

Crosswalk overview

This Crosswalk has been created to help facilitate the public consultation on the Chain of Custody standard revision (FSC-STD-40-004_V3-0_EN). The Crosswalk will assist stakeholders in identifying and highlighting the differences between the existing standard and the draft revised standard. Notes for stakeholders and links to additional resources are also provided.

The Crosswalk document has been created by FSC US, and is therefore not an official FSC International review of all the changes.

Each section of the draft standard is reviewed within its own excel worksheet, and changes are identified by red text and by color ranking (see legend to the right).

The following standard sections have been reviewed in this Crosswalk:

E Terms and definitions

PART I: Universal Requirements

- 1 Quality management system
- 2 Scope of the FSC chain of custody system
- 3 Material sourcing
- 4 Material handling
- 5 Material accounting records and volume control
- 6 Sales

PART II: Systems for Controlling FSC Claims

- 7 Transfer system
- 8 Percentage system
- 9 Credit system

PART III: Labelling

- 10 FSC labelling requirements

PART IV: Supplementary Requirements

- 11 Outsourcing
- 12 Compliance with timber legality legislations

Legend	Identified change between draft and existing requirements
	No change
	Requirement modified/moved
	Added from other FSC normative documents
	New requirement
	Requirement removed

Draft Definition (V3-0)		Existing Definition (V2-1)		Notes for Stakeholders	
	Assembled products	Products that are constructed from two or more solid wood and/or chip and fibre components, assembled together to form another product. Examples include furniture, shelving units, musical instruments, plywood, blockboard, laminated veneer lumber, laminated flooring, laminated particleboard, and printed materials containing different paper components.	Assembled products	Products that are constructed from two or more solid wood and/or chip and fibre components, assembled together to form another product. Examples include furniture, shelving units, musical instruments, plywood, blockboard, laminated veneer lumber, laminated flooring, laminated particle board, and printed materials containing different paper components.	
	Chain of Custody	The path taken by raw materials, processed materials, finished products, and co-products from the forest to the consumer or (in the case of reclaimed/recycled materials or products containing them) from the reclamation site to the consumer, including each stage of sourcing, processing, transformation, manufacturing, storage, and transport where progress to the next stage of the supply chain involves a change of ownership (independent custodianship) of the materials or the products.	Chain of custody	The path taken by raw materials, processed materials, finished products, and co-products from the forest to the consumer or (in the case of reclaimed/recycled materials or products containing them) from the reclamation site to the consumer, including each stage of processing, transformation, manufacturing, storage and transport where progress to the next stage of the supply chain involves a change of ownership (independent custodianship) of the materials or the products.	
			Chain of Custody operation	Individual, company or other legal entity operating one or more facilities or sites within any 'stage' of the forest product supply chain and issuing invoices for materials or products with an FSC claim that can be used by customers to treat such products as certified or make promotional claims.	
	Chip and fibre products	All products that use input-wood that has been chipped or defibrillated. Such products include, for example, pulp, paper (including print materials), cardboard, particleboard, fibreboard and orientated strand board (OSB).	Chip and fibre products	All products that use input-wood that has been chipped or defibrillated. Such products include, for example, pulp, paper (including print materials), cardboard, particleboard, fibreboard and orientated strand board (OSB).	
	Claim-contributing Input	Input material that counts towards the determination of the percentage or credit claim for products controlled under the percentage or credit system. The claim-contributing inputs are the following: a) FSC certified materials; b) Post-consumer reclaimed materials; c) Pre-consumer reclaimed paper (note: this category excludes pre-consumer reclaimed wood).			Definition added to standard. The item c) responds to the FSC Board decision on Motion 38 from the FSC General Assembly 2011. In 2011, the FSC membership mandated the FSC International to conduct a chamber-balanced study to evaluate the risks and benefits of valuing pre-consumer reclaimed paper fibre materials as FSC certified content. The study was drafted as a discussion paper, based on stakeholder input collected through an FSC membership survey, a stakeholder workshop and phone interviews with paper companies. Between 25 September 2013 and 15 January 2014, the discussion paper was publicly consulted with the FSC membership and interested stakeholders. The results of the study and consultation feedback showed the FSC membership support to the proposal of granting pre-consumer paper fibre the same value as post-consumer material and as certified virgin fibre. The FSC Board in its 66th meeting (July 2014) decided to classify pre-consumer reclaimed paper to count as a claim-contributing input towards percentage and credit calculations. The study and FSC Board decision excluded pre-consumer reclaimed wood materials. Stakeholders are invited to comment on the proposal of evaluating alternatives for best valuing pre-consumer reclaimed wood materials as well. This would in principle require FSC to conduct a separate study to evaluate risks, impacts, and opportunities in changing the classification of pre-consumer reclaimed wood. For more information on Motion 38 and the decision on pre-consumer reclaimed paper fiber, please visit the FSC website.

Claim period	A period of time which has been specified by the organization for each product group for the purpose of making a specific FSC claim.	Claim period	A period of time which has been specified by the organization for each product group for the purpose of making a specific FSC claim.	
Complaint	An expression of dissatisfaction by any person or organization in relation to the organization's conformity with this standard, including the organization's suppliers.			
Component	An individual and distinguishable part of an assembled product.	Component	An individual and distinguishable part of an assembled product.	
Contracting organization	Individual, company, or other legal entity using a contractor for any activities under the scope of the FSC chain of custody certificate (e.g. storage or processing of an FSC certified product) under an outsourcing agreement.	Contracting organization	Individual, company or other legal entity contracting a contractor for the production or processing of an FSC certified product under an outsourcing agreement.	This definition was previously listed in the FSC Directive on Chain of Custody (FSC-DIR-40-004).
Contractor	Individual, company, or other legal entity contracted by an organization for any activities under the scope of the FSC chain of custody certificate (e.g. storage or processing of an FSC certified product) under an outsourcing agreement.	Contractor	Individual, company or other legal entity contracted by a contracting organization for the production or processing of an FSC certified product under an outsourcing agreement.	This definition was previously listed in the FSC Directive on Chain of Custody (FSC-DIR-40-004).
		Controlled material	Virgin material originating in non FSC-certified forests or plantations from suppliers included in the verification program of organizations certified according to FSC-STD-40-005.	
Conversion factor	The ratio between material quantity entering and leaving a given transformation process used by the organization. The conversion factor is calculated by dividing the output (volume or weight) by the input (volume or weight) and is applied to the whole product or to each individual component of a product.	Conversion factor	The ratio between material quantity entering and leaving a given transformation process employed by the organization. The conversion factor is calculated by dividing the output (volume or weight) by the input (volume or weight) and is applied to each individual component of a product group.	
Co-product	Material produced during the process of primary manufacturing of another (principal) product from the same input. Such materials are, for the purposes of this standard, classified depending on the material category from which they are co-produced.	Co-product	Material produced during the process of primary manufacturing of another (principal) product, from the same input. Such materials are, for the purposes of this standard, classified depending on the material category from which they are (co-) produced.	
Credit account	A record kept by a certified organization operating a credit system which lists entries and withdrawals of volume credits for the purpose of selling products with FSC Mix Credit or FSC Recycled Credit claims .	Credit account	A record kept by a certified organization operating a credit system which lists entries and withdrawals of volume credits for the purpose of selling products with FSC claims .	
Credit claim	Part of an FSC claim for FSC Mix or FSC Recycled products which specifies that the full quantity can be used as a claim-contributing input for subsequent calculations of input percentages or FSC credit. Applicable claims are "FSC Mix Credit" or "FSC Recycled Credit."	Credit claim	Part of an FSC claim for FSC Mix or FSC Recycled products which specifies that the full quantity can be used as FSC input or post-consumer input for subsequent calculations of input percentages or FSC credit. Applicable claims are "FSC Mix Credit" or "FSC Recycled Credit".	

Credit system	A chain of custody system which allows a proportion of outputs to be sold with a credit claim corresponding to the quantity of claim-contributing inputs and the applicable product group conversion factor(s).	Credit system	A Chain of Custody system applied at the product group level which allows a proportion of outputs to be sold with a credit claim corresponding to the quantity of FSC and post-consumer inputs. Considering the applicable conversion factor(s), FSC and postconsumer inputs can be accumulated as FSC credit on a credit account.																						
Delivery documents	Document accompanying a shipment of goods that lists the description, grade, and quantity of the goods delivered. Delivery documents are also called delivery notes, shipping documents, or transport documents.	Delivery documents	Document accompanying a shipment of goods that lists the description, grade, and quantity of the goods delivered. Delivery documents are also called delivery notes, shipping or transport documents.																						
Eligible input	Virgin and reclaimed input material that is eligible to enter a specific FSC product group depending on its material category.	Eligible input	Virgin and reclaimed material input that is eligible to enter a specific FSC product group depending on its material category. <table border="1"> <thead> <tr> <th>[Material category]</th> <th>[Eligible for product group(s)]</th> </tr> </thead> <tbody> <tr> <td>a) FSC 100% material:</td> <td>FSC 100%, FSC Mix</td> </tr> <tr> <td>b) FSC Mix material:</td> <td>FSC Mix</td> </tr> <tr> <td>c) FSC Recycled material:</td> <td>FSC Mix, FSC Recycled</td> </tr> <tr> <td>d) FSC Controlled Wood:</td> <td>FSC Mix, FSC Controlled Wood</td> </tr> <tr> <td>e) controlled material:</td> <td>FSC Mix, FSC Controlled Wood</td> </tr> <tr> <td>f) post-consumer reclaimed material:</td> <td>FSC Mix, FSC Recycled</td> </tr> <tr> <td>g) pre-consumer reclaimed material:</td> <td>FSC Mix, FSC Recycled</td> </tr> </tbody> </table>	[Material category]	[Eligible for product group(s)]	a) FSC 100% material:	FSC 100%, FSC Mix	b) FSC Mix material:	FSC Mix	c) FSC Recycled material:	FSC Mix, FSC Recycled	d) FSC Controlled Wood:	FSC Mix, FSC Controlled Wood	e) controlled material:	FSC Mix, FSC Controlled Wood	f) post-consumer reclaimed material:	FSC Mix, FSC Recycled	g) pre-consumer reclaimed material:	FSC Mix, FSC Recycled						
[Material category]	[Eligible for product group(s)]																								
a) FSC 100% material:	FSC 100%, FSC Mix																								
b) FSC Mix material:	FSC Mix																								
c) FSC Recycled material:	FSC Mix, FSC Recycled																								
d) FSC Controlled Wood:	FSC Mix, FSC Controlled Wood																								
e) controlled material:	FSC Mix, FSC Controlled Wood																								
f) post-consumer reclaimed material:	FSC Mix, FSC Recycled																								
g) pre-consumer reclaimed material:	FSC Mix, FSC Recycled																								
Europe	In the context of this document, this refers to the European countries that fall within the scope of EU Regulation No 995/2010 (known as "EU Timber Regulation").																								
Finished product	Product that receives no further transformation in terms of processing, labelling, or packaging prior to its intended end use or sale to the end-consumer. Cutting consumer-ready products into size (i.e. by retailers) and products installation are not considered product transformation, unless these activities involve repackaging, changing of the product composition, or relabeling.	Finished product	Product that receives no further transformation in terms of processing, labelling or packaging prior to its intended end use.																						
Forestry Conformity Assessment Scheme	A scheme based on the development of standards for forest certification and assessment of operations for trade and production of forest products.	Forestry Conformity Assessment Scheme	A scheme based on the development of standards for forest certification and assessment of operations for trade and production of forest products.																						
FSC certified material	FSC 100%, FSC Mix or FSC Recycled material that is supplied with an FSC claim by an FSC certified organization.	FSC certified material	FSC 100%, FSC Mix or FSC Recycled material that is supplied with an FSC claim by an organization which has been assessed by an FSC-accredited certification body for conformity with FSC Forest Management and/or Chain of Custody requirements.																						
FSC certified product	FSC certified material that conforms to all applicable certification requirements and is eligible to carry an FSC label and to be promoted with the FSC trademarks.	FSC certified product	FSC certified material that is eligible to carry an FSC label and to be promoted with the FSC trademarks.																						
FSC claim	Claim made on sales and delivery documents for FSC certified material or FSC Controlled Wood that specifies the material category and, for FSC Mix and FSC Recycled products, an associated percentage claim or credit claim.	FSC claim	Claim made on sales and delivery documents for FSC-certified material or FSC Controlled Wood that specifies the material category and, for FSC Mix and FSC Recycled products, an associated percentage claim or credit claim. The appropriate FSC claims for each product group and Chain of Custody control system are presented below: <table border="1"> <thead> <tr> <th>[Product groups]</th> <th>[Control system]</th> <th>[FSC claim]</th> </tr> </thead> <tbody> <tr> <td>FSC 100%</td> <td>Transfer system</td> <td>"FSC 100%"</td> </tr> <tr> <td>FSC Mix</td> <td>Percentage system</td> <td>"FSC Mix x%"</td> </tr> <tr> <td>FSC Mix</td> <td>Credit system</td> <td>"FSC Mix Credit"</td> </tr> <tr> <td>FSC Recycled</td> <td>Percentage system</td> <td>"FSC Recycled x%"</td> </tr> <tr> <td>FSC Recycled</td> <td>Credit system</td> <td>"FSC Recycled Credit"</td> </tr> <tr> <td>FSC Controlled Wood</td> <td>Transfer system</td> <td>"FSC Controlled Wood"</td> </tr> </tbody> </table>	[Product groups]	[Control system]	[FSC claim]	FSC 100%	Transfer system	"FSC 100%"	FSC Mix	Percentage system	"FSC Mix x%"	FSC Mix	Credit system	"FSC Mix Credit"	FSC Recycled	Percentage system	"FSC Recycled x%"	FSC Recycled	Credit system	"FSC Recycled Credit"	FSC Controlled Wood	Transfer system	"FSC Controlled Wood"	Table revised and moved to clause 6.1.1.
[Product groups]	[Control system]	[FSC claim]																							
FSC 100%	Transfer system	"FSC 100%"																							
FSC Mix	Percentage system	"FSC Mix x%"																							
FSC Mix	Credit system	"FSC Mix Credit"																							
FSC Recycled	Percentage system	"FSC Recycled x%"																							
FSC Recycled	Credit system	"FSC Recycled Credit"																							
FSC Controlled Wood	Transfer system	"FSC Controlled Wood"																							

