



FSC Chain of Custody Certification

January 2011

The Forest Stewardship Council (FSC) is your guarantee that the wood and paper products you purchase come from healthy forests and strong communities. FSC is an international certification system for forests and forest products supported by WWF Canada, Greenpeace, and the David Suzuki Foundation. www.fscCanada.org

Understanding Chain of Custody Certification

Chain of Custody (CoC) certification connects consumers to healthy forests by tracking products from forest to shelf. The FSC logo on a product assures that 100% of the fibre in that product comes from a healthy forest and supports strong communities.

Any company involved in the transformation, processing, manufacturing or distribution of a forest-based product must be FSC-certified in order to sell a product with an FSC Label and/or with an FSC Claim.

Become FSC certified

1. Contact an **FSC Certifier** (=auditor).
www.fscCanada.org/fscCertifiers.org
2. Submit an **Application** to the FSC certifier and receive a price and timeline quote. Avg. cost is \$4,000.
3. Complete an **On-site Audit**.
4. **Certification approval** and receipt of FSC Certification code (XXX-COC-#####) and Trademark License Code (C#####). Usually within 4-6 weeks of contacting certifier.
5. Annual **Surveillance Audit** every 5 years.

FSC. Leads the Way...

- ◆ Banks, insurance companies, retailers, publishers, and governments recognize FSC in procurement policies as the **BEST** choice for healthy forests and healthy communities.
- ◆ Building projects earn **LEED®** Credits by purchasing FSC-certified wood products.
- ◆ FSC is the fastest growing **FOREST** certification system in the world. *UN FAO, 'Forest Product annual Market Review' (2010)*
- ◆ FSC-certified forests **PROTECT** waterways and wildlife habitat, conserve regions of high biodiversity, and minimize the impact of harvesting.
- ◆ Thousands of FSC-certified **PRODUCTS** available worldwide.
- ◆ FSC is the only forest certification system **SUPPORTED** by WWF Canada, Greenpeace and the David Suzuki Foundation.

Find FSC-certified products:

- For a list of FSC-certified Papers: www.fscCanada.org/fscpaper.htm
- For a list of FSC-certified Printers: www.fscCanada.org/fscprinters.htm
- For a list of FSC-certified Wood Product Suppliers: www.fscCanada.org/findwoodproducts.htm
- To search by Certificate code or Trademark License: www.info.fsc.org



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FSC Chain of Custody Requirements

To become FSC Chain of Custody (CoC) certified, companies must be audited to meet the requirements of the CoC Standard, FSC-STD-40-004 v2, available at www.fscCanada.org/chainofcustody.htm and summarized below.

1. Quality management: responsibilities, procedures and records

- Responsibilities: Identify staff person responsible for conformance, and ensure all staff are aware of CoC procedures.
- Procedures: Develop procedures for implementing CoC management.
- Training: Develop and implement a staff training plan on CoC procedures.
- Records: Maintain up-to-date records and retain these for at least five years.

2. Product scope: definition of Product Group(s) and outsourcing arrangements

- Product Groups: Sites must group all FSC-eligible products into one or more Product Groups. Products in a Product Group should share basic input and output characteristics. A Product Group may operate under any appropriate Control System, which governs the allowable output with an FSC Claim.
- Outsourcing: Organizations that outsource to contractors may apply for inclusion of the outsourced process in their Chain of Custody certificate, as long as certain conditions are met (see standard for details).

3. Material sourcing: material specifications

- Input specifications: Upon receipt, record all input material by category: FSC Pure, FSC Mixed, FSC Recycled, FSC Controlled Wood, controlled material, post-consumer reclaimed material, or pre-consumer reclaimed material.
- Input Verification: Additional verification is required for controlled, pre-consumer, and post-consumer inputs (see Standard for details).
- Supplier validation: Maintain a list of suppliers providing input material, and verify validity of FSC Claims (www.info.fsc.org).

