0 Controlled Forest Management>, the FSC-STD-40-004 introduced a new claim through ADVICE-40-004-27 and expanded the definition of FSC Claim-contribution input. The claim contribution of this claim and the corresponding chain of custody requirements for controlled forest management claims ('FSC CFM') were consulted during the workshop.

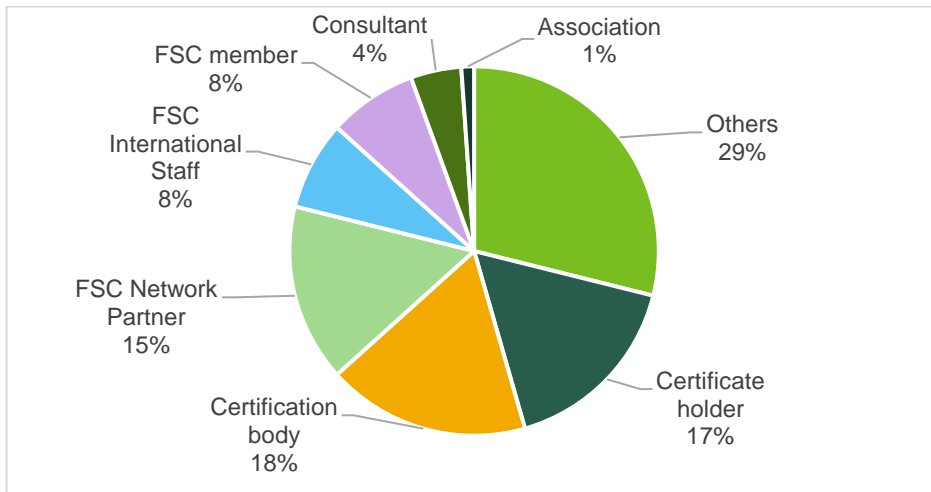


Figure 7. Stakeholders participated in the workshop.

65% of participants agreed that if introduced, 'FSC CFM' should follow the same rule as Clause 5.6 of FSC-STD-40-004 V3-1¹ (Figure 8), indicating that the organization may only sell products with this claim on sales and delivery documents if the products are raw or semi-finished and the customer is FSC-certified.

¹ FSC STD-40-004 V3-1, 5.6 "The organization may only sell products with the 'FSC Controlled Wood' claim on sales and delivery documents if the products are raw or semi-finished and the customer is FSC-certified".

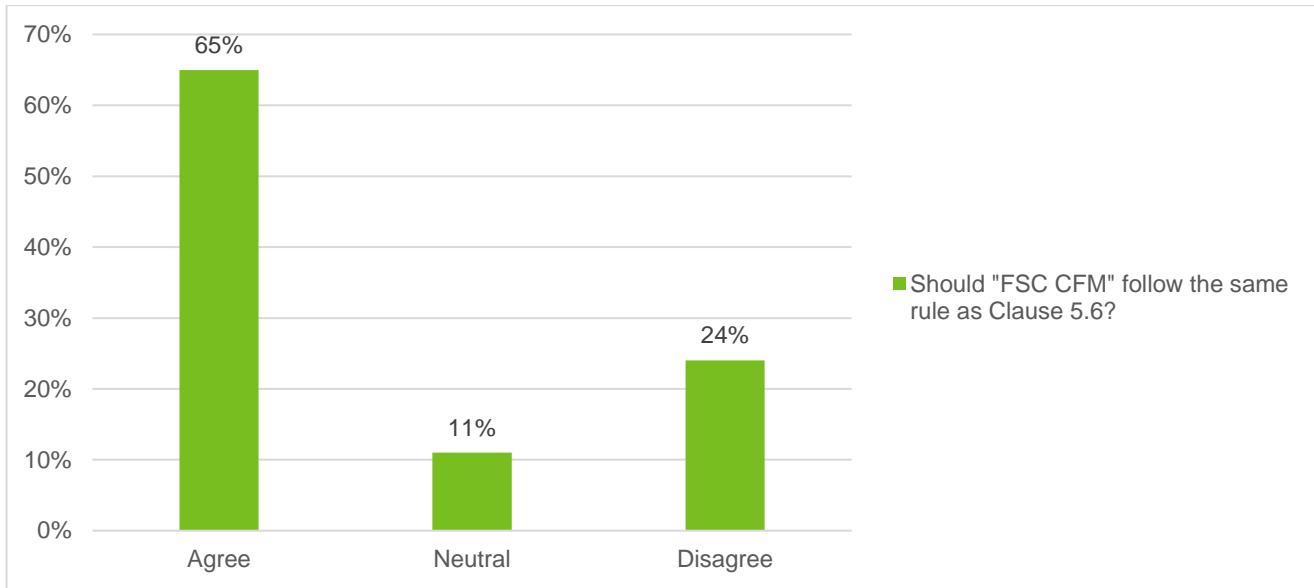


Figure 8. The agreement rate of the survey respondents toward introducing a new claim called "FSC CFM" in FSC-STD-40-004 Chain of Custody Certification.

Figure 9 shows the opinions toward the claim-contribution input that 'FSC CFM' should be. Of the total of 47 respondents, 22 suggested that "FSC CFM" should not contribute to the claim-contribution input (0%/None), 10 supported 70% and 9 supported 100%, 4 supported 50%, and 2 supported 35%.