FSC Controlled Wood	Material which has passed assessment for conformity with Controlled Wood requirements according to the standard FSC-STD-40-005 Requirements for Sourcing Controlled Wood or FSC-STD-30-010 Forest Management Requirements for Controlled Wood Certification. Materials or products sold as FSC Controlled Wood cannot carry any on-product FSC labels, FSC license codes, or the FSC trademarks and are not considered to be FSC certified.	FSC Controlled Wood	Material originating in non FSC-certified forests or plantations supplied with an FSC claim by a supplier which has been assessed by an FSC-accredited certification body for conformity with FSC Chain of Custody and/or FSC Controlled Wood requirements (FSC-STD-40-005 or FSC-STD-30-010).
FSC credit	Amount of product (volume or weight) that can be sold from a credit account with a credit claim.	FSC credit	Amount of product (volume or weight) that can be sold from a product group with a credit claim. Applicable only when using the credit system.
		FSC input	Input of FSC-certified virgin material that counts towards the input percentage or towards the FSC credit for a product group as follows: a) material with an FSC 100% claim: counts as the full quantity stated on the supplier invoice; b) material with an FSC Mix x% claim: counts as the percentage of its quantity that is stated on the supplier invoice; c) material with an FSC Mix credit claim: counts as the full quantity stated on the supplier invoice;
FSC 100%	FSC claim for products or materials based on inputs exclusively from FSC certified forests or plantations.	FSC 100%	FSC-certified virgin material originating in FSC-certified forests or plantations that has not been mixed with material of another material category throughout the supply chain. FSC 100% products are eligible to be used in FSC 100% or FSC Mix product groups.
FSC Mix	FSC claim for products or materials based on inputs of one or more of the following material categories: FSC 100%, FSC Mix, FSC Recycled, FSC Controlled Wood, post-consumer reclaimed, and/or pre-consumer reclaimed.	FSC Mix	FSC-certified virgin material based on input from FSC-certified, controlled and/or reclaimed sources, and supplied with a percentage claim or credit claim. FSC Mix material is only eligible to be used in FSC Mix product groups.
FSC percentage	Percentage of claim-contributing inputs to a product group for a specific claim period or job order under the percentage system.	Input percentage	Percentage of FSC and/or post-consumer input to a product group for a specific claim period. Applicable only when using the percentage system.
FSC Recycled	FSC claim for products based on inputs exclusively from reclaimed sources.	FSC Recycled	FSC-certified reclaimed material based on exclusive input from reclaimed sources, and supplied with a percentage claim or credit claim . FSC Recycled material or products are eligible to be used in FSC Mix or FSC Recycled product groups.
Input	Raw materials, semi-finished products, or finished products that are procured or generated by an organization and either physically enter the production process or are traded under the scope of an FSC certificate .	Input	Raw materials, semi-finished or finished products that are procured or generated by an organization, and physically enter the production process or are traded under the scope of a specific FSC product group .
Material category	Categories of virgin or reclaimed material that, if eligible input, can be used in FSC product groups. The material categories are the following: a) FSC 100%; b) FSC Mix; c) FSC Recycled; d) FSC Controlled Wood; g) Post-consumer reclaimed; h) Pre-consumer reclaimed;	Material category	Categories of virgin or reclaimed material that, if eligible input, can be used in FSC product groups: a) FSC 100% material b) FSC Mix material c) FSC Recycled material d) FSC Controlled Wood e) controlled material f) post-consumer reclaimed material g) pre-consumer reclaimed material

			Minor components:	Forest based components of an FSC 100% or FSC Mix assembled product constituting less than 5% of the weight or volume of the virgin and reclaimed materials in the product. Minor components can be exempted from the requirements for Chain of Custody control as specified by this standard.	
	Neutral material	Material that comes from outside a forest matrix. Examples are non-wood plant fibres (e.g. flax used in the manufacture of a board classified as a wood-based panel or of a composite product) and synthesized or inorganic materials (e.g. glass, metal, plastics, fillers, brighteners). Neutral materials do not include non-timber forest products or salvaged wood. Neutral materials used in FSC product groups are exempt from chain of custody control requirements.	Non-forest based material	Material that comes from outside a forest matrix. Examples are nonwood plant fibres (e.g. flax used in the manufacture of a board classified as a wood-based panel, or of a composite product), synthesized or inorganic materials (e.g. glass, metal, plastics, fillers, brighteners, etc.), but do not include non-timber forest products or salvaged wood. Non-forest based materials used in FSC product groups are exempt from Chain of Custody control requirements.	
	Non-conforming products	Product or material for which an organization is unable to demonstrate that it complies with FSC eligibility requirements for making claims and/or for using the FSC on-product labels.	Non-conforming product	Product or material for which an organization is unable to demonstrate that it complies with FSC eligibility requirements for making claims and/ or for using the FSC on-product labels.	This definition was previously listed in the FSC Directive on Chain of Custody (FSC-DIR-40-004).
	Non-timber forest product	All forest products except timber, including other materials obtained from trees such as resins and leaves, as well as any other plant and animal products. Examples include, but are not limited to bamboo , seeds, fruits, nuts, honey, palm trees, ornamental plants and other forest products originating from a forest matrix.	Non-timber forest product	All forest products except timber, including other materials obtained from trees such as resins and leaves, as well as any other plant and animal products. Examples include, but are not limited to seeds, fruits, nuts, honey, palm trees, ornamental plants and other forest products originating from a forest matrix.	
	On-product	Term applied to any label, packaging, or marking attached or applied to a product. Examples of on-product labels or marks include product tags, stencils, heat brands, information on retail packaging for small loose products (e.g. pencils), protective packaging, and plastic wrap.	On-product	Term applied to any label, packaging or marking attached or applied to a product. Examples of on-product labels or marks include product tags, stencils, heat brands, information on retail packaging for small loose products (e.g. pencils), protective packaging and plastic wrap.	
	Organization	The person or entity holding or applying for certification and therefore responsible for demonstrating conformity with the applicable requirements upon which FSC certification is based. (Source: FSC-STD-01-001 FSC Principles and Criteria for Forest Stewardship)	Organization	Individual, company or other legal entity responsible for the implementation of the standard.	
	Output	Raw materials, semi-finished products, or finished products that are produced and/or supplied by an FSC certified organization with an FSC claim on sales documents.	Output	Raw materials, semi-finished or finished products that are produced and/or supplied by an organization with an FSC claim.	
	Outsourcing	The practice of contracting an internal business process (activities or tasks that produce a specific service or product) to a third-party organization rather than staffing it internally.			
	Participating Site	A site included in the scope of a multi-site or group certificate. Subcontractors that are used within the terms of outsourcing agreements are not considered Participating Sites.			
	Percentage claim	Part of an FSC claim for FSC Mix or FSC Recycled products that specifies the percentage of claim-contributing inputs in a product.	Percentage claim	Part of an FSC claim for FSC Mix or FSC Recycled products that specifies the percentage of their FSC or post-consumer input, respectively. Buyers of such products must use the percentage claim for subsequent calculations of input percentages or FSC credit.	

	Percentage system	A chain of custody system which allows all outputs to be sold with a percentage claim that corresponds to the proportion of claim-contributing inputs in a job order or over a claim period.	Percentage system	A Chain of Custody system applied at the product group level which allows all outputs to be sold with a percentage claim that corresponds to the proportion of FSC and post-consumer input over a certain period in time.	
			Post-consumer input	Input of post-consumer reclaimed and FSC Recycled material that counts towards the input percentage or towards the FSC credit for a product group as follows: a) Post-consumer reclaimed material: counts as the full quantity stated on the supplier invoice; b) material with an FSC Recycled x% claim: counts as the percentage of its quantity that is stated on the supplier invoice; c) material with an FSC Recycled credit claim: counts as the full quantity stated on the supplier invoice.	
	Post-consumer reclaimed material	Forest-based material that is reclaimed from a consumer or commercial product that has been used for its intended purpose by individuals or households, or by commercial, industrial, and institutional facilities in their role as end-users of the product.	Post-consumer reclaimed material	Material that is reclaimed from a consumer or commercial product that has been used for its intended purpose by individuals, households or by commercial, industrial and institutional facilities in their role as end-users of the product.	
	Pre-consumer reclaimed material	Forest-based material that is reclaimed from a process of secondary manufacture or further downstream industry, in which the material has not been intentionally produced, is unfit for end use, and not capable of being re-used on-site in the same manufacturing process that generated it.	Pre-consumer reclaimed material	Material that is reclaimed from a process of secondary manufacture or further downstream industry, in which the material has not been intentionally produced, is unfit for end use and not capable of being re-used on-site in the same manufacturing process that generated it.	
	Primary manufacturing	Any processing that transforms roundwood into other products. For chip and fibre products, primary manufacturing includes the pulp and paper production from virgin raw materials.	Primary manufacturing	Any processing that transforms roundwood into materials other than roundwood. For chip and fibre products, primary manufacturing includes the pulp mill as well as the paper mill stage.	
	Procedure	A specified way to carry out an activity or process.	Procedure	A specified way to carry out an activity or process. Procedures can be documented or not.	
	Product group	A product or group of products specified by the organization which can be combined for the purpose of FSC chain of custody control and labelling.	Product group	A product or group of products specified by the organization, which share basic input and output characteristics and thus can be combined for the purpose of FSC Chain of Custody control, percentage calculations and labelling according to the FSC material categories: FSC 100%, FSC Mix, FSC Recycled or FSC Controlled Wood.	
	Product type	A general description of outputs based on a classification system specified in FSC-STD-40-004a FSC Product Classification (Addendum to FSC-STD-40-004).	Product type	A general description of outputs based on a categorization or classification system. Examples of product types according to the FSC product classification are: 'logs of coniferous wood', 'wood charcoal', 'chemical wood pulp', 'garden furniture', or 'particle board'.	
	Promotional	Term applied to all statements, claims, trademarks, and such like used to promote products, services, or organizations, but which are not physically attached or applied to a product itself.	Promotional	Term applied to all statements, claims, trademarks and such like used to promote products, services or organizations, but which are not physically attached or applied to a product itself.	
	Quality	A distinctive attribute or property of a material or product. Some indicators of quality are price/ value, species of wood, intended use, function, or appearance of the material. Price/ value should not be used as a single indicator of quality due to possible variations caused, for example, by market demand, price negotiations, or volumes purchased or sold, but it can be used in combination with other indicators to characterize quality variations.			