4. Material receipt and storage: identification and segregation

- Identification of input: When receiving material, verify invoices include material quantity, category and the supplier's Chain of Custody code (XXX-COC-#####).
- Segregation: Inputs must remain clearly identifiable and

FSC. It's easy...

BUY FSC products. www.fscCanada.org/products.htm

JOIN FSC through certification or membership.
www.fscCanada.org/getinvolved.htm

SPECIFY FSC products in purchasing policies and tenders.
www.fscCanada.org/whyfsc.htm

separable by FSC Product Group.

- Precautions for labeling material: If an organization is going to sell pre-labeled materials, they must verify that the correct label is used.

5. Production control: control of quantities, identify FSC Claims

- Conversion factors: For each Product Group, specify the conversion factor for each processing step.
- Material balances: Per Product Group AND claim period or job order, a material accounting record must verify that the quantities produced with FSC Claims are compatible with the quantities of eligible material inputs.
- Determination of FSC Claims: Identify the FSC Claim for each claim period or job order according to the Control System used for that Product Group.
- Selection of Control System(s): Organizations must select a Control System for each Product Group.
 - i) *Transfer Control System*: For printers, print brokers, traders, secondary manufacturers and distributors.
 - ii) *Credit Control System*: For manufacturers, and traders or distributors of unfinished products (includes lumber yards).
 - iii) *Percentage System*: For printers and manufacturers.

6. Sales & delivery: invoicing and transport documentation

- Identification of outputs sold with FSC claims: For all outputs sold with FSC Claims include contact information, Chain of Custody number and product information on invoices and transportation documents.
- Labeling of products: Products sold with an FSC Claim can not carry the label of other forest certification systems.
- Supplying FSC Controlled Wood: The sale of FSC Controlled Wood must be in conformance with FSC-STD-40-005.

7. Labeling: application of FSC labels on-product, and labeling thresholds

- FSC Mix label (prev. Mixed Sources): Applied to products with 'FSC Mixed Credit' or 'FSC Mixed XX%' Claim. XX% must $\geq 70\%$
- FSC Recycled label: Applied to products with 'FSC Recycled Credit' or 'FSC Recycled XX%' Claim. XX% must $\geq 85\%$ or higher to carry label.
- FSC 100% label (prev. Pure): All products with the FSC Pure (100%) claim can carry this label.

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Frequently Asked Questions

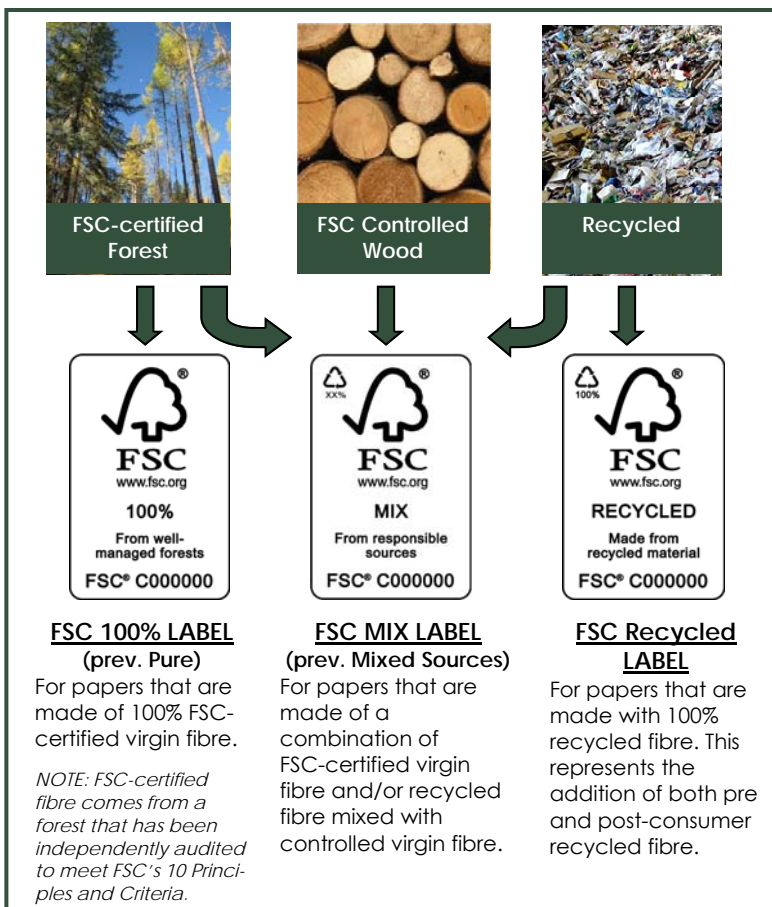
1. Which FSC Label do I use, and when ?