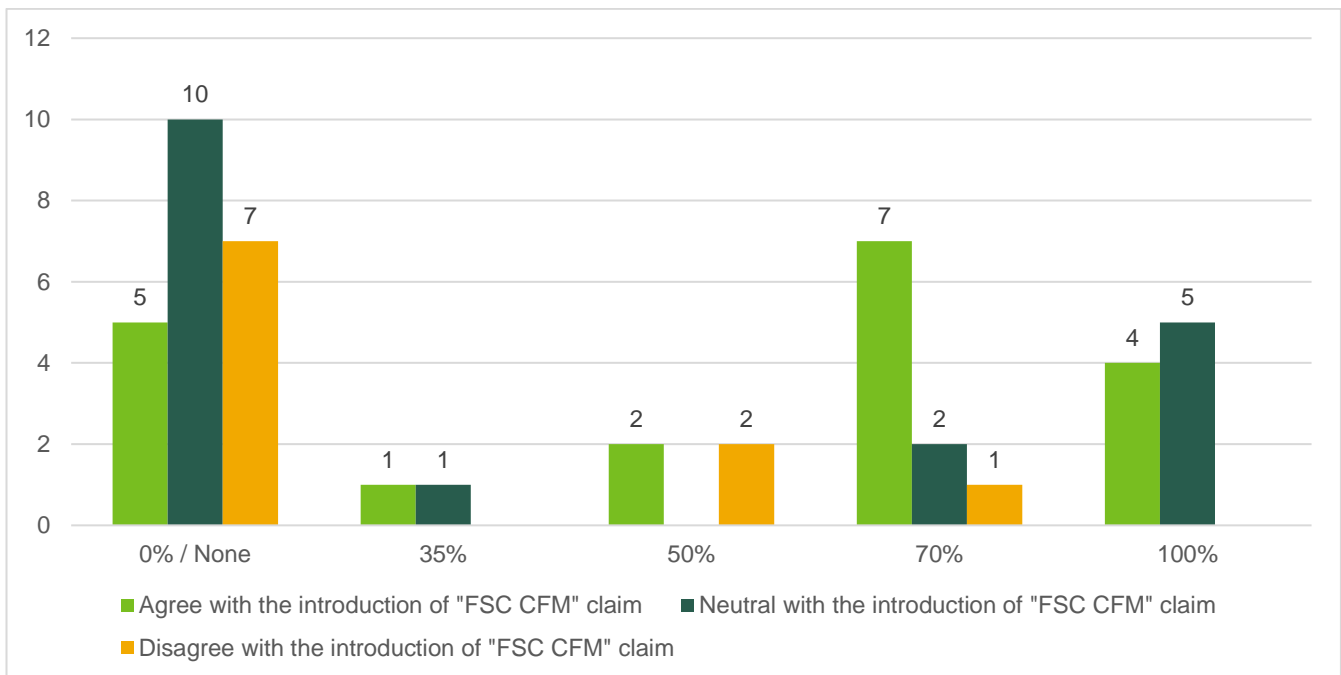


Figure 9. Claim-contribution input suggested for "FSC CFM" in FSC-STD-40-004

Impact of new "FSC CFM"

Some stakeholders stated that the new 'FSC CFM' offers a potential initiative to increase the FSC FM inputs in the FSC system. Other stakeholders mentioned that recognizing 'FSC CFM' in FSC-STD-40-004 may incentivize certificate holders to continue production towards sustainable development.

However, workshop participants expressed concerns regarding the future of FSC CW because of less market recognition, although CW is providing a credible means of low-risk timber trading in the market. More market recognition for CW is an important consideration for the FSC community, especially in the context of an increasing need for FSC-certified materials. Any changes to the revision of FSC standards were advised to focus on seeking solutions and initiatives to support small landowners.

Simplifying the Chain of Custody Certification

Most attendees suggested simplifying the FSC Chain of Custody Certification system by not introducing new claims. The new 'CFM' claim may add further complexity to the system; therefore, it is necessary to have a cost-benefit assessment when considering adding the new 'CFM' claim to the system. The suggestion is to consider incorporating them into one of the claims in the system. For example, instead of considering the claim-contribution input of 'FSC CFM' as 100%, a stakeholder proposed that FSC consider integrating the 'FSC CFM' to FSC Mix 100% or FSC Recycled 100%. Similarly, if the claim contribution input of 'FSC CFM' is 70%, FSC is suggested to incorporate it into FSC Mix 70%.

Despite the concerns, it was agreed that incorporating 'FSC CFM' in FSC-STD-40-004 will strengthen the consistency of the FSC system and contribute to implementing FSC-STD-30-010 to find a solution to reduce controlled wood material in the market.

3. Workshop 3: Developing mechanisms to address integrity risks in FSC-certified supply chains

Developing mechanisms to address integrity issues and risks associated with high-risk supply chains

Background

Instead of stand-alone advice notes to address specific integrity issues, the revision will explore embedding them into the standard structured instruments to identify and mitigate integrity risks. They may include mechanisms on working with species of high risk to FSC (e.g., Paulownia and current ADVICE-40-004-20), risky product types (e.g., charcoal, and current ADVICE-20-011-13), and timber harvested or processed in risky areas (e.g., coming from sanitary logging in certain areas and ADVICE-40-004-21). The mechanisms to address integrity issues should outline the reaction of the FSC system and all actors of a supply chain to false claims (i.e., ADVICE-40-004-18). Additionally, the latest technology and scientific developments, for example, blockchain, geolocation, and scientific methods of wood origin identification should be considered.

FSC-STD-40-004, Section B. Scope, Box 1, answers the question 'To whom does FSC CoC certification apply?'. Some sectoral activities, such as packaging assembly, are not required to apply for CoC certification, but may still pose a risk to FSC integrity. This is packaging that is assembled or put together by non-certified organizations (i.e., assemblers, fillers, and packers), where different components are sourced from different FSC-certified (or non-certified) suppliers/manufacturers. FSC could review the associated risks and consider extending the scope of CoC certification.

Results from the consultation review report

Instead of stand-alone advice notes to address specific integrity issues, the revisions will explore embedding instruments and solutions for minimizing integrity risks into the standard, such as built-in mechanisms to address issues such as ineligible products (e.g., Paulownia), high-risk supply chains (e.g., charcoal) or a moratorium on purchases/sales of certain product types.

Review risks that could be associated with assembled packaging. This is packaging that is assembled or put together by non-certified organizations (i.e., assembly operations, fillers, and packers) where different components are sourced from different CoC-certified (or non-certified) suppliers/manufacturers. For example, smartphone packaging is often comprised of a cardboard sleeve, top cover, moulded pulp tray, accessories box, and bottom cover.

Results from the consultation workshop

The workshop included discussion on different supply chain integrity issues in FSC CoC Certification, including the scope of FSC CoC, misleading claims on FSC products containing neutral materials, false claims, and FSC interventions, to ensure supply chain integrity and prevent deliberate wrongdoings. 92 attendees participated in the workshop, of which 53.46% of total participants were FSC Certificate holders, FSC Trademark license service holders, Trade Associations, and other interested stakeholders (Figure 10). As well as FSC International Staff, the workshop had participation and contribution from certification bodies, FSC network partners, ASI, and FSC Members. Different stakeholders provided opinions and suggestions, as summarized below.

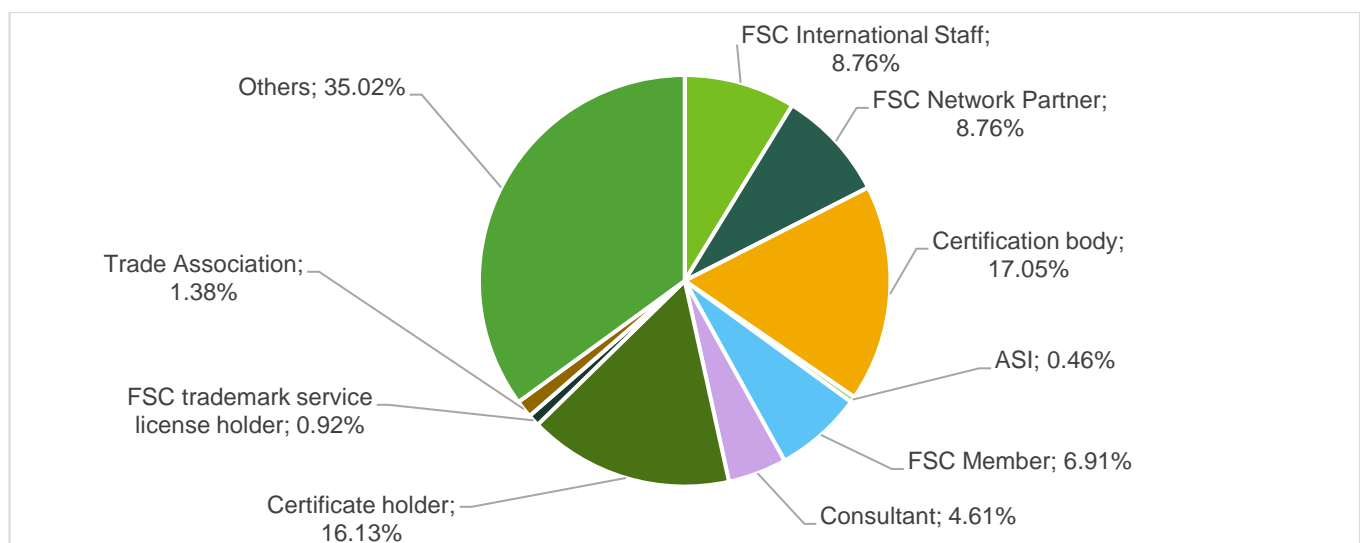


Figure 10. Stakeholders participated in the workshop.