Quality Management System	The organizational structure, policies, procedures, processes, and resources needed to implement quality management.			
Reclaimed material	Material that demonstrably would have otherwise been disposed of as waste, but has instead been collected and reclaimed as input material, in lieu of virgin material, for re-use, recycling, or re-milling in a manufacturing process or other commercial application. Inputs of the following material categories are classified as reclaimed material: a) FSC Recycled material; b) Post-consumer reclaimed material; c) Pre-consumer reclaimed material.	Reclaimed material	Material that demonstrably would have otherwise been disposed of as waste or used for energy recovery , but has instead been collected and reclaimed as input material, in lieu of virgin material, for re-use, recycling, re-milling in a manufacturing process or other commercial application. Inputs of the following material categories are classified as reclaimed material: a) FSC Recycled material; b) Post-consumer reclaimed material; c) Pre-consumer reclaimed material.	
Sales document	Physical or electronic commercial instrument that attests to the sale of a product (i.e. invoice, bill of sale, contract of sale, credit notes). It identifies both the trading parties and lists, describes, and quantifies the items sold, shows the date of sale, prices and delivery, and payment terms. It serves as a demand for payment and becomes a document of title when paid in full	Sales document	Physical or electronic commercial instrument issued by a seller to a buyer. Also called invoice, bill of sale, contract of sale, it identifies both the trading parties and lists, describes, and quantifies the items sold, shows the date of sale, prices and delivery and payment terms. It serves as a demand for payment and becomes a document of title when paid in full.	
Salvaged wood	Wood that was: <ul style="list-style-type: none"> • Naturally felled (e.g. by storm or snow); • Felled and subsequently lost or abandoned (e.g. logs that sank to the bottom of a river or lake while being transported, felled trees never picked up in a logyard, logs washed up on shore); • Felled for purposes other than wood production (e.g. wood from orchard clearance, wood from road clearance, and urban harvested wood); • Submerged by water and abandoned as a consequence of artificial reservoirs and dam construction. For the purposes of FSC chain of custody control and labelling, salvaged wood is considered as virgin material and shall be assessed as FSC Controlled Wood for use in FSC products.	Salvaged wood	Wood that has been felled and subsequently lost or abandoned. Examples include lake/river salvage (logs/timber that sank to the bottom of a river or lake while being transported), wood from orchard clearance, wood from road clearance and urban harvested wood. For the purposes of FSC Chain of custody Control and labelling salvaged wood is considered as virgin material and shall be controlled for use in FSC product groups.	
Scope	The scope of a chain of custody certificate defines the organization's sites, products, and activities that are included in the evaluation by an FSC-accredited certification body, together with the certification standard(s) against which these have been audited.	Scope	The scope of a Chain of Custody certificate defines the organization's sites, product groups, and activities that are included in the evaluation by an FSC-accredited certification body, together with the certification standard(s) against which these have been audited.	
Site	A single functional unit of an organization situated at one physical location , which is geographically distinct from other units of the same organization. An organization's units with distinct physical locations may, however, be regarded as parts of a site if they are an extension of it with no purchasing, processing, or sales functions of their own (e.g. a remote stockholding). A site can never include more than one legal entity. Contractors that are used within the terms of outsourcing agreements (e.g. outsourced warehouse) are not considered sites. NOTE: Typical examples for sites are processing or trading facilities such as manufacturing sites, sales offices, or warehouses owned by the organization.	Site	A single functional unit of an organization or a combination of units situated at one locality , which is geographically distinct from other units of the same organization. One or more subsites may be regarded as part of a site if they are an extension of the main site with no purchasing, processing or sales functions of their own (e.g. a remote stockholding and despatch site).	
Solid wood products	Products that constitute a single, solid piece of wood, such as a log, beam, or plank.	Solid wood products	Products that constitute a single, solid piece of wood, such as a log, beam or plank.	

	Supplier	Individual, company, or other legal entity providing goods to an organization.		Supplier	Individual, company or other legal entity providing goods or services to an organization.	
	Transfer system	A chain of custody system which allows outputs to be sold with an FSC claim that is identical to, or lower than, the input material category and, if applicable, the lowest associated percentage claim or credit claim.		Transfer system	A Chain of Custody system applied at the product group level, which allows outputs to be sold with an FSC claim that is identical to the material category and, if applicable, the associated percentage claim or credit claim with the lowest FSC or post-consumer input per input volume.	
	Virgin material	Primary (i.e. non-reclaimed) material originating in forests or plantations. Inputs of the following material categories are classified as virgin material: a) FSC 100%; b) FSC Mix; c) FSC Controlled Wood.		Virgin material	Primary (i.e. non-reclaimed) material originating in forests or plantations. Inputs of the following material categories are classified as virgin material: a) FSC 100%; b) FSC Mix; c) Controlled material.	

Section 1 Draft COC Requirements (V3-0)		Existing COC Requirements (V2-1)	Notes for Stakeholders
1	Quality Management System		
1.1	Responsibilities		
1.1.1	The organization shall appoint a management representative that has overall responsibility and authority for the organization's conformity with all applicable certification requirements.	1.1.1 The organization shall appoint a management representative as having overall responsibility and authority for the organization's compliance with all applicable requirements of this standard.	
1.1.2	The organization shall define the personnel responsible for each procedure, together with the qualifications and/or training measures required for implementation of said procedure.	1.2.2 The organization shall define the personnel responsible for each procedure, together with the qualifications and/or training measures required for its implementation.	
1.2	Documented procedures		
1.2.1	The Organization shall implement and maintain documented procedures and work instructions covering all applicable certification requirements according to the scope of the certificate and adequate to the organization's scale and complexity.	1.2.1 The organization shall establish, implement and maintain procedures and/or work instructions covering all applicable requirements of this standard, according to its scale and complexity.	
1.2.2	The last approval date and version number of the documented procedures shall be specified.		
1.3	Training		
1.3.1	The organization shall train its staff to ensure that all applicable certification requirements and the measures defined in the documented procedures are correctly implemented.	1.3.1 The organization shall establish and implement a training plan according to the qualifications and/or training measures defined for each procedure.	
		1.3.2 The organization shall keep records of the training provided to staff in relation to implementation of this standard.	
1.3.2	All relevant staff shall demonstrate awareness of the organization's procedures and competence in implementing the organization's chain of custody management system.	1.1.2 All relevant staff shall demonstrate awareness of the organization's procedures and competence in implementing the organization's Chain of Custody management system.	
1.4	Record keeping		
1.4.1	The organization shall maintain complete and up-to-date records covering all applicable requirements of this standard.	1.4.1 The organization shall maintain complete and up-to-date records covering all applicable requirements of this standard.	
1.4.2	Retention time for all records shall be at least five (5) years.	1.4.2 Retention time for all records and reports, including purchase and sales documents, training records, production records, volume summaries, and trademark approvals, shall be specified by the organization and shall be at least five (5) years.	
1.5	Commitment to FSC Values		
1.5.1	The Organization shall demonstrate its commitment to the FSC values as defined in the <i>FSC-POL-01-004 Policy for Association of Organizations with FSC</i> .	1.5.1 The organization shall demonstrate its commitment to comply with the Values of FSC as defined in the "Policy for the Association of Organizations with FSC" (FSC-POL-01-004, initially approved in July 2009).	There are current chamber-balanced working groups engaged with the FSC in reference to ILO Conventions and the Policy for Association (currently under revision). For more information on the Policy for Association revision process visit the FSC website.

1.5.2	<p>The Organization shall demonstrate its commitment to occupational health and safety.</p> <p>NOTE: The extent of the quality management system documentation and training for health and safety can differ from one organization to another due to:</p> <p>a) The organization's scale and type of activities; b) The complexity of processes and their interactions; c) The enforcement of local/national regulation and control regarding occupational health and safety.</p>	1.6.1	<p>The organization shall demonstrate its commitment to occupational health and safety.</p>	
1.6	Complaints			
1.6.1	<p>The Organization shall define the controls and related responsibilities and authorities for receiving, handling and recording complaints relating to conformity with certification requirements, including the following minimum requirements:</p> <p>a) Acknowledge receipt of complaints; b) Provide initial response to the complainant, including an outline of the proposed course of action to follow up on the complaint, within two (2) weeks of receiving a complaint;</p> <p>c) Investigate the complaint and specify its proposed actions in response to the complaint within two (2) months of receiving the complaint; d) Take appropriate actions with respect to complaints and any deficiencies found in products that affect conformity with the requirements for certification;</p> <p>e) Notify the complainant when the complaint is considered to be closed. NOTE: A complaint may be considered closed when the organization has gathered and verified all necessary information, investigated the allegations, taken a decision on the complaint, and responded to the complainant.</p>			
1.7	Control of non-conforming products			
1.7.1	<p>The organization shall define the controls and related responsibilities and authorities for dealing with non-conforming products.</p>	ADV - 08	<p>FSC-DIR-40-004-08</p> <p>1. The organization shall have a documented procedure defining the controls and related responsibilities and authorities for dealing with non-conforming products. The organization's chain of custody system shall be designed to ensure that products which do not conform to FSC requirements are identified and controlled to prevent its unintended delivery. NOTE: Small COC enterprises are not required to have the procedure in writing.</p>	<p>This requirement was previously listed in the FSC Directive on Chain of Custody (FSC-DIR-40-004), and is now incorporated into to the standard. The original Advice Note has been broken down into three separate requirements (1.7.1, 1.7.2, 1,7,3). Additionally, this requirement is now applicable to all FSC-certified organizations since the "NOTE" (applicable to small COC enterprises) has been removed.</p>

1.7.2	The organization's chain of custody system shall be designed to ensure that products which do not conform with FSC requirements are identified and controlled to prevent unintended delivery of said products.			
1.7.3	Where non-conforming products are detected after they have been delivered, the organization shall: <ul style="list-style-type: none"> a) Immediately cease selling any non-conforming products held in stock; b) Notify its certification body and all relevant customers in writing within five (5) business days of the non-conforming product identification, and maintain records of that notice; c) Analyse causes for occurrence of non-conforming products, and implement measures to prevent their re-occurrence; d) Cooperate with its certification body in order to allow the certification body to confirm that appropriate actions were taken to correct the non-conformity. 	ADV - 08	FSC-DIR-40-004-08 2. In case non-conforming products are detected after they have been delivered, the organization shall: <ul style="list-style-type: none"> a) immediately cease to sell any non-conforming products held in stock; b) identify all relevant customers, and advise those customers in writing within three (3) business days of the non-conforming product and maintain records of that advice; c) analyse causes for occurrence of non-conforming products and implement measures to prevent its re-occurrence. 	See background in 1.7.1 above.

Section 2 Draft COC Requirements (V3-0)		Existing COC Requirements (V2-1)	Notes for Stakeholders
2	Scope of the FSC Chain of Custody System		
2.1	Sites		
2.1.1	The organization shall include in the scope of its FSC certificate all sites where activities related to purchase, sale, storage, processing, labelling and physical handling of materials and products take place.		
2.1.2	If the organization wants to include multiple sites in the scope of the certificate, it shall conform with the requirements specified in FSC-STD-40-003.		
2.2	Products groups		
2.2.1	The organization shall establish product groups for the purpose of controlling products that will be sold with FSC claims.	2.1.1 The organization shall establish FSC product groups for all products that will be sold with FSC claims and shall maintain an up-to-date and publicly available FSC product group list with the following information: a) specification of the product group as FSC 100%, FSC Mix, FSC Recycled or FSC Controlled Wood; b) product type(s) according to the FSC product classification; c) species including scientific and common names used as inputs to the product group, if information on species composition is commonly used to designate the product characteristics. NOTE: To ensure that the scientific and common names of the species are correctly written, the organization should follow the available nomenclature of the Germplasm Resources Information Network (GRIN) Taxonomy Species Online Database (http://www.ars-grin.gov/cgi-bin/npgs/html/index.pl)	The draft clauses, 2.2.1, 2.2.2 & 2.2.3, have been restructured from the existing clauses 2.1.1, 2.1.2, 2.1.3.
2.2.2	Product groups shall be formed by products that: a) Are classified under the same product type category (Level 1, 2 or 3), according to FSC-STD-40-004a; b) Are made of the same type of input or set of inputs; c) Are controlled according to the same FSC control system (transfer, percentage, or credit system). NOTE: Additional requirements apply for the establishment of product groups when using a credit system. They are listed in Part II of this standard.	2.1.2 & 2.1.3 The organization shall specify for each product group: a) The material categories used as input; b) the control system used for making FSC claims: i. transfer system; ii. percentage system; or, iii. credit system; c) the sites involved in management, production, storage, sale, etc. 2.1.3 For product groups where a percentage or credit system based on claim periods is used, the organization shall ensure that all included products share similar specifications in relation to: a) quality of inputs; b) conversion factors.	