There are three FSC Labels that FSC CoC certified companies can place on a product. The FSC Claim on the product invoice determines which label you should use (see diagram):

- ◆ The **FSC 100% (prev. Pure) label**: Products with the FSC Claim of 'FSC Pure' qualify for this label
- ◆ The **FSC Mix (prev. Mixed Sources) label**: Products with the FSC Claim of 'FSC Mixed Credit' or 'FSC Mixed XX%', where XX% is $\geq 70\%$
- ◆ The **FSC Recycled label**: Products with the FSC Claim of 'FSC Recycled Credit' or 'FSC Recycled XX%', where XX% $\geq 85\%$ qualify for this label.

2. What is a Certification Code and Trademark License Code?

- ◆ **Certification Code** (xxx-coc-#####): A unique identifier given to FSC Chain of Custody certified companies for use on invoices.
- ◆ **Trademark License Code** (C#####): A unique identifier given to FSC Forest Management and Chain of Custody certified companies for use on FSC Labels and/or with the FSC logo when used promotionally.



3. What is an FSC Claim?

An FSC Claim is a statement made on invoices by CoC certified companies. The FSC Claim determines which FSC Label (see Question 1) may be placed on the product. If a product does not qualify for an FSC Label, but carries an FSC Claim, it may still be used as input material for further processing by CoC certified companies.

4. What is a Product Group?

A Product Group is a list of product(s) made by a CoC certified company that share basic input and output characteristics. The purpose of the Product Group is to allow eligible input materials to be combined according to a particular Control System so that an FSC Claim may be placed on output material. For each Product Group, CoC companies must identify which Control System will be used, and be able to track input material quantity and category.

5. When combining fibre into an FSC-certified product, what are eligible Material Categories ?

The following categories of virgin *and* reclaimed material may be used in FSC Product Groups.

Material purchased from an FSC-certified company:

- **FSC Pure material**
- **FSC Mixed material**: May be 'FSC Mixed Credit' or 'FSC Mixed XX%'. If the claim is 'FSC Mixed XX%', then only XX% of volume or weight of material is considered as 'FSC Mixed', the remainder is considered 'FSC Controlled Wood'
- **FSC Recycled material**: May be 'FSC Recycled Credit' or 'FSC Recycled XX%'. If the claim is 'FSC Recycled XX%', then only XX% of volume or weight of material is considered as 'FSC Recycled', the remainder is considered 'FSC Controlled Wood'.
- **FSC Controlled Wood**: Purchased from an FSC CoC certified company, or from a company that has been audited against the Controlled Wood standards (FSC-STD-40-005 or FSC-STD-30-010).

Material verified by the company undergoing certification:

- **Controlled material**: This is material that the company undergoing certification has had verified as meeting the Controlled Wood standard. (FSC-STD-40-005)
- **Post-consumer reclaimed material**: This is material that the company undergoing certification has had verified as meeting the criteria of post-consumer reclaimed material. (FSC-STD-40-007)
- **Pre-consumer reclaimed material**: This is material that the company undergoing certification has had verified as meeting the criteria of pre-consumer reclaimed material. (FSC-STD-40-007)





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6. How much product can I sell with an FSC Claim and/or an FSC Label?