The workshop covered various potential integrity risk topics, including the risks to organizations providing services, neutral materials, false claims, and interventions to ensure supply chain integrity and prevent deliberate wrongdoings (collecting GPS coordinates, making 'no sales' cases visible in the FSC Public Search, identifying species in certification scope, waiving audits, Wood Identification (Wood ID), and the Risk Calculation Model).

Scope of FSC CoC Certification

FSC presented the issue that several integrity risks had been raised for organizations at the end of the supply chains: those buying inputs from different FSC-certified (and/ or non-certified) suppliers/manufacturers. Stakeholders argued that the potential risks include mixing with non-eligible inputs and labelled wrapping/ packaging with other non-FSC products. Also, some stakeholders mentioned public concerns towards FSC regarding health and safety or core labour requirements issues in non-certified companies because the assemblers are the legal entities that buy both FSC-certified and non-FSC-certified products and may not be audited to these requirements. Indeed, the survey results (see Figure 11), 61% of respondents agreed that assembling organizations should apply for certification.

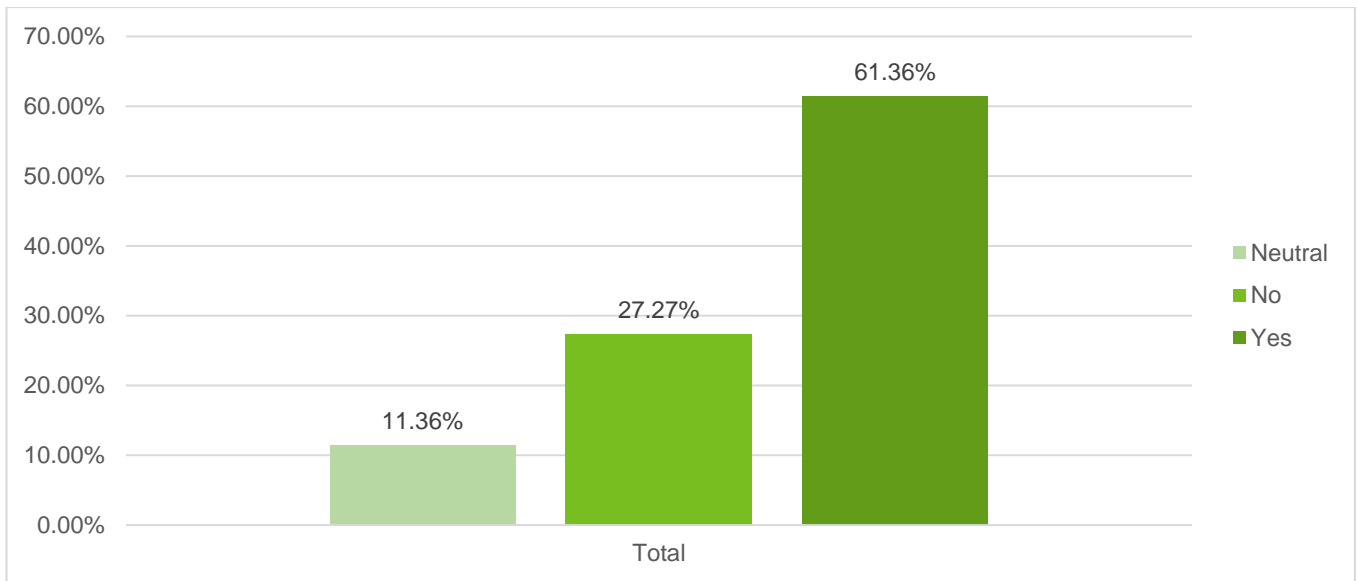


Figure 11. Response to whether assemblers should apply for CoC Certification.

While stakeholders were positive about the proposal, other respondents consider the risks of mixing at the assembly level to be low because the FSC-certified parts should be clear. Additionally, workshop participants argued that assemblers have low interest in the FSC system, as forest certification status may not play a decisive role in consumer’s shopping behaviours.

Misleading claims on FSC products containing neutral materials

Products containing neutral materials that cannot be easily distinguished from FSC-certified ingredients posed the risk of misleading claims. FSC published an Advice Note (ADVISE-40-004-15) indicating that products containing neutral materials that cannot be distinguished from FSC-certified ingredients, shall only be labelled and claimed as FSC Mix. The reflection from workshop participants clarified that the Advice Note only suspended the requirement regarding the specification of the certified ingredient(s) on the FSC label, and the impacts and potential solutions should be further investigated.

FSC interventions to ensure supply chain integrity and prevent deliberate wrongdoings.

Overall, stakeholders expected that the revision of FSC-STD-40-004 would provide solutions to increase transparency for FSC CoC CHs, including better access to information by stakeholders, to help better inform certificate holders’ decisions about their business partners. FSC introduced different approaches and discovered participants’ perceptions of this, as stated below.

GPS coordinates

The GPS coordinates of CoC CHs' main offices and sites may facilitate more effective identification of a CH, with the graphical representation of CHs registered in the same location. 48.7% of respondents supported FSC gathering the GPS coordinates, and 12.8% of feedback stayed neutral (Figure 12). The initiative would not significantly affect CHs; the location of the head office and sites should be clear. However, some of the attendees consider GPS coordinates are confidential information, and therefore should not be presented publicly.