2.2.3	<p>The organization shall maintain a list of product groups included in the scope of the certificate, specifying for each:</p> <p>a) The product type(s) according to the FSC Product Classification (FSC-STD-40-004a);</p> <p>b) The control system used for making FSC claims;</p> <p>c) The input materials used and the respective material categories;</p> <p>d) The applicable FSC claim(s) for the outputs (e.g. FSC 100%, FSC Mix 70%);</p> <p>e) The species (including scientific and common name) and country(ies) of harvest of input materials, where the species information designates the product characteristics and/or where required by law.</p>	2.1.1	<p>The organization shall establish FSC product groups for all products that will be sold with FSC claims and shall maintain an up-to-date and publicly available FSC product group list with the following information:</p> <p>a) specification of the product group as FSC 100%, FSC Mix, FSC Recycled or FSC Controlled Wood;</p> <p>b) product type(s) according to the FSC product classification;</p> <p>c) species including scientific and common names used as inputs to the product group, if information on species composition is commonly used to designate the product characteristics.</p> <p>NOTE: To ensure that the scientific and common names of the species are correctly written, the organization should follow the available nomenclature of the Germplasm Resources Information Network (GRIN) Taxonomy Species Online Database (http://www.ars-grin.gov/cgi-bin/npgs/html/index.pl)</p>
		2.2	<p>Outsourcing</p> <p>2.2.1 The organization shall follow the requirements specified in Part IV, Section 12 of this standard for any outsourced activities covering products included within the FSC product group list.</p>
			<p>The clause has been removed in the draft, and outsourcing is addressed in section 11.</p>

Section 3 Draft COC Requirements (V3-0)		Existing COC Requirements (V2-1)	Notes for Stakeholders										
3	Material sourcing												
3.1	Records of suppliers												
3.1.1	The organization shall have and maintain up-to-date records of all suppliers who are supplying material used for FSC product groups, including: <ul style="list-style-type: none"> a) The suppliers' name(s); b) The suppliers' FSC certification code(s), if applicable; c) The supplied product types, according to FSC-STD-40-004a; d) The supplied material categories. 	3.2.1 The organization shall establish and maintain an up-to-date record of all suppliers who are supplying material used for FSC product groups including: <ul style="list-style-type: none"> a) the supplied product type; b) the supplied material category; c) the supplier's FSC Chain of Custody or FSC Controlled Wood code, if applicable. 											
3.1.2	The organization shall verify the validity and scope of the supplier's FSC certificate for any changes that might affect the availability and authenticity of the supplied products. This shall be done either through the FSC database at info.fsc.org or the FSC Online Claims Platform at ocp.fsc.org.	3.2.2 The organization shall verify the validity and scope of the supplier's FSC certificate for any changes that might affect the availability and authenticity of the supplied products via http://info.fsc.org .											
3.2	Classification and control of input material												
3.2.1	The organization shall have a system in place to confirm that the quantities and FSC claims of the materials received as input for FSC product groups are accurately documented in the purchase and transport documentation from the supplier.	3.1.1 The organization shall adopt and use the definitions and categorization of input materials as specified by this standard.											
3.2.2	The organization shall ensure that only eligible inputs according to Table B are used in FSC product groups. <table border="1" data-bbox="210 1182 745 1323"> <caption>Table B. Eligible inputs according to FSC claim of the outputs.</caption> <thead> <tr> <th>FSC claim of the outputs</th> <th>Eligible inputs (by material category)</th> </tr> </thead> <tbody> <tr> <td>FSC 100%</td> <td>FSC 100%</td> </tr> <tr> <td>FSC Mix</td> <td>FSC 100%, FSC Mix, FSC Recycled, Post-consumer reclaimed, Pre-consumer reclaimed, FSC Controlled Wood</td> </tr> <tr> <td>FSC Recycled</td> <td>FSC Recycled, Post-consumer reclaimed, Pre-consumer reclaimed</td> </tr> <tr> <td>FSC Controlled Wood</td> <td>FSC 100%, FSC Mix, FSC Recycled, Post-consumer reclaimed, Pre-consumer reclaimed, FSC Controlled Wood</td> </tr> </tbody> </table> <p>NOTE: Table B lists the inputs that are eligible to enter FSC product groups according to their material categories. However, not all eligible inputs count towards percentage and credit calculations (see Clauses 8.2.1 and 9.4.1).</p>	FSC claim of the outputs	Eligible inputs (by material category)	FSC 100%	FSC 100%	FSC Mix	FSC 100%, FSC Mix, FSC Recycled, Post-consumer reclaimed, Pre-consumer reclaimed, FSC Controlled Wood	FSC Recycled	FSC Recycled, Post-consumer reclaimed, Pre-consumer reclaimed	FSC Controlled Wood	FSC 100%, FSC Mix, FSC Recycled, Post-consumer reclaimed, Pre-consumer reclaimed, FSC Controlled Wood	4.1.1 On receipt of material or prior to further use or processing the organization shall check the supplier invoice and supporting documentation to ensure the following: <ul style="list-style-type: none"> a) the supplied material quantities and quality are in compliance with the supplied documentation; b) the material category and, if applicable, the associated percentage or credit claim is stated for each product item or for the total products; c) the supplier's FSC Chain of Custody or FSC Controlled Wood code is quoted for material supplied with FSC claims. 	
FSC claim of the outputs	Eligible inputs (by material category)												
FSC 100%	FSC 100%												
FSC Mix	FSC 100%, FSC Mix, FSC Recycled, Post-consumer reclaimed, Pre-consumer reclaimed, FSC Controlled Wood												
FSC Recycled	FSC Recycled, Post-consumer reclaimed, Pre-consumer reclaimed												
FSC Controlled Wood	FSC 100%, FSC Mix, FSC Recycled, Post-consumer reclaimed, Pre-consumer reclaimed, FSC Controlled Wood												
		3.1.2 The organization shall categorize all inputs to FSC product groups by their material category: and shall ensure that only eligible inputs are used.											

3.2.3	<p>All forest-based components of an FSC certified product shall be sourced as FSC certified, reclaimed or FSC Controlled Wood. Components that are not part of the product, having secondary functions (e.g. for transportation or protection) may be exempt from chain of custody control requirements, unless they have a functional purpose in the product (i.e. if the product will have its function compromised by the removal of this secondary component, then this component also needs to be certified).</p> <p>NOTE: Packaging that is made from forest-based inputs (e.g. paper or wood) is considered a separate element from the product inside. Therefore, the organization can opt to have either the packaging or its content certified, or both.</p>	ADV-06	<p>FSC-DIR-40-004-06</p> <p>All components of a product which are made of or contain material originating from forests that are incorporated into the product to fulfil its function for the consumers' specific need shall be certified. It represents that all certified components of a product shall comply with the definition of eligible input (e.g. FSC Pure, FSC Controlled Wood, etc.) and its quantities in volume or weight shall count towards the calculation of FSC product composition determining its eligibility to carry the FSC label.</p> <p>Forest-based components that have secondary functions in the product (e.g. for transportation, protection, etc.) don't need to be certified unless they are added to the product with a functional purpose (e.g. If the product will have its function compromised by the removal of this secondary component, then this component also needs to be certified).</p> <p>Packaging that is made from forest-based inputs (e.g. paper, wood, etc.) is considered a separate element from the product inside. Therefore, the organization can choose to certify only the packaging or its content individually, or both.</p>	<p>This requirement was previously listed in the FSC Directive on Chain of Custody (FSC-DIR-40-004).</p>
3.2.4	<p>For FSC Mix assembled wood products, the visible wood component whose species (e.g. oak or maple) characterizes and gives its name to the product (e.g. "cherry cabinets" made from cherry veneer and MDF; "maple engineered flooring" made of maple wear layers on pine platforms) shall be FSC certified (FSC 100%, FSC Mix or FSC Recycled).</p> <p>NOTE: This requirement does not apply to decorative paper imitating the appearance of wood species.</p>			<p>Clause 3.2.4 responds to the FSC membership decision on Motion 43 from the FSC General Assembly 2011. Motion 43 mandates the introduction of a requirement in FSC COC to avoid misleading claims and communications in relation to FSC Mix products where the name-giving species is not certified, but instead is FSC Controlled Wood.</p>

3.2.5	Organizations which reclaim material at their own site shall classify the material category and, if applicable, the associated percentage claim or credit claim as follows: a) Material reclaimed from the process of primary manufacture of another (principal) product from the same input shall be classified as belonging to the same material category as the input from which it was (co-)produced; b) Material that is reclaimed from a process of secondary manufacture or a downstream industry source where the material has not been intentionally produced, is unfit for end use, and is not capable of being re-used on-site in the same manufacturing process that generated it, shall be classified as belonging to the same material category as the input from which it was derived or as either pre-consumer reclaimed material or FSC Controlled Wood .	3.4.1	Organizations which generate input material for an FSC product group at their own site shall identify the material category and, if applicable, the associated percentage claim or credit claim as follows: a) material produced during the process of primary manufacture of another (principal) product, from the same input, shall be considered as belonging to the same material category as the input from which it was (co-)produced; b) material that is reclaimed from a process of secondary manufacture or a downstream industry source where the material has not been intentionally produced, is unfit for end use and not capable of being re-used on-site in the same manufacturing process that generated it, shall be considered as belonging to the same material category as the input from which it was derived or as pre-consumer reclaimed material.	
3.2.6	The organization shall classify mixtures of different raw virgin or reclaimed materials generated on site by the material category with the lowest FSC or reclaimed claim per input volume or as FSC Controlled Wood, where the proportions of the different inputs cannot be identified.	3.4.2	The organization shall classify mixtures of different virgin or reclaimed material categories , where the proportions of the different inputs cannot be identified, by the material category and, if applicable, percentage or credit claim with the lowest FSC or post-consumer input per input volume. NOTE: Material mixtures of FSC-certified, controlled and/or reclaimed material, where the proportions of the different inputs cannot be identified, shall be classified as 'controlled material'.	
3.3	Sourcing of non-certified material for use in FSC product groups			
3.3.1	If the organization sources virgin material for use in FSC product groups that is not FSC certified or FSC Controlled Wood, it shall conform with the applicable requirements of FSC-STD-40-005.	3.3.1	For the purchase of controlled material, the organization shall comply with the applicable requirements of "FSC-STD-40-005: Standard for Company Evaluation of FSC Controlled Wood".	
3.3.2	If the organization sources non-FSC certified reclaimed material for use in FSC product groups, it shall conform with the applicable requirements of FSC-STD-40-007.	3.3.2	For the purchase of non-certified reclaimed material, the organization shall comply with the provisions of "FSC-STD-40-007: FSC Standard for Sourcing Reclaimed Material for Use in FSC Product Groups or FSC-certified Projects".	
3.4	Transaction verification			

<p>3.4.1 The organization shall have a mechanism in place to allow the verification that the organization's recorded FSC input claims match the recorded FSC certified output claims of its suppliers. NOTE: This can be achieved in various ways, such as through the FSC Online Claims Platform (ocp.fsc.org) or other methods. Other methods can include manual verification (e.g. material account records specific to each FSC certified trading partner are made available upon request by the respective trading partner or CB) or other automated systems (e.g. systems with a common record of input and output shared between customer and supplier).</p>		<p>The FSC Board of Directors has specifically asked for relevant criteria to address the opportunity of origination errors that cause an imbalance in total mass of FSC certified materials.</p> <p>There are 2 types of origination errors:</p> <ol style="list-style-type: none"> 1) When an organization without a valid FSC certificate (e.g. suspended or terminated or no certificate) sells products with FSC claims or when an organization with an FSC certificate sells products with incorrect FSC claims (e.g. product or claim type not in organization's scope). 2) When an organization buys a product and uses it as an FSC input or sells a product with an FSC claim, but does not record that claim as FSC certified in its own accounting system. <p>In order to address the opportunity for origination errors, FSC will introduce a requirement for certificate holders to demonstrate that FSC input claims match the suppliers' internal records.</p> <p>Certification Bodies will audit the method chosen by the organization to ensure accuracy. The accreditation standard (FSC-STD-20-011) will include criteria that dictates audit requirements based on the FSC requirements of scale, intensity and risk. The risk criteria will have an independent consultation period in 2015 before FSC-STD-40-004 is finalized.</p>
---	--	---