The quantity (weight or volume) of product sold with an FSC Claim and/or FSC Label is determined by the material input and Control System used. FSC CoC certified companies must identify which Control System they will use for each Product Group.

Transfer System

For companies manufacturing FSC Pure products and engaged in trading activities related to finished products. For e.g. Distributors, Sawmills, Timber brokers, Printers, secondary manufacturers, mill workers, paper converters.

How it works:

- Material purchased with an FSC Claim is sold with the same FSC Claim.
- Materials with different FSC Claims that are combined are sold with the FSC Claim that is the most inclusive (reflects multiple fibre types in the product). E.g. FSC Recycled + FSC Mixed = FSC Mixed claim.
- Only FSC Pure, FSC Mixed, FSC Recycled, and post-consumer recycled claims are eligible to be combined.

Why use the Transfer System:

- If you are a Printer and do not anticipate that you will be mixing FSC-certified paper with non-FSC-certified paper ; or
- If you are a Printer and do not have the ability to verify that any non-FSC-certified paper meets the FSC Controlled Wood Requirements; or
- If you are a trader, distributor, or merchant of finished products; or
- If you only purchase and sell material that is FSC Pure.

Credit System

For companies manufacturing FSC Mixed and FSC Recycled products. Not for trading activities (finished products), and not for Printers. For e.g. Sawmills, Primary/Secondary Manufacturer, and Traders or Distributors of unfinished products (e.g. lumber yards).

How it works:

- Products with different FSC Claims are combined and sold with an FSC Credit Claim (e.g. 'FSC Mixed Credit')
- Only a portion of the product is sold with an FSC Claim. The amount sold with an FSC Credit Claim relates to the amount of fibre in the product that is FSC-certified and/or post-consumer recycled. Remainder of product may be sold as FSC Controlled Wood.
- For materials purchased with an FSC Credit Claim, all (100%) of that material qualifies for use in further calculations.
- For materials with an FSC Credit Claim, that product is eligible to carry the FSC Mixed Sources or FSC Recycled Label depending on the type of FSC Credit Claim.

Why use the Credit System:

- If you have an inconsistent or small supply of FSC-certified fibre and/or post-consumer fibre, but would still like to sell a portion of your product as FSC-certified, and eligible to carry an FSC Label; and
- If you can verify that any non-FSC-certified material mixed in with FSC material meets the FSC Controlled Wood Requirements (FSC-STD-40-005; FSC-STD-30-010).

Percentage System

For companies manufacturing products with FSC Mixed and FSC Recycled claims. Not for trading activities related to finished products. For e.g. Sawmills, Primary/Secondary Manufacturer, Printers.

How it works:

- Products with different FSC Claims are combined and sold with an FSC Percentage Claim (e.g. 'FSC Mixed XX%').
- All of the final product is sold with an FSC Percentage Claim, and this % reflects the amount of FSC virgin fibre and post-consumer recycled fibre in the product. The remaining fibre must be FSC Controlled Wood or make up less than 1% of the total material in the final product.
- For materials purchased with an FSC Percentage Claim (e.g. FSC Mixed XX%), only the % of material that is designated (e.g. XX%) qualifies for use in further calculations.
- For materials with an FSC Mixed Percentage Claim, the % must be $\geq 70\%$ to be eligible for an FSC Label.

Why use the Percentage System:

- If you have a consistent supply of FSC-certified fibre and/or post-consumer recycled fibre that equals or exceeds 70% (for your FSC Mixed Product Group); or
- If you do not meet the situation above, BUT you do not need to put an FSC Label on your product as your product will be used as material input by a CoC certified company; and
- If you can verify that any non-FSC-certified material mixed in with FSC material meets the FSC Controlled Wood Requirements.