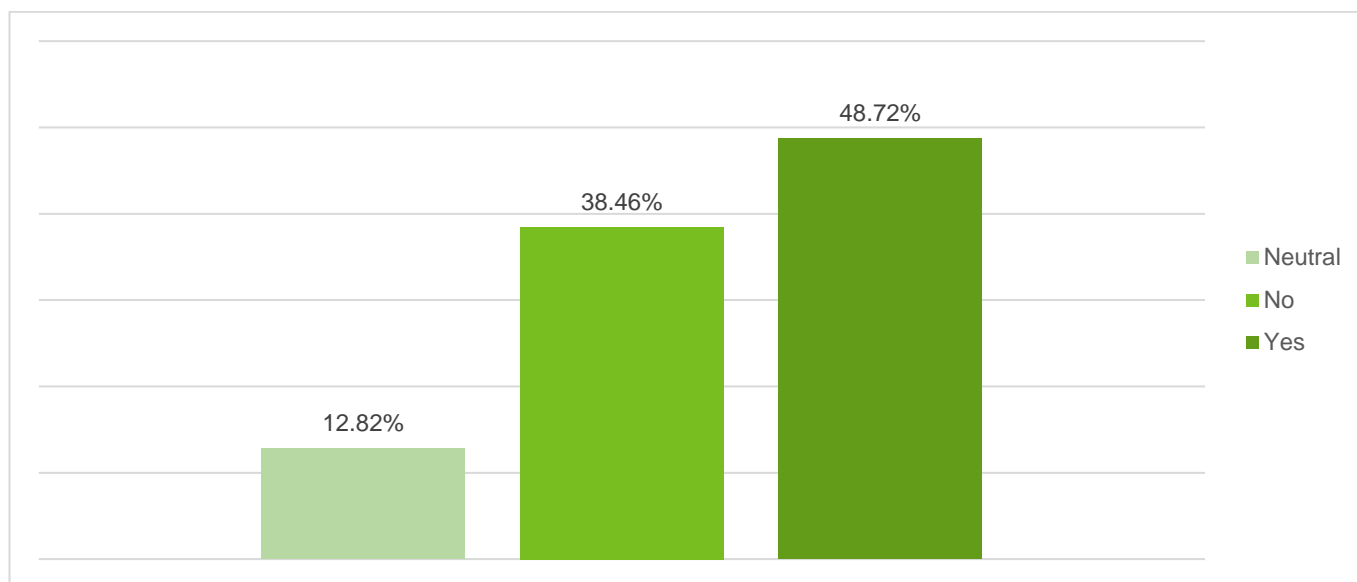


Figure 12. Response to whether FSC should collect the GPS coordinates.

Species identification in the certification scope

To strengthen the integrity system and improve oversight by CBs and FSC of traded species and associated certifications, FSC proposed to set a requirement to identify species in the certification scope and in the annual volume summaries. Figure 13 shows the opinion on this topic, with 45% of the respondents disagreeing with the inclusion of the identification of species in the certification scope. Some stakeholders commented that the species tracking should focus on species identified as 'at risk', and at the level of the supply chain. Additionally, participants recommended measuring the cost and value-added in the inclusion of tree species information on the annual volume summary.

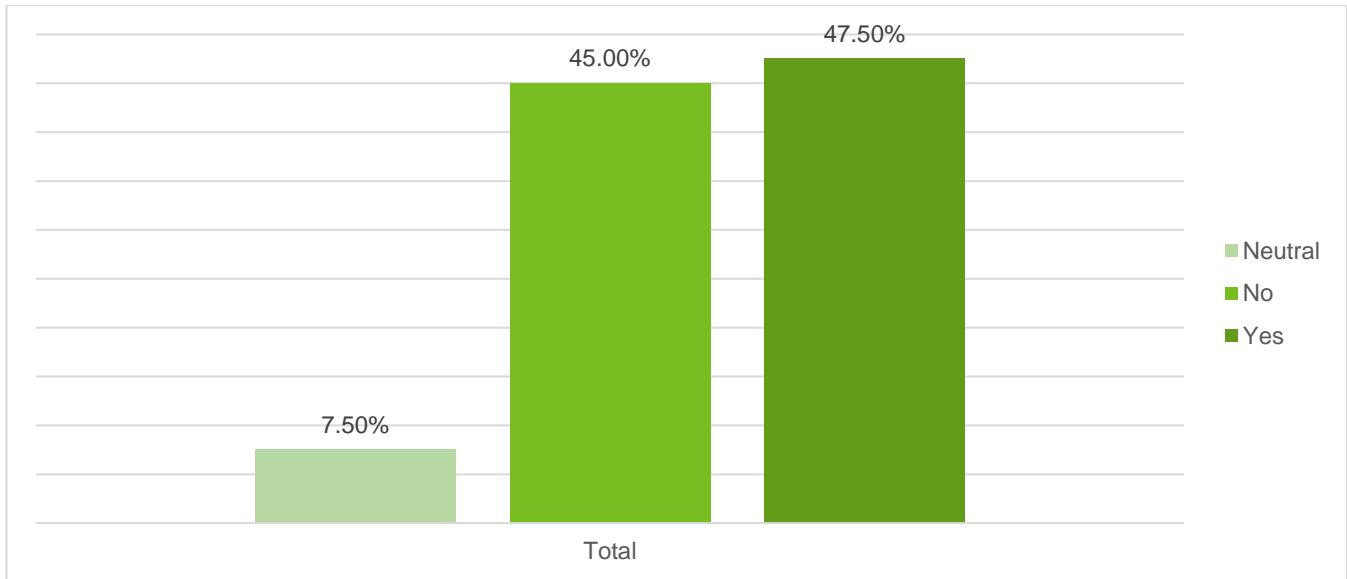


Figure 13. Response to whether FSC's certification scope should require species identification.

Make "no sales" cases visible in the Public Search

FSC observes that some CHs may not sell FSC products, and they may be able to waive an audit or indicate that no full-scale audit is needed. The 'no sales' transparency may better inform CHs about their suppliers and reduce the risk of mixing. There was strong support for this idea, with 74% of the survey respondents agreeing that the 'no sales' cases should be visible on the Public Search. However, some attendees reported that the suggestion was similar to Motion 54/2021, which was rejected by FSC Members. Therefore, stakeholders believe that it would be important to consider this opposing vote from membership in any revision to the new CoC requirement.

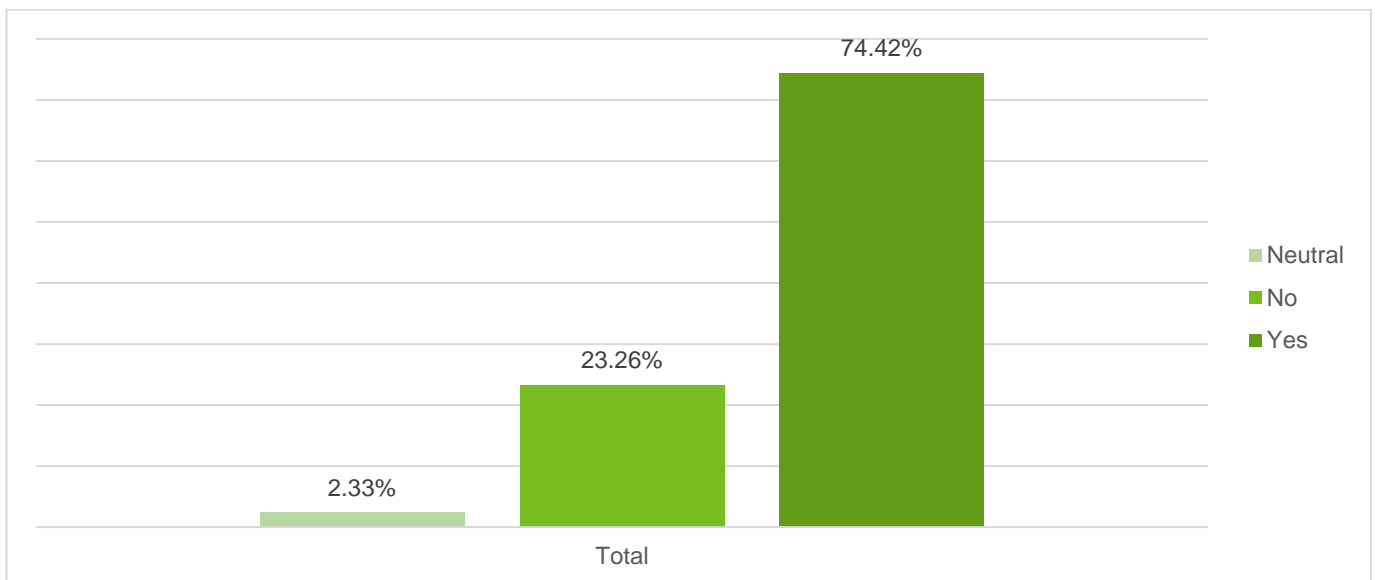


Figure 14. Response to whether FSC should make "no sales" cases visible in the Public Search

Waving of audits

According to clause 3.3 of FSC-STD-20-011 V4-2, if a company has no FSC activity, it can waive a surveillance audit (but not more than 2 consecutive audits). However, FSC raised the concern that fraudulent companies may use waiving audits to introduce false claims, observed by ASI, CBs, and during transaction verification loop investigations. Therefore, FSC suggested forbidding the waiving of audits in case of zero sales. It is notable that 52,5% of the respondents preferred to maintain the requirements and proposed no changes on this topic, while 25% agreed that the requirement should be withdrawn from the standards and no waiving option possible. However, 22,5% of the respondents suggested waiving only one (1) audit, if the company has no FSC activity (Figure 15).