Section 4 Draft COC Requirements (V3-0)		Existing COC Requirements (V2-1)	Notes for Stakeholders
4	Material handling		
4.1	Segregation of materials and products		
4.1.1	Where necessary to ensure that only eligible inputs are used in FSC certified production and/or to avoid unintended mixtures of materials during production, transport, and/or storage, the organization shall use a segregation method. Segregation can be achieved by applying one or more of the following methods: a) Physical separation of materials; b) Temporal separation of materials; and/or c) Identification of materials.	4.2.1	The organization shall ensure that inputs used for FSC product groups remain clearly identifiable and separable by product group or, if identical inputs are used for more than one FSC product group, by their associated FSC claim
4.2	Precautions for labelled material		
4.2.1	For materials under the scope of the FSC certification that are received with an FSC label, the organization shall ensure the following: a) Material which will be further processed shall be cleared of any labels or segregation marks before sale, unless the use of supplier's label on the product is covered by specific labelling agreement between the organization and its supplier;	4.3.1	For materials received with an FSC label the organization shall ensure the following: a) material which will be further processed shall be cleared of any labels or segregation marks before sale; b) material which shall be sold unchanged shall be checked by the organization for being correctly labelled according to its FSC material category unless the organization does not gain physical possession of the material.
		4.3.2	For materials received with a label from other forestry conformity assessment schemes, the organization shall ensure that the materials are cleared of any such labels before sale with an FSC claim. Moved to clause 6.1.5.
		4.1.1	On receipt of material or prior to further use or processing the organization shall check the supplier invoice and supporting documentation to ensure the following: a) the supplied material quantities and quality are in compliance with the supplied documentation; b) the material category and, if applicable, the associated percentage or credit claim is stated for each product item or for the total products; c) the supplier's FSC Chain of Custody or FSC Controlled Wood code is quoted for material supplied with FSC claims. Moved to clause 3.2.1

Section 5 Draft COC Requirements (V3-0)		Existing COC Requirements (V2-1)	Notes for Stakeholders
5	Material accounting records and volume control		
5.1	Material accounting records		
5.1.1	The organization shall establish and keep up-to-date records of material accounting covering the following minimum information regarding the purchase and sale of materials and products in the scope of the FSC certificate, including: a) Invoice number; b) Invoice date; c) Quantities by volume or weight. If information on volume or weight is not available (e.g. for traders) the number of pieces; d) Material and product descriptions; e) Material category of inputs; f) FSC claim of the outputs; g) Species (including scientific and common name) and country(ies) of harvest of input materials, where the species information designates the product characteristics and/or where required by law. NOTE: Species and country of harvest do not need to be recorded for each invoice, only when this information varies.	5.2.1 For each product group the organization shall establish a material accounting record to ensure that at all times the quantities produced and/or sold with FSC claims are compatible with the quantities of inputs, from different material categories, their associated percentage or credit claims, and the product group conversion factor(s). The accounting record shall include at least the following information: For inputs and outputs: a) invoice references; b) quantities (by volume or weight); For inputs: c) material category and, if applicable, percentage claim or credit claim; For outputs: d) FSC claim; e) information to identify the product item in invoices; f) applicable claim period or job order.	
5.2	Annual volume summaries		
5.2.1	The organization shall prepare annual volume summaries covering the period since the last annual volume reporting period.	5.2.2 For each product group the organization shall prepare annual volume summaries providing quantitative information for each material category received/used and product type produced/sold, as follows: a) inputs received; b) inputs used for production (if applicable); c) inputs still in stock; d) outputs still in stock; e) outputs sold.	
5.2.2	The annual volume summaries shall demonstrate that the quantities produced and/or sold with FSC claims are compatible with the quantities of inputs from different material categories, their associated percentage or credit claims, and the conversion factor(s).		

5.2.3	<p>The annual volume summaries shall include at least the following information:</p> <ul style="list-style-type: none"> a) Inputs received; b) Inputs used for production (where applicable); c) Applicable claim period or job order; d) Records of FSC control system application (e.g. credit account, percentage calculations); e) Inputs still in stock; f) Outputs still in stock; g) Outputs sold. 	5.2.2	<p>For each product group the organization shall prepare annual volume summaries providing quantitative information for each material category received/used and product type produced/sold, as follows:</p> <ul style="list-style-type: none"> a) inputs received; b) inputs used for production (if applicable); c) inputs still in stock; d) outputs still in stock; e) outputs sold. 	
5.3	Conversion factors			
5.3.1	<p>For each product group, the organization shall identify the main processing steps involving a change of material volume or weight and specify the conversion factor(s) for each processing step or, if not feasible, for the total processing steps. The conversion factors shall be kept up-to-date.</p>	5.1.1 & 5.1.2	<p>5.1.1 For each product group the organization shall identify the main processing steps involving a change of material volume or weight and specify the conversion factor(s) for each processing step or, if not feasible, for the total processing steps.</p> <p>5.1.2 The organization shall specify the methodology for calculating the conversion factor(s) and ensure that conversion factors are kept up to date.</p>	
		5.3	Determination of FSC claims	
		5.3.1	<p>The organization shall determine for each claim period or job order the appropriate FSC claim according to one of the following control systems specified for the product group:</p> <ul style="list-style-type: none"> a) transfer system (Part II, Section 7): applicable to all product groups; b) percentage system (Part II, Section 8): applicable to FSC Mix and FSC Recycled product groups; c) credit system (Part II, Section 9): applicable to FSC Mix and FSC Recycled product groups. <p>NOTE: For FSC 100% product groups the transfer system shall be applied.</p>	Clause addressed in sections 7, 8, & 9.
		5.3.2	<p>For each product group the organization shall carry out calculations of input percentages (under a percentage system) or FSC credit (under a credit system) at the level of a single site.</p>	Clause addressed in sections 8 & 9.

Section 6 Draft COC Requirements (V3-0)

Existing COC Requirements (V2-1)

Notes for Stakeholders

6 Sales

6.1 Identification of sales documents

6.1.1 The organization shall ensure that all sales documents issued for outputs sold with FSC claims include the following information:

- a) Name and contact details of the organization;
- b) Name and address of the customer;
- c) Date when the document was issued;
- d) Description of the product;
- e) Quantity of the product sold;
- f) The organization’s FSC certificate code and/or FSC Controlled Wood code, where the FSC certificate code shall only be associated to FSC certified products and the FSC Controlled Wood code only to FSC Controlled Wood products;
- g) Clear indication of the FSC claim for each product item or the total products. The eligible FSC output claims are indicated in Table C.

NOTE: For supplies of finished and labelled products, the organization may omit the percentage or credit information in sales and delivery documentation. In this case, however, the subsequent organizations in the supply chain are no longer able to use or resell these products with percentage or credit information on FSC claims.

Table C. Specification of FSC claims according to the FSC control system applied.

FSC control system	Applicable FSC claims					
	FSC 100%	FSC Mix x%	FSC Recycled x%	FSC Mix Credit	FSC Recycled Credit	FSC Controlled Wood
Transfer system	✓	✓	✓	✓	✓	✓
Percentage system		✓	✓			✓
Credit system				✓	✓	✓

6.1.1

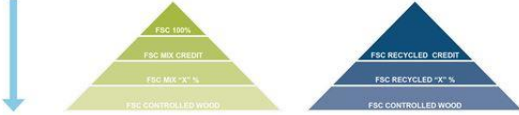
The organization shall ensure that all sales and delivery documents issued for outputs sold with FSC claims include the following information:

- a) name and contact details of the organization;
- b) name and address of the customer;
- c) date when the document was issued;
- d) description of the product;
- e) quantity of the products sold;
- f) the organization's FSC Chain of Custody of FSC Controlled Wood code;
- g) clear indication of the FSC claim for each product item or the total products as follows:
 - i. the claim “FSC 100%” for products from FSC 100% product groups;
 - ii. the claim “FSC Mix x%” where ‘x’ represents the applicable percentage claim for products from FSC Mix product groups under a percentage system;
 - iii. the claim “FSC Mix Credit” for products from FSC Mix product groups under a credit system;
 - iv. the claim “FSC Recycled x%” where ‘x’ represents the applicable percentage claim for products from FSC Recycled product groups under a percentage system;
 - v. the claim “FSC Recycled Credit” for products from FSC Recycled product groups under a credit system;
 - vi. the claim “FSC Controlled Wood” for products from FSC Controlled Wood product groups or for products from FSC Mix or FSC Recycled product groups that will not be sold as FSC-certified.

h) if separate delivery documents are issued, information sufficient to link the sale and related delivery documentation to each other.

NOTE: For supplies of finished products that meet the labelling thresholds specified in Section 11 the organization may omit the percentage or credit information in sales and delivery documentation. In this case, however, the material has lost its information on FSC or post-consumer input for subsequent customers and therefore may not be further re-sold with FSC claims.

6.1.2	<p>6.1.2 If the sales documentation (or copy of it) is not included with the shipment of the product, the following requirements apply:</p> <p>a) The related delivery documentation shall include the same information as required in Clause 6.1.1;</p> <p>b) The delivery documentation shall include information sufficient to link the sale and related delivery documentation to each other.</p>	6.1.2 & 6.1.1.h	<p>The organization shall include the same information as required in clause 6.1.1 in the related delivery documentation, if the sales documentation (or copy of it) is not included with the shipment of the product.</p> <p>6.1.1.h) if separate delivery documents are issued, information sufficient to link the sale and related delivery documentation to each other.</p>	
6.1.3	<p>If the organization has demonstrated an inability to include the required FSC claim as specified in Clause 6.1.1 g) in sales and delivery documents due to space constraints, the required information shall be provided to the customer through supplementary documentation (e.g. supplementary letters, claims made through the OCP). In this case, the organization shall demonstrate that the supplementary method conforms to the following criteria:</p> <p>a) There is no risk that the customer will misinterpret which products are or are not FSC certified in the supplementary documentation;</p> <p>b) The sales and delivery documents contain visible and understandable information so that the customer is aware that the full FSC claim is provided through supplementary documentation;</p> <p>c) In cases where the sales and delivery documents contain multiple products with different FSC claims, each product is cross-referenced to the associated FSC claim provided in the supplementary documentation.</p>	ADV-05	<p>FSC-DIR-40-004-05</p> <p>When the certificate holder has demonstrated it is not able to include the required FSC claim as specified in the FSC Chain of Custody standard in sales and delivery documents due to space constraints, through an exception, the certification body can approve the required information to be provided through supplementary evidence (e.g. supplementary letters, a link to the own company's webpage with verifiable product information). This practice is only acceptable when the certification body is satisfied that the supplementary method proposed by the company complies with the following criteria:</p> <p>a) There is no risk that the customer will misinterpret which products are or are not FSC certified in the document;</p> <p>b) The sales and delivery documents contain visible and understandable information so that the customer is aware that the full FSC claim is provided through supplementary evidence;</p> <p>c) In cases where the sales and delivery documents contain multiple products with different FSC Claims, a clear identification for each product shall be included to cross-reference it with the associated FSC claim provided in the supplementary evidence.</p>	<p>This requirement was previously listed in the FSC Directive on Chain of Custody (FSC-DIR-40-004), and is now incorporated into to the standard.</p>
6.1.4	<p>The organization shall ensure that unfinished products which carry an FSC label are always sold with the corresponding FSC claim on their sales and delivery documentation.</p>	6.2.1	<p>The organization shall ensure that products which carry an FSC label are always sold with the corresponding FSC claim on their sales and delivery documentation.</p>	
6.1.5	<p>The organization shall ensure that products sold with an FSC claim on sales and delivery documentation do not carry any labels from other forestry conformity assessment schemes.</p>	6.2.2	<p>The organization shall ensure that products sold with an FSC claim on sales and delivery documentation do not carry any labels from other forestry conformity assessment schemes.</p>	

6.1.6	Organizations are only allowed to sell products with an FSC Controlled Wood claim on sales and delivery documentation to FSC certified customers according to FSC-STD-40-004 and/or certified or applicant projects according to FSC-STD-40-006.	6.3.1	The organization shall ensure that the sale of FSC Controlled Wood is in compliance with Part 4 of "FSC-STD-40-005: FSC Standard for Company Evaluation of FSC Controlled Wood".	
6.2	Downgrading of FSC claims			
6.2.1	<p>The organization may opt to downgrade the FSC claims made on sales documents for outputs from any of the three systems for controlling FSC claims (transfer, percentage, and credit system), as presented in the diagram below. However, in all cases the FSC label applied on products shall always correspond to the FSC claim made on sales documents. Organizations shall only use the claims that are allowed in each FSC control system, as specified in Figure 1 (e.g. organizations applying the credit system are not allowed to downgrade credit claims to percentage claims, but they can downgrade to FSC Controlled Wood).</p> <p>NOTE: FSC Mix x% and FSC Recycled x% output claims may be downgraded to claims with a lower percentage.</p> <p>Figure 1. Downgrading of FSC claims for the outputs.</p> 			
		6.1.3	Organizations selling semi-finished products with FSC claims shall provide information by sales documentation, delivery documentation and/or supplementary letters on the quantity (volume or weight) of minor components which are exempt from requirements for Chain of Custody control and labelling, if their proportion exceeds 1% of the product volume or weight.	

Section 7 Draft COC Requirements (V3-0)		Existing COC Requirements (V2-1)	Notes for Stakeholders																				
7	Transfer System																						
7.1	Application																						
7.1.1	The transfer system shall be applied at the level of a single site.																						
7.1.2	<p>The transfer system shall be the only FSC control system applicable to the following activities:</p> <p>a) Trading and processing of products carrying FSC 100% label and/or output claim;</p> <p>b) Trading, distribution, and retail of finished products and paper (e.g. paper merchants);</p> <p>c) Trading of products without physical possession;</p> <p>d) Trading and processing of non-timber forest products (NTFPs), except bamboo and NTFPs derived from trees (e.g. cork, resin, bark);</p> <p>e) Trading and processing of food and medicinal NTFPs.</p>	<p>Intro</p> <p>The transfer system shall be used for trading activities related to finished products and for the production of FSC 100% product groups. In addition, it can also be used for other FSC product groups in the following situations:</p> <p>- FSC Mix product groups: mixtures of FSC 100%, FSC Mix and/or FSC Recycled inputs; exclusive use of FSC Mix inputs;</p> <p>- FSC Recycled product groups: exclusive use of FSC Recycled and/or post-consumer reclaimed material;</p> <p>-FSC Controlled Wood product groups.</p> <p>NOTE: Non-Timber Forest Products used for food and medicinal purposes are restricted to the transfer system only.</p>																					
7.2	Specification of claim periods and job orders																						
7.2.1	The organization shall specify whether claim periods or job orders are used for each product group.	7.1.1	For each product group, the organization shall specify claim periods or job orders for which a single FSC claim shall be made.																				
7.2.2	<p>The organization shall specify the length of the claim period. The minimum length of a claim period shall be the length of time to complete a batch run including receipt, storage, processing, labelling, and/or sale of the output product.</p>	7.1.1 NOTE	The minimum length of the claim period shall be the length of time to complete a batch run including receipt, storage, processing, labelling and/or sale of the output product.																				
7.3	Inputs with identical FSC claims																						
7.3.1	<p>For claim periods or job orders in which inputs belong to a single material category carrying an identical FSC claim, the organization shall determine this to be the corresponding FSC claim for the outputs, as indicated in Table D.</p> <p>Table D. FSC claims for outputs, based on Clause 7.3.1.</p> <table border="1"> <thead> <tr> <th>Input materials</th> <th>FSC claim of the outputs</th> </tr> </thead> <tbody> <tr> <td>FSC 100%</td> <td>FSC 100%</td> </tr> <tr> <td>FSC Mix Credit</td> <td>FSC Mix Credit</td> </tr> <tr> <td>FSC Mix x%</td> <td>FSC Mix x%</td> </tr> <tr> <td>FSC Recycled Credit</td> <td>FSC Recycled Credit</td> </tr> <tr> <td>FSC Recycled x%</td> <td>FSC Recycled x%</td> </tr> <tr> <td>Post-consumer reclaimed wood and paper or fibre</td> <td>FSC Recycled 100%</td> </tr> <tr> <td>Pre-consumer reclaimed paper or fibre</td> <td>FSC Recycled 100%</td> </tr> <tr> <td>Pre-consumer reclaimed wood</td> <td><i>Not applicable to the transfer system</i></td> </tr> <tr> <td>FSC Controlled Wood</td> <td>FSC Controlled Wood</td> </tr> </tbody> </table>	Input materials	FSC claim of the outputs	FSC 100%	FSC 100%	FSC Mix Credit	FSC Mix Credit	FSC Mix x%	FSC Mix x%	FSC Recycled Credit	FSC Recycled Credit	FSC Recycled x%	FSC Recycled x%	Post-consumer reclaimed wood and paper or fibre	FSC Recycled 100%	Pre-consumer reclaimed paper or fibre	FSC Recycled 100%	Pre-consumer reclaimed wood	<i>Not applicable to the transfer system</i>	FSC Controlled Wood	FSC Controlled Wood	7.2.1	<p>For claim periods or job orders in which inputs belong to only one material category carrying an identical FSC claim, the organization shall determine this to be the corresponding FSC claim for the outputs.</p> <p>NOTE: If the input consists of 100% post-consumer reclaimed materials the output FSC claim shall be "FSC Recycled 100%"</p>
Input materials	FSC claim of the outputs																						
FSC 100%	FSC 100%																						
FSC Mix Credit	FSC Mix Credit																						
FSC Mix x%	FSC Mix x%																						
FSC Recycled Credit	FSC Recycled Credit																						
FSC Recycled x%	FSC Recycled x%																						
Post-consumer reclaimed wood and paper or fibre	FSC Recycled 100%																						
Pre-consumer reclaimed paper or fibre	FSC Recycled 100%																						
Pre-consumer reclaimed wood	<i>Not applicable to the transfer system</i>																						
FSC Controlled Wood	FSC Controlled Wood																						
7.4	Inputs with different FSC claims																						

7.4.1 For claim periods or job orders in which inputs of different material categories or associated percentage claims or credit claims are mixed, the organization shall use the lowest FSC claim per input volume as the FSC claim for the outputs, as indicated in Table E.

NOTE: For example, when combining multiple input claims with different percentages, the lowest percentage is used for the output claim (e.g. FSC Recycled 85% + FSC Mix 70% = FSC Mix 70%).

Table E. Possible combinations of FSC input claims and resulting output claims when applying the transfer system.

Inputs	FSC 100%	FSC Mix Credit	FSC Mix x%	FSC Recycled Credit	FSC Recycled x%	Pre-cons. reclaimed wood	Pre-cons. reclaimed paper	Post-cons. reclaimed wood and paper	Controlled Wood
FSC 100%	FSC 100%	FSC Mix Credit	FSC Mix x%	FSC Mix Credit	FSC Mix x%	No FSC claims are allowed	FSC Mix 100%	FSC Mix 100%	FSC Controlled Wood
FSC Mix Credit		FSC Mix Credit	FSC Mix x%	FSC Mix Credit	FSC Mix x%	No FSC claims are allowed	FSC Mix Credit	FSC Mix Credit	FSC Controlled Wood
FSC Mix x%			FSC Mix x%	FSC Mix x%	FSC Mix x%	No FSC claims are allowed	FSC Mix x%	FSC Mix x%	FSC Controlled Wood
FSC Recycled Credit				FSC Recycled or Mix Credit	FSC Recycled or Mix x%	No FSC claims are allowed	FSC Recycled or Mix Credit	FSC Recycled or Mix Credit	FSC Controlled Wood
FSC Recycled x%					FSC Recycled or Mix x%	No FSC claims are allowed	FSC Recycled or Mix x%	FSC Recycled or Mix x%	FSC Controlled Wood
Pre-cons. reclaimed wood						No FSC claims are allowed	No FSC claims are allowed	No FSC claims are allowed	No FSC claims are allowed
Pre-cons. reclaimed paper							FSC Recycled or Mix 100%	FSC Recycled or Mix 100%	FSC Controlled Wood
Post-cons. reclaimed wood and paper								FSC Recycled or Mix 100%	FSC Controlled Wood
Controlled Wood									FSC Controlled Wood

7.3.1 For claim periods or job orders in which inputs of different material categories or associated percentage claims or credit claims are mixed the organization shall use the FSC claim with the lowest FSC or post-consumer input per input volume as the FSC claim for the outputs.

NOTE: Inputs with an 'FSC Mix Credit' claim or an 'FSC Recycled Credit' claim shall be considered as having a lower standing than inputs with an 'FSC 100%' or an 'FSC Recycled 100%' claim, respectively.

Section 8 Draft COC Requirements (V3-0)		Existing COC Requirements (V2-1)	Notes for Stakeholders																
8	Percentage System																		
8.1	Application																		
8.1.1	The percentage system may only be applied to FSC Mix and FSC Recycled product groups.	Intro The percentage system can be used for FSC Mix and FSC Recycled product groups.																	
8.1.2	The percentage system shall only be applied on the level of a single, physical (e.g. storage, distribution, manufacturing) site and it shall not be applicable to the activities listed in Clause 7.1.2.	Intro It is not applicable for trading activities related to finished products and can only be applied on the level of a single, physical (storage, distribution, manufacturing, etc.) site.																	
8.2	Accounting of claim-contributing inputs																		
8.2.1	The organization shall apply the criteria specified in Table F to determine the quantity of input materials that counts towards the percentage calculations. Table F. Quantity of input materials that counts as claim-contributing input.																		
	<table border="1"> <thead> <tr> <th>Input material</th> <th>Quantity of input materials that counts as claim-contributing input</th> </tr> </thead> <tbody> <tr> <td>FSC 100%</td> <td>Counts as the full quantity as stated on the supplier invoice</td> </tr> <tr> <td>FSC Mix Credit or FSC Recycled Credit</td> <td>Counts as the full quantity as stated on the supplier invoice</td> </tr> <tr> <td>FSC Mix x% or FSC Recycled x%</td> <td>Counts as the percentage as stated on the supplier invoice</td> </tr> <tr> <td>Post-consumer reclaimed</td> <td>Counts as the full quantity as stated on the supplier invoice</td> </tr> <tr> <td>Pre-consumer reclaimed paper and fibre</td> <td>Counts as the full quantity as stated on the supplier invoice</td> </tr> <tr> <td>Pre-consumer reclaimed wood</td> <td><i>Does not count as claim-contributing input</i></td> </tr> <tr> <td>Controlled wood or neutral</td> <td><i>Does not count as claim-contributing input</i></td> </tr> </tbody> </table>	Input material	Quantity of input materials that counts as claim-contributing input	FSC 100%	Counts as the full quantity as stated on the supplier invoice	FSC Mix Credit or FSC Recycled Credit	Counts as the full quantity as stated on the supplier invoice	FSC Mix x% or FSC Recycled x%	Counts as the percentage as stated on the supplier invoice	Post-consumer reclaimed	Counts as the full quantity as stated on the supplier invoice	Pre-consumer reclaimed paper and fibre	Counts as the full quantity as stated on the supplier invoice	Pre-consumer reclaimed wood	<i>Does not count as claim-contributing input</i>	Controlled wood or neutral	<i>Does not count as claim-contributing input</i>		
Input material	Quantity of input materials that counts as claim-contributing input																		
FSC 100%	Counts as the full quantity as stated on the supplier invoice																		
FSC Mix Credit or FSC Recycled Credit	Counts as the full quantity as stated on the supplier invoice																		
FSC Mix x% or FSC Recycled x%	Counts as the percentage as stated on the supplier invoice																		
Post-consumer reclaimed	Counts as the full quantity as stated on the supplier invoice																		
Pre-consumer reclaimed paper and fibre	Counts as the full quantity as stated on the supplier invoice																		
Pre-consumer reclaimed wood	<i>Does not count as claim-contributing input</i>																		
Controlled wood or neutral	<i>Does not count as claim-contributing input</i>																		
8.3	Specification of claim periods or job orders																		
8.3.1	The organization shall specify claim periods or job orders for each product group for which a single FSC percentage claim shall be made.	8.1.1 For each product group the organization shall specify claim periods or job orders for which a single FSC percentage claim shall be made.																	
8.4	Calculation of the FSC claim percentage																		
8.4.1	The organization shall calculate and record the percentage for each claim period or job order by using the following formula: $\text{FSC\%} = \frac{Q_{\text{CCI}}}{Q_{\text{Total}}} \times 100$ FSC% = FSC percentage Q_{CCI} = Quantity of claim-contributing inputs Q_{Total} = Total quantity of eligible forest-based inputs	8.3.1 The organization shall calculate and record the input percentage for each claim period or job order using the following formula: <div style="border: 1px solid red; padding: 5px; margin-top: 10px;"> $\%_{\text{input}} = \frac{Q_{\text{FSC}} + Q_{\text{post-consumer}}}{Q_{\text{Total}}} \times 100$ <p> $\%_{\text{input}}$ = input percentage Q_{FSC} = quantity of FSC input $Q_{\text{post-consumer}}$ = quantity of post-consumer <i>input</i> Q_{Total} = total quantity of virgin material and reclaimed material inputs </p> </div>																	