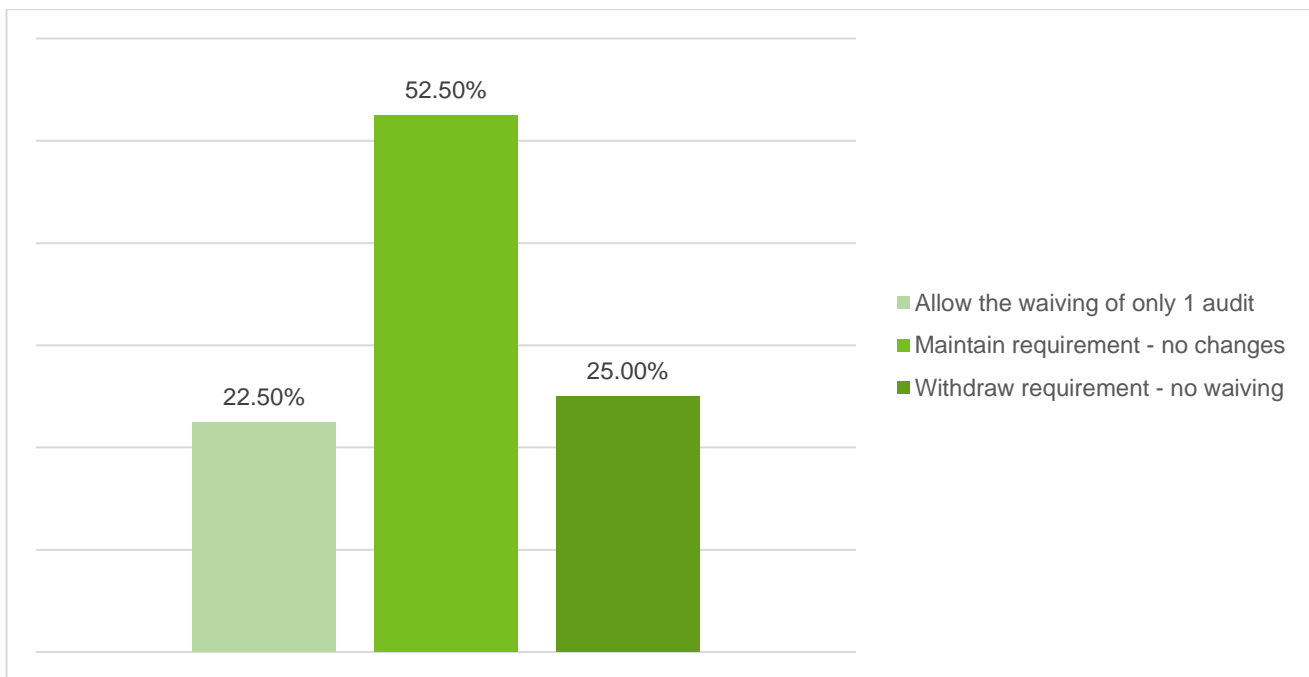


Figure 15. Response to the options for waiving the surveillance audit for companies that have no FSC activity

Financial model to cover the cost of supply chain samples.

FSC is developing its Wood ID programme that will enable FSC to check a product sample taken from an FSC supply chain against a reference sample from the declared origin. 80,5% of the respondents disagreed that Certificate holders should bear the cost of Wood ID. The Wood ID was seen by stakeholders as an additional tool, and workshop participants said that it should not be integrated into the CoC certification requirements. However, Figure 16 showed the high agreement rate that diligent certificate holders would benefit from participating in the Wood ID testing (65%).

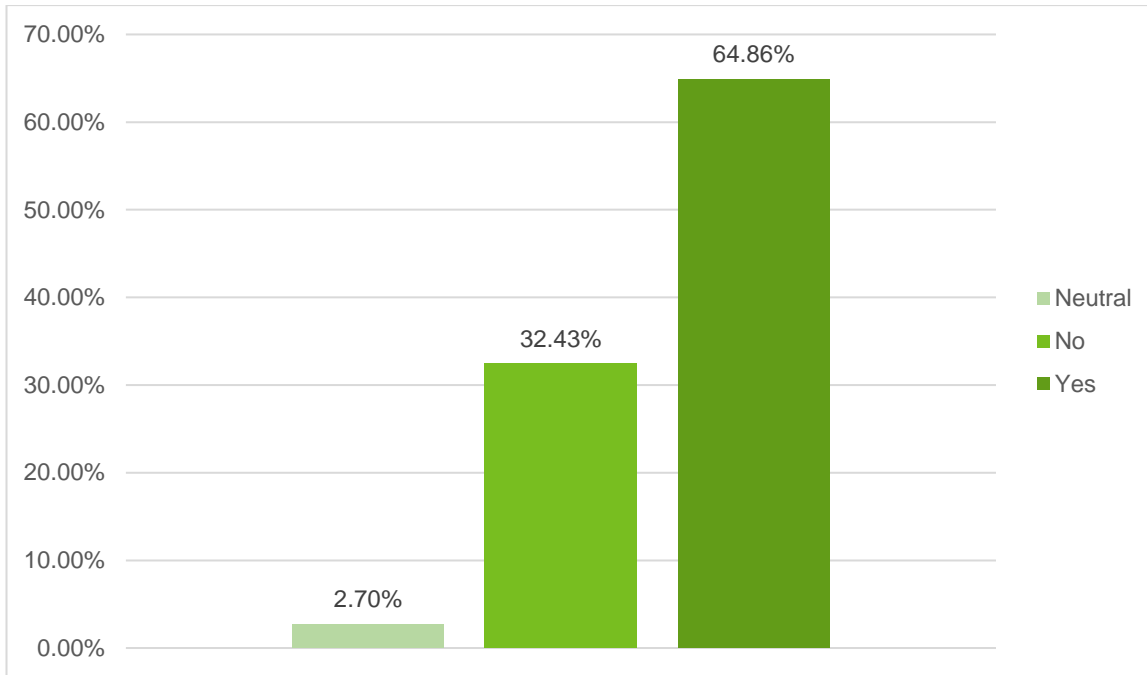


Figure 16. Response to whether workshop participants see a benefit for diligent certificate holders to have their participation in the Wood ID testing.