8.4.2	<p>For each product group, the organization shall calculate the FSC percentage based on:</p> <p>a) The input to the same claim period or job order (single percentage); or</p> <p>b) The input to a specified number of previous claim periods (rolling average percentage).</p> <p>NOTE: FSC claims based on rolling average calculations may only be made once the specified number of previous claim periods has been completed from the establishment of the product group under a percentage system.</p>		<p>8.3.2 For each product group, the organization shall calculate the input percentage based on:</p> <p>a) the input to the same claim period or job order (single percentage), OR</p> <p>b) the input to a specified number of previous claim periods (rolling average percentage).</p> <p>NOTE: FSC claims based on rolling average calculations can only be made once the specified number of previous claim periods has been completed since the setup of the product group under a percentage system.</p>	
8.4.3	<p>The time period over which the input percentage is calculated shall not exceed twelve (12) months, unless otherwise warranted by nature of the business and approved by the organization's certifying body.</p>		<p>8.3.3 The time period over which the input percentage is calculated shall not exceed twelve (12) months, unless otherwise warranted by nature of the business and approved by the organization's certifying body.</p>	
8.5	<p>FSC claim for outputs</p>		<p>8.4 FSC claims for outputs</p>	
8.5.1	<p>The organization can sell the total output of a claim period or job order with a percentage claim that is identical to or lower than the calculated input percentage.</p>		<p>8.4.1 & 8.4.2 8.4.1 The organization may sell the total output of a claim period or job order from FSC Mix product groups with a percentage claim that is identical to or lower than the calculated input percentage.</p> <p>8.4.2 The organization may sell the total output of a claim period or job order from FSC Recycled product groups with a percentage claim that is identical to or lower than the calculated input percentage.</p>	
8.5.2	<p>The claim "FSC Controlled Wood" may apply to outputs from percentage calculations that will not be sold as FSC certified. In this case, the sale of FSC Controlled Wood shall be covered by the scope of the organization's COC certificate per FSC-STD-40-005.</p>		<p>8.4.3 The organization may sell as FSC Controlled Wood the portion of the output of a claim period that has not been sold with an FSC percentage claim</p>	
			<p>8.5 Promotion of products</p>	
			<p>8.5.1. The organization shall ensure that the FSC trademarks are not used for the promotion of products which do not meet the thresholds for labelling specified in Part III of this standard.</p>	<p>This clause has been moved to section 10.</p>

Section 9 Draft COC Requirements (V3-0)		Existing COC Requirements (V2-1)		Notes for Stakeholders
9	Credit system			
9.1	Application			
9.1.1	The credit system may only be applied to FSC Mix and FSC Recycled product groups. It shall not be applicable to printers and to the activities listed in Clause 7.1.2.	Intro	The credit system can be used for FSC Mix and FSC Recycled product groups. It is neither applicable for print processes nor for trading activities related to finished products.	
9.1.2	The credit system may be applied at the level of single and multiple sites ("shared credit accounts").	Intro	The credit system can only be applied on the level of a single, physical (storage, distribution, manufacturing, etc.) site.	
9.1.3	Shared credit accounts may only be applied if the following conditions are met: a) All sites are within the scope of a multi-site certificate with a common ownership structure; b) All sites are located in the same ecoregion (e.g. Canadian boreal forests, Amazon river) and country; c) Each site participating in a shared credit account shall contribute at least 10% of the input credits used by its own site in a twelve (12) month period.			Clause 9.1.2 and 9.13 responds to the FSC Board's decision taken at its 63rd meeting in Russia from June 18th to 20th 2013 on the outcomes of the Cross-site Credit Pilot Project. The Board decided that the results of the Pilot Project should feed into the on-going revision process of the chain of custody standard (FSC-STD-40-004) for broader stakeholders' consultation and further deliberation. At the end of the standard revision process the FSC International Board will decide whether or not FSC should allow cross-site credit systems. Do you support the introduction of cross-site credit sharing and do you agree to the safeguards introduced in 9.1.2 or not? Please explain your position.
9.2	Specification of claim periods			
9.2.1	For each product group, the organization shall specify a claim period for each credit account, according to which additions and deductions of credits shall be recorded.	9.1.1	For each product group, the organization shall set up and maintain an FSC credit account with specified claim periods of up to 3 months according to which additions and deductions of FSC credits shall be recorded.	
9.2.2	The maximum claim period length shall be one (1) month.	9.1.1	For each product group, the organization shall set up and maintain an FSC credit account with specified claim periods of up to 3 months according to which additions and deductions of FSC credits shall be recorded.	
9.3	Establishment of credit accounts			
9.3.1	The organization may opt between establishing: a) Input-based credit accounts; or b) Output-based credit accounts. NOTE: In this case, input materials are multiplied by the conversion factor(s) specified for the product group and converted into output product quantities <u>before</u> credits are added to the credit account.	9.3.1 & 9.3.2	9.3.1 The organization shall add the converted quantity (volume or weight) of FSC and post-consumer inputs as FSC credit to the FSC credit account using the conversion factor(s) specified for each component of the product group. 9.3.2 The organization shall add the FSC credit to the credit account after the organization has gained legal ownership and the material category has been verified, and before the material enters the production process.	

9.3.2	A credit account shall have inputs of the same quality or shall be exchangeable for manufacturing purposes without affecting the output quality of the product. In other words, substitution of one input material and/or wood species by another shall not affect the value, function, and/or physical properties or appearance of the output product.			Motion 46 requires FSC to clarify the intent of the Credit System, in particular by providing clarification on key definitions used to apply the COC Control Systems, such as 'product groups', 'quality of inputs' and 'conversion factor'.
9.3.3	The organization shall not establish credit account(s) such that credits from low quality/ price input materials or products are exchanged with high quality/ price materials or products.			
9.3.4	<p>For <u>chip and fibre products</u> (e.g. paper, particleboard):</p> <p>a) Input materials of different qualities may be combined in the same credit account, if the individual components cannot be visually distinguished in the final product with the naked eye.</p> <p>b) In the case that (a) is applied, output products with clearly distinguishable components (e.g. MDF with a melamine paper top layer, or furniture combining MDF and solid wood components) shall conform with the requirements specified in Clause 9.3.5.</p>			
9.3.5	<p>For <u>assembled wood products</u> made of inputs of different quality, the organization shall establish separate credit accounts per input material and ensure that each credit account contributes towards the output credit calculations.</p> <p>NOTE: For example, a table made of MDF and veneer shall have separate credit accounts for the MDF and veneer. For the sale of tables with FSC credit claims, both MDF and veneer credit accounts shall contribute towards output credit claims. See also Scenario C above.</p>			
9.3.6	When input material yields a range of output grades (i.e. the same input material generates output materials of different qualities, such as sawn timber), the organization shall not sell more of a particular grade than is covered by FSC material inputs and its conversion factors per output grade. If the organization wants to combine products which have different conversion factors in the same product group, all applicable conversion factors shall be listed and used separately for the purpose of output credits calculation.			
9.4	Accounting and maintenance of claim-contributing inputs			

<p>9.4.1 To determine the quantity of input materials that counts as claim-contributing input, the organization shall use the quantity stated on the supplier's sales document together with the respective claim, as specified in Table G.</p> <p>Table G. Quantity of input materials that counts as claim-contributing input.</p> <table border="1" data-bbox="210 341 745 576"> <thead> <tr> <th>Input material</th> <th>Quantity of input materials that counts as claim-contributing input</th> </tr> </thead> <tbody> <tr> <td>FSC 100%</td> <td>Counts as the full quantity as stated on the supplier invoice</td> </tr> <tr> <td>FSC Mix Credit or FSC Recycled Credit</td> <td>Counts as the full quantity as stated on the supplier invoice</td> </tr> <tr> <td>FSC Mix x% or FSC Recycled x%</td> <td>Counts as the percentage as stated on the supplier invoice</td> </tr> <tr> <td>Post-consumer reclaimed</td> <td>Counts as the full quantity as stated on the supplier invoice</td> </tr> <tr> <td>Pre-consumer reclaimed paper and fibre</td> <td>Counts as the full quantity as stated on the supplier invoice</td> </tr> <tr> <td>Pre-consumer reclaimed wood</td> <td><i>Does not count as claim-contributing input</i></td> </tr> <tr> <td>Controlled wood or neutral</td> <td><i>Does not count as claim-contributing input</i></td> </tr> </tbody> </table>	Input material	Quantity of input materials that counts as claim-contributing input	FSC 100%	Counts as the full quantity as stated on the supplier invoice	FSC Mix Credit or FSC Recycled Credit	Counts as the full quantity as stated on the supplier invoice	FSC Mix x% or FSC Recycled x%	Counts as the percentage as stated on the supplier invoice	Post-consumer reclaimed	Counts as the full quantity as stated on the supplier invoice	Pre-consumer reclaimed paper and fibre	Counts as the full quantity as stated on the supplier invoice	Pre-consumer reclaimed wood	<i>Does not count as claim-contributing input</i>	Controlled wood or neutral	<i>Does not count as claim-contributing input</i>	<p>9.2.1 For FSC Mix and/or FSC Recycled inputs, the organization shall use the percentage claim or credit claim stated on the supplier invoice to determine the quantities of FSC and post-consumer inputs.</p> <p>NOTE: Material supplied with a credit claim shall be used by its full quantity as FSC input or postconsumer input, respectively.</p>	
Input material	Quantity of input materials that counts as claim-contributing input																	
FSC 100%	Counts as the full quantity as stated on the supplier invoice																	
FSC Mix Credit or FSC Recycled Credit	Counts as the full quantity as stated on the supplier invoice																	
FSC Mix x% or FSC Recycled x%	Counts as the percentage as stated on the supplier invoice																	
Post-consumer reclaimed	Counts as the full quantity as stated on the supplier invoice																	
Pre-consumer reclaimed paper and fibre	Counts as the full quantity as stated on the supplier invoice																	
Pre-consumer reclaimed wood	<i>Does not count as claim-contributing input</i>																	
Controlled wood or neutral	<i>Does not count as claim-contributing input</i>																	
<p>9.4.2 The organization shall convert the inputs used in the manufacturing of the products into output credit quantities. The determination of output credit quantities shall be achieved by multiplying the input quantities by the applicable conversion factor(s) specified for each product group, as applicable.</p>	<p>9.3.1 & 9.3.2 9.3.1 The organization shall add the converted quantity (volume or weight) of FSC and post-consumer inputs as FSC credit to the FSC credit account using the conversion factor(s) specified for each component of the product group.</p> <p>9.3.2 The organization shall add the FSC credit to the credit account after the organization has gained legal ownership and the material category has been verified, and before the material enters the production process.</p>																	
<p>9.4.3 The organization shall not accumulate more FSC credit in the credit account than the sum of new FSC credit that has been added during the previous sixty (60) months. Any FSC credit that exceeds the sum of new FSC credit shall be deducted from the credit account at the start of each new claim period.</p>	<p>9.5.2 The organization shall not accumulate more FSC credit in the credit account than the sum of new FSC credit that has been added during the previous 12 months. Any FSC credit that exceeds this total new FSC credit shall be deducted at the beginning of each new claim period from the credit account.</p>																	
<p>9.5 Withdrawing FSC credit from credit accounts</p>																		
<p>9.5.1 For the sale of products with FSC credit claims, the organization shall withdraw the respective credits from the relevant credit account(s).</p>	<p>9.4.1 The organization shall deduct the quantity sold and/or labelled as FSC Mix or FSC Recycled from the available FSC credit in the product group credit account.</p>																	
<p>9.5.2 The organization shall ensure that the credit account is never overdrawn and that records of the remaining credit in the account are up-to-date.</p>	<p>9.5.1 The organization shall ensure that the FSC credit account is never overdrawn and that records of the remaining FSC credit are clearly visible to relevant staff and maintained updated at all times.</p>																	
<p>9.6 FSC claim for outputs</p>																		
<p>9.6.1 The organization may sell the total output of a claim period or job order from FSC Mix or FSC Recycled product groups with an FSC credit claim provided there are sufficient credits available in the relevant credit accounts.</p>	<p>9.6.1 & 9.6.2 At any time the organization may sell material from FSC Mix product groups with a credit claim up to the total FSC credit available in the credit account.</p>																	

<p>9.6.2 The organization may supply the portion of the output volume that has not been sold as FSC Mix Credit or FSC Recycled Credit material as FSC Controlled Wood, on the basis of a corresponding FSC Controlled Wood credit account. In this case, the sale of FSC Controlled Wood shall be covered by the scope of the organization's COC certificate per FSC-STD-40-005.</p>	<p>9.6.3 The organization may supply as FSC Controlled Wood the portion of the output volume that has not been sold as FSC Mix or FSC Recycled material, on the basis of a corresponding FSC Controlled Wood credit account.</p>	
---	--	--