Conversely, FSC planned to look into historical data of CHs and analyze if there are patterns among companies that were forcibly terminated in the FSC system. With the data, FSC suggested testing statistical analysis and calculation models of artificial intelligence regarding predicting ‘fraud’ in the supply chain would contain several risks. While some stakeholders supported the application of Artificial Intelligence, others were concerned that by focusing on ‘fraud’, and well-intentioned parties may suffer.

Other comments/ suggestions

Workshop attendees commented that the requirements in the CoC standard should be aligned with the FSC Global Strategy. This means that any revision of the Chain of Custody Certification should consider the Global Strategy’s principles of streamlining outcome-orientation and risk-based approach. Furthermore, some stakeholders suggested having a more transparent discussion forum for the review process, which would aim to bring stakeholders’ interests together.

4. Workshop 4: FSC Core Labour Requirements

FSC Core Labour Requirements

Background

Since 2021, the FSC core labour requirements (CLR) have been included in the Chain of Custody certification standard. With the inclusion of these new requirements, it is understood from research and stakeholder feedback that there are some challenges and concerns around CLR and its implementation and evaluation.

As part of the conceptual phase for revision of the CoC Standards, the workshop on CLR was implemented to gather concerns and reflections of stakeholders on current requirements and the expected changes.

The topics included:

- Feedback on guidance documents on CLR and any suggestions for other tools
- Addressing motions 50 (right of access to workers) & 51 (right of workers to elect their own Occupational Health and Safety representative(s))
- Amendment to the ILO Declaration of Fundamental Principles and Rights at Work, including 'safe and healthy working environment' as a fundamental principle should be included in this revision.

Results from the consultation review report

The review report touched on elements relevant to CLR but not CLR explicitly. The relevant topic covered in the workshop included 'improving clarity for requirements on outsourcing activities and contractors' as provided in the Annex.

Results from the consultation workshop

A total of 204 from 504 registered participated in the consultation workshops on FSC Core Labour Requirements, which took place on 1st and 7th of December 2023.

The workshops included 5 multiple choice questions, and 8 open-ended or free text questions. The responses were collated from both workshops, as the content of the workshops and questions were identical. Active participation² in the workshop averaged at 77 (78 in workshop 1 and 76 in workshop 2). Those actively participating were majority certificate holders (36%), closely followed by certification bodies (31%), however other groups were represented, including FSC members, network partners, interested individuals and consultants, as noted in Figure 17.

² Active participation denotes participants taking part in the workshop i.e. participation in the polls and questions.

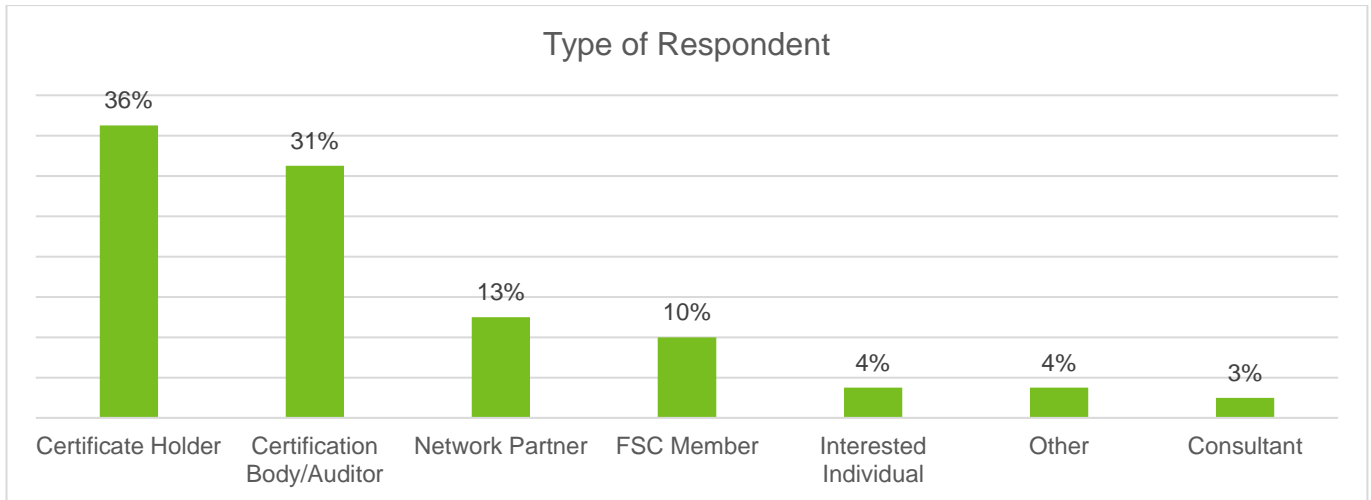


Figure 17. Type of Respondent

Occupational Health & Safety (OHAS)

Participants were asked about the ILO fundamental principle and whether FSC core labour requirements, as the definition currently stands, should include Occupational Health and Safety (OHAS). The most popular answer was positive (41%), however this was closely followed by ‘need more information’ (30%); suggesting FSC must provide more information on the exact implications of this change to stakeholders. It is notable that a large portion were negative too (17%) (see Figure 18 for detail).

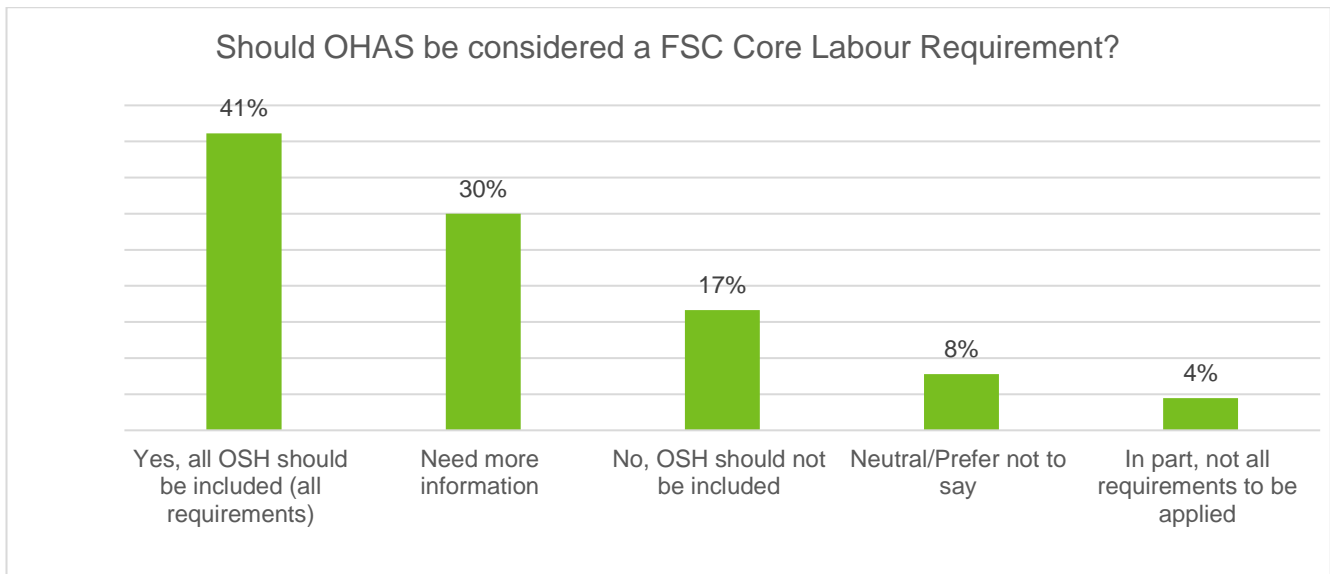


Figure 18. Should OHAS be considered a FSC Core Labour Requirement?

Following this, participants were asked if OHAS should be included in Section 7 of FSC-STD-40-004, and therefore included in the ‘Core Labour Requirements’ section, as currently OHAS is included in Management Systems (clause 1.4). The responses here diverged from the above, with an overwhelming majority to keep OHS in its current section (57%), however over a third were positive to its movement into

core labour requirements; suggesting openness to potential requirements this may entail (see Figure 19 for detail).

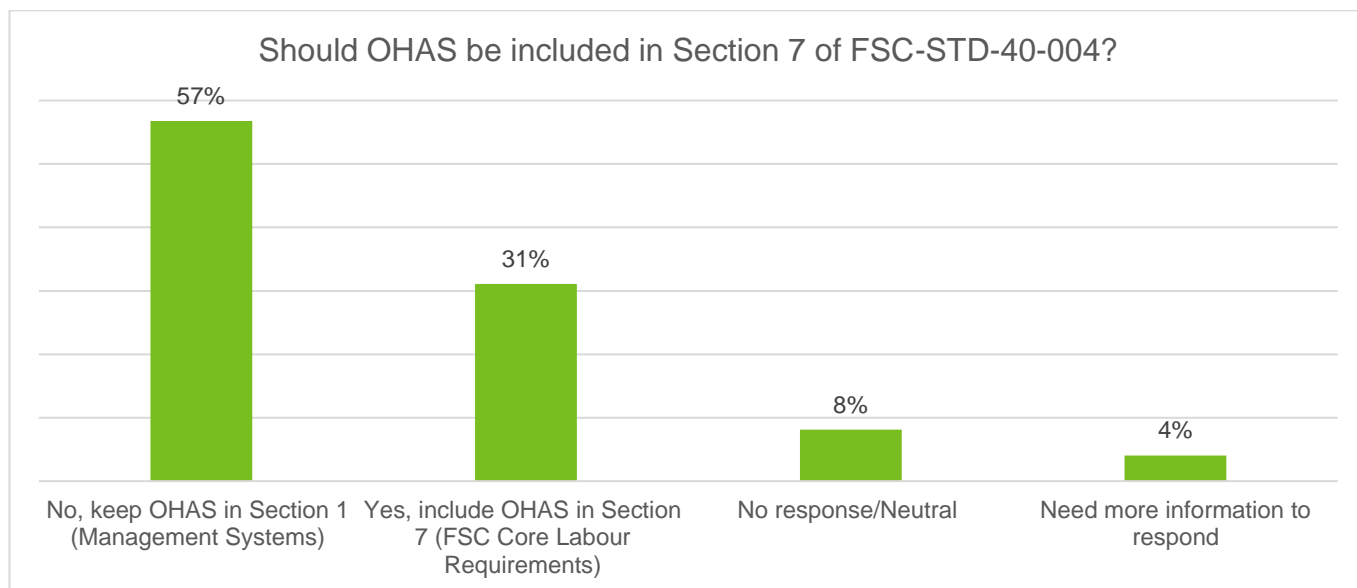


Figure 19. Should OHAS be included in Section 7 of FSC-STD-40-004?

Motion Implementation: Motion 50 & 51

Participants were asked to provide their comments on how both member motions should be addressed in the CoC Standard revision. In total, 42 comments were received (20 for Motion 50 and 22 for Motion 51 respectively).

Motion 50

There was general consensus that it is ‘arguably already addressed’ in the Standard, referring to clause 7.5, and suggestions an ‘intention box’ added would suffice or addition to the current clause to clarify what is meant by ‘access’ and stress non-interference by management is essential. There were also several comments calling for a ‘risk-based approach’, with reference to varying national laws on freedom of association, suggesting if laws in-country are robust, no additional requirements should be added to clause 7.5.

Motion 51

In comparison to Motion 50, responses were more mixed, with the main question posed by participants asking if elected representatives for OHAS would result in a safer or healthier work environment, as many organizations will already adhere to legal requirements and have designated employees responsible for OHAS. Similar to Motion 50, many respondents considered it already covered by existing requirements (clause 1.4), and if necessary, additional clarification should be added to the existing clause; remaining in Section 1, rather than move OHAS into Section 7, as provided in Figure 19.

Additionally, a risk-based approach is requested, with comments noting this should not apply to countries where the relevant ILO Conventions are already covered in national law. Comments also noted potential practical difficulties for auditing, where, if OHAS was addressed with an employed OHAS manager, 'what finding would be required by the CB?'

Contractors & Outsourcing

As mentioned in the [review report](#), outsourcing and how contractors should be evaluated have been main queries for stakeholders since core labour requirements were included in the Chain of Custody Certification in 2021. In 2023, an Advice Note was published to address some uncertainty on the evaluation: FSC-ADVICE-40-004-23 (referred to as AN-23). However, since its publication, there have been various stakeholder concerns raised on its impact and practicability.

In addition to the suggested changes included in the review report, the FSC sought feedback during the workshops on AN-23, specifically on the risk-based approach and whether this should be prescribed or not; as previous feedback suggested, the Advice Note in its current form is too prescriptive. The response was majority in favour of a risk-based but non-prescriptive approach (53%), with agreement the approach should be 'risk based' (37%); cumulatively, this provides that 90% of participating stakeholders agree a risk-based approach should be applied for outsourcers (Figure 20).

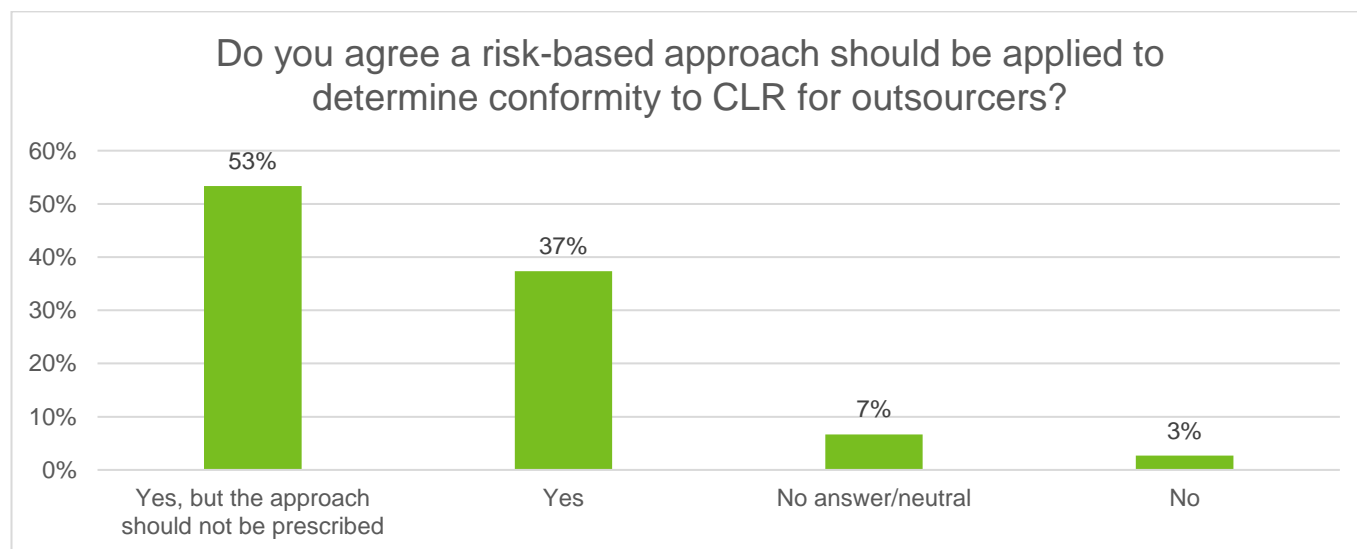


Figure 20. Do you agree a risk-based approach should be applied to determine conformity to CLR for outsourcers?

Additionally, participants were asked if they were aware of other indices that FSC could refer to when assessing risk of outsourcers. 14 participants commented, with suggestions (number of comments provided in brackets) including:

- FSC Controlled Wood National Risk Assessments (CWNRA) (6)
- FSC System Integrity Reporting (1)
- ILO Database on Ratified Conventions (1)
- Labour Rights Index (1)

- Social Audits/Sedex Membership (2)

The remaining comments called for FSC not to limit itself to use only indices, as ‘there are other factors outside of indices which should be considered’, however examples were not provided. Additionally, comments emphasised the importance of any approach to be ‘equitable’ and considerate of the complexity of laws at national and regional levels.

Self-Assessment (Annex D)

It was suggested by stakeholders to include a part of the workshop on self-assessment, in response to queries on the subject. Currently, instructions and the template are included in Annex D of FSC-STD-40-004 V3-1, however this does not include reference to contractors or outsourcing activities. Participants were asked if more clarity in Annex D is required, and the majority agreed (68%), however 25% disagreed; with comments voicing concerns for any changes to the template or disagreeing that any further clarity was necessary (see Figure 21).

Therefore, any changes should acknowledge these viewpoints to ensure minimum disruption but improved clarity in the instructions provided.

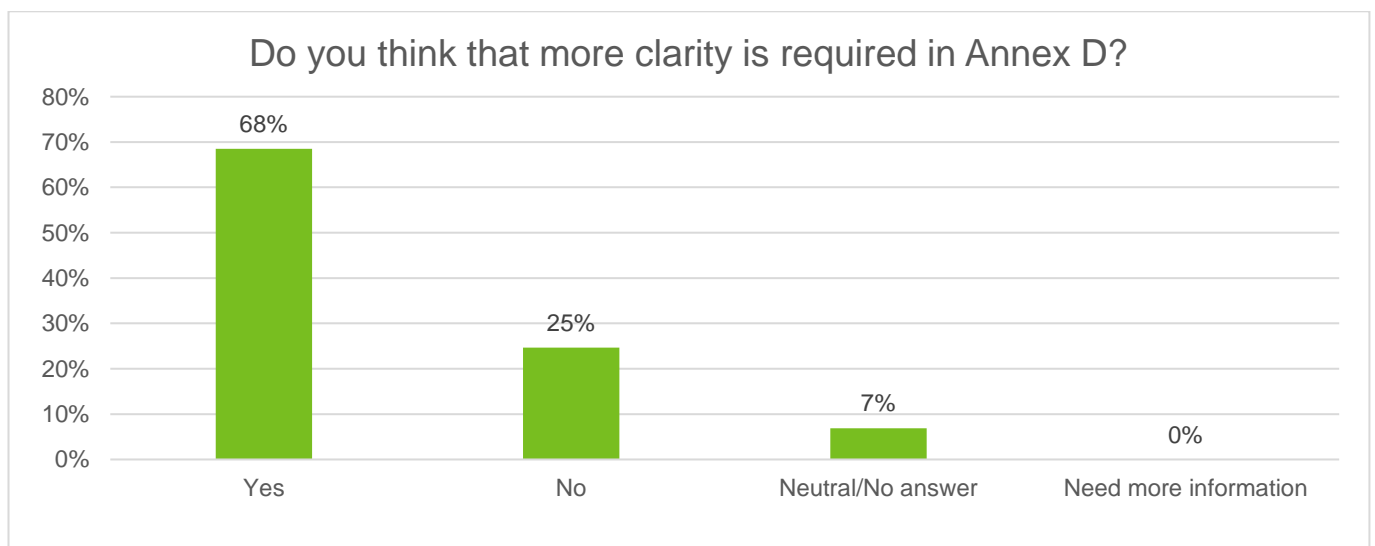


Figure 21. Do you think that more clarity is required in Annex D?

CLR Guidance

To gain more insight into what FSC could provide to help improve understanding and application of requirements, participants were asked to state, ‘what would be helpful for general understanding/application/implementation’ and provide specific detail. 18 responses were received, with some stating no new guidance is required, however other suggestions covered:

- Examples of Accepted Self-Assessments;
- More guidance on contractors and outsourcing;

- Guidance by country with country risks; and
- One central guidance covering all CLR aspects.

Additionally, several highlighted that guidance is not necessary if the requirements are made clearer directly in the Standard requirements.

ANNEX 1

List of selected topics

#	Standard	Version	PSU consultation review report category	Topic
1	FSC-STD-40-004	V3-1	Proposed changes to existing content	Developing mechanisms to address integrity issues and risks associated with high-risk supply chains
2	FSC-STD-40-004	V3-1	Proposed changes to existing content	Improving clarity for requirements on outsourcing activities and contractors
	FSC-STD-40-004	V3-1	Proposed changes to existing content	Evaluating disassociated organizations operating as outsourcing contractors
3	FSC-STD-40-004	V3-1	Alignment and merger with other standards	Merging Multiple Sites (plus related normative documents) and Reclaimed materials standards
	FSC-STD-40-004	V3-1	Administrative changes	Moving away from a 'traditional' normative document
4	FSC-STD-40-004	V3-1	Alignment and merger with other standards	Reducing reliance on “controlled wood”

5	FSC-STD-04-007	V2-0	Expansion of scope of standard	Treatment of salvaged wood and trees harvested in urban areas
	FSC-STD-04-007	V2-0	Expansion of scope of standard	Considering inclusion of certain categories co-products under the scope of the standard

ANNEX 2

Workshop schedule

No	Date and time	Topics
1	20 September 2023 15:00 – 16:30 CET	<u>Expanding the scope of FSC-STD-40-007</u>
2	27 September 2023 15:00 – 16:30 CET	<u>Reinforcing FSC 100%</u>
3	4 October 2023 15:00 – 16:30 CET	<u>Developing Mechanisms to Address Integrity Risks in FSC Certified Supply Chains</u>
4	1 December 16:00 - 17:30 CET; and 7 December 9:00 – 10:30 CET	<u>FSC's Core Labour Requirements</u>

REFERENCES

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

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

FSC-STD-20-011 V4-2	Chain of Custody Evaluations
FSC-STD-40-003 V2-1	Chain of Custody Certification of Multiple Sites Standard (STD)
FSC-STD-40-004 V3-1	Chain of Custody Certification Standard
FSC-STD-40-007 V2-0	Sourcing reclaimed material for use in FSC Product Groups or FSC Certified Projects
FSC-PRO-40-003 V1-1	Development of National Group Chain of Custody Eligibility Criteria



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