Section 10 Draft COC Requirements (V3-0)		Existing COC Requirements (V2-1)	Notes for Stakeholders																									
10	FSC labeling requirements																											
10.1	Eligibility for labelling																											
10.1.1	<p>Only FSC products that are eligible for FSC labeling shall be promoted with the FSC trademarks.</p> <p>NOTE: FSC Controlled Wood products are not eligible for FSC labeling or promotion with the FSC trademarks.</p>																											
10.1.2	<p>The organization shall apply the FSC label which corresponds to the specific FSC claim as defined in Table H.</p> <p>Table H. FSC claims and corresponding FSC labels.</p> <table border="1"> <thead> <tr> <th>FSC control system</th> <th>FSC claims for the outputs</th> <th>FSC label</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Transfer</td> <td>FSC 100%</td> <td>FSC 100%</td> </tr> <tr> <td>FSC Mix percentage of at least 70%</td> <td>FSC Mix</td> </tr> <tr> <td>FSC Mix Credit Claim</td> <td>FSC Mix label</td> </tr> <tr> <td><i>Paper products:</i> FSC Recycled percentage of 100% reclaimed (pre- and/or post-consumer) <i>Wood products:</i> FSC Recycled percentage of at least 70% post-consumer reclaimed</td> <td>FSC Recycled</td> </tr> <tr> <td rowspan="2">Percentage</td> <td>FSC Recycled Credit</td> <td>FSC Recycled</td> </tr> <tr> <td>FSC Mix percentage of at least 70%</td> <td>FSC Mix</td> </tr> <tr> <td rowspan="2">Credit</td> <td><i>Paper products:</i> FSC Recycled percentage of 100% reclaimed (pre- and/or post-consumer) <i>Wood products:</i> FSC Recycled percentage claim of at least 70% post-consumer reclaimed</td> <td>FSC Recycled</td> </tr> <tr> <td>FSC Mix Credit</td> <td>FSC Mix</td> </tr> <tr> <td></td> <td>FSC Recycled Credit</td> <td>FSC Recycled</td> </tr> </tbody> </table>	FSC control system	FSC claims for the outputs	FSC label	Transfer	FSC 100%	FSC 100%	FSC Mix percentage of at least 70%	FSC Mix	FSC Mix Credit Claim	FSC Mix label	<i>Paper products:</i> FSC Recycled percentage of 100% reclaimed (pre- and/or post-consumer) <i>Wood products:</i> FSC Recycled percentage of at least 70% post-consumer reclaimed	FSC Recycled	Percentage	FSC Recycled Credit	FSC Recycled	FSC Mix percentage of at least 70%	FSC Mix	Credit	<i>Paper products:</i> FSC Recycled percentage of 100% reclaimed (pre- and/or post-consumer) <i>Wood products:</i> FSC Recycled percentage claim of at least 70% post-consumer reclaimed	FSC Recycled	FSC Mix Credit	FSC Mix		FSC Recycled Credit	FSC Recycled	<p>11.1.1 All products from FSC 100% product groups can be labelled with FSC '100%' label.</p> <p>11.2.1 Products from FSC Mix product groups under a transfer system can be labelled with the FSC 'Mix' label if the identified FSC claim for the outputs is one of the following: a) an 'FSC Mix' percentage claim of at least 70%; or b) an 'FSC Mix Credit' claim.</p> <p>11.2.2 Products from FSC Mix product groups under a percentage system can be labelled with the FSC 'Mix' label if their applicable percentage claim is at least 70%. NOTE: Please note Advice #3 of FSC-DIR-40-004 for the phase-out rule regarding the reduced labelling threshold of 50% for chip and fibre products.</p> <p>11.2.3 Products from FSC Mix product groups under a credit system can be labelled with the 'FSC Mix' label if there is sufficient FSC credit available on the credit account for the product group. NOTE: The respective product volume or weight shall be deducted from the FSC credit account once the products are labelled.</p> <p>11.3.1 Products from FSC Recycled product groups under a transfer system can be labelled with the FSC 'Recycled' label if the identified FSC claim for the outputs is one of the following: a) an 'FSC Recycled' percentage claim of at least 85%; or b) an 'FSC Recycled Credit' claim.</p>	<p>Draft clause 10.1.2 and table has been merged from existing clauses 11.1.1, 11.2.1, 11.2.2, 11.2.3, 11.3.1, 11.3.2, 11.3.3.</p>
FSC control system	FSC claims for the outputs	FSC label																										
Transfer	FSC 100%	FSC 100%																										
	FSC Mix percentage of at least 70%	FSC Mix																										
	FSC Mix Credit Claim	FSC Mix label																										
	<i>Paper products:</i> FSC Recycled percentage of 100% reclaimed (pre- and/or post-consumer) <i>Wood products:</i> FSC Recycled percentage of at least 70% post-consumer reclaimed	FSC Recycled																										
Percentage	FSC Recycled Credit	FSC Recycled																										
	FSC Mix percentage of at least 70%	FSC Mix																										
Credit	<i>Paper products:</i> FSC Recycled percentage of 100% reclaimed (pre- and/or post-consumer) <i>Wood products:</i> FSC Recycled percentage claim of at least 70% post-consumer reclaimed	FSC Recycled																										
	FSC Mix Credit	FSC Mix																										
	FSC Recycled Credit	FSC Recycled																										

		11.3.2	Products from FSC Recycled product groups under a percentage system can be labelled with the FSC 'Recycled' label if their applicable percentage claim is at least 85%.	The FSC Board in its 66th Meeting (July 2014) decided that pre-consumer reclaimed paper counts as a claim-contributing input towards percentage and credit calculations. However, this change does not apply to reclaimed wood. The working group responsible for the COC standard revision proposes the reduction of the labelling threshold of FSC Recycled WOOD products from 85% to 70%. This proposed change aims to simplify the certification rules. Under the current rules, FSC Recycled products that do not reach the 85% threshold can still be labelled as FSC Mix, if the product has more than 70% of certified content. A reduced labelling threshold of 70% for FSC Recycled wood products would enable more companies that produce products with exclusively reclaimed content to apply the FSC Recycled label on their products and would reduce confusion regarding the gap between 70-84%, where only a Mix label is currently applicable.
		11.3.3	Products from FSC Recycled product groups under a credit system can be labelled with the FSC 'Recycled' label if there is sufficient FSC credit available on the credit account for the product group.	
10.1.3	Organizations applying the FSC label on-product shall ensure that products carrying the FSC label conform with the applicable requirements for labeling in this standard and the requirements specified in FSC-STD-50-001.	10.1.1	Organizations applying an FSC label on-product shall ensure the following: a) products shall only be FSC-labelled if they comply with the applicable requirements of this standard; b) products shall be labelled in compliance with the relevant FSC on-product labelling standard (see Section C "References")	
10.1.4	Organizations labelling products exclusively made of input materials from small or community producers may apply the FSC Small or Community Producer label, according to the requirements specified in FSC-ADV-50-003.			

Section 11 Draft COC Requirements (V3-0)		Existing COC Requirements (V2-1)		Notes for Stakeholders
11	Outsourcing			
11.1	Outsourcing activities to contractors			
11.1.1	The organization may outsource activities within the scope of its chain of custody certificate to FSC certified and/or non-FSC certified contractors.	NOTE:	Organizations that outsource work on a flexible basis to any one of a number of potential contractors may apply for inclusion of the outsourced process within the scope of their FSC Chain of Custody certificate.	
11.1.2	If the organization outsource activities to an FSC certified contractor, the organization shall verify the scope and validity of the contractor's certificate to ensure that the activities are covered under the scope of a valid certificate. This shall be done either through the FSC database at info.fsc.org or the FSC Online Claims Platform at ocp.fsc.org .	ADV - 01	FSC-DIR-40-004-01	
11.1.3	Prior to outsourcing the processing or production of FSC-certified materials to a new contractor, the organization shall inform its certification body about the outsourced activity, names, and contact details of the contractor.	12.3.2	The organization shall inform its certification body about the names and contact details of any new contractor used for the processing or production of FSC-certified materials prior to outsourcing.	
11.1.4	The organization shall maintain a record with the names, certification status, and contact details of all contractors.	12.3.1	The organization shall record the names and contact details of all contractors used for the processing or production of FSC-certified materials.	

<p>11.1.5</p>	<p>11.1.5 The organization shall establish an outsourcing agreement with each non-FSC certified contractor, specifying that the contractor shall:</p> <ul style="list-style-type: none"> a) Conform with all applicable certification requirements and applicable organization's procedures related to the outsourced activity; b) Not use the FSC trademarks for promotional use or use the organization's certificate code on sales and transport documents; c) Not further outsource any processing (i.e. the material may not pass from one outsourcing contractor to another under the outsourcing agreement); d) Accept the right of the organization's certification body to audit the outsourced contractor. 	<p>12.1.1 Organizations which wish to include outsourcing within the scope of their FSC chain of custody certificate shall ensure the following:</p> <p>12.5.1</p> <p>12.6.1</p> <p>12.7.1</p> <ul style="list-style-type: none"> a) the organization has legal ownership of all input material to be included in outsourced processes; b) the organization does not relinquish legal ownership of the materials during outsourced processing; c) the organization has an agreement or contract covering the outsourced process with each contractor. This agreement or contract shall include a clause reserving the right of the FSC accredited certification body to audit the outsourcing contractor or operation; d) the organization has a documented control system with explicit procedures for the outsourced process which are shared with the relevant contractor. <p>NOTE: Where the outsourced process would not usually involve the physical re-possession of the material following outsourced processing, the organization is not required to re-take physical possession.</p> <p>12.5.1 The organization shall ensure that the contractor only uses FSC labels on products covered by the scope of the outsourcing agreement</p> <p>12.6.1 The organization shall ensure that the contractor does not use the FSC Trademarks for promotional use.</p> <p>12.7.1 The organization shall ensure that contractors do not themselves outsource processing, i.e. the material may not pass from one outsourcing contractor to another under the</p>	
	<p>NOTE 1: For high risk outsourcing, the certification body undertakes a physical inspection of a sample of contractors as part of the organization's evaluation (main evaluation, surveillance evaluation and re-evaluation). Outsourcing shall be classified as 'high risk' if any of the following indicators apply:</p> <ul style="list-style-type: none"> a) The organization outsources all or most of the manufacturing processes of a product; b) The contractor grades or sorts the material (e.g. classifying wood according to its quality, size, or colour); c) The contractor mixes different input materials (e.g. FSC 100% and Controlled Wood); d) The contractor applies the FSC label on the product; e) The contractor does not physically return the products to the organisation; f) Outsourcing is done across national borders to countries with Transparency International's Corruption Perception Index (CPI) lower than 50. 	<p>8.2</p> <p>FSC-STD-20-011</p>	

	NOTE 2: Even in cases that are not considered “high risk,” the certification body can require on-site audits at contractor’s sites if a risk of potential contamination is identified.	8.2	FSC-STD-20-011	
	NOTE 3: Even when one or more of the high risk indicators apply, the certification body can downgrade the risk to “low” if any of the following indicators apply: a) The product is permanently labelled or marked in a way that the contractor cannot alter or exchange the products (e.g. heat brand, printed materials); b) The product is palletized, or otherwise maintained as a secure unit that is not broken during outsourcing; c) There is no risk of contamination (e.g. intentional or accidental mixing FSC certified materials or products with non-FSC eligible materials or products), as the contractor handles exclusively (physically and temporally) the materials from the contracting organization; d) The contractor is employed for services that do not involve manufacture or transformation of certified products (e.g. warehousing, storage, distribution, logistics); e) The contractor is an FSC certified organization that includes documented procedures for outsourcing services within the scope of its certificate.	8.3	FSC-STD-20-011	
11.1.6	<p>The organization shall have and maintain an up-to-date control system with documented procedures for the outsourced processes, which shall be shared with the contractor(s). The procedures shall ensure that:</p> <p>a) The material used for the production of FSC certified material can be tracked and controlled and cannot be mixed or contaminated with any other material during outsourced processing;</p> <p>b) The contractor keeps records of inputs, outputs, and delivery documentation associated with all FSC certified material which is processed or produced under the outsourcing contract or agreement.</p>	12.2.1	<p>The organization’s control system for the outsourced process shall ensure that:</p> <p>a) the material used for the production of FSC-certified material can be tracked and controlled and can not be mixed or contaminated with any other material during outsourced processing;</p> <p>b) the contractor keeps records of inputs, outputs and delivery documentation associated with all FSC-certified material which is processed or produced under the outsourcing contract or agreement. The organization shall ensure that the contractor only uses FSC labels on products covered by the scope of the outsourcing agreement.</p>	

11.1.7	<p>The organization shall maintain the legal ownership of all materials during outsourcing.</p> <p>NOTE: Organizations are not required to re-take physical possession of the products following outsourcing (i.e. products can be shipped directly from the contractor to the organization's customer).</p>	12.1.1	<p>12.1.1 NOTE: Where the outsourced process would not usually involved the physical re-possession of the material following outsourced processing, the organization is not required to re-take physical possession.</p>	
12.4.1		12.4.1	<p>12.4.1 The organization shall issue the final invoice for the processed or produced FSC-certified material following outsourcing. The invoice shall state the certificate holder's Chain of Custody certificate number. NOTE: If the organization has not issued the final invoice for the processed or produced FSC-certified material following completion of outsourced processing, then the material shall not be sold with FSC claims.</p>	
11.1.8	<p>If the contractor is applying labels to the product on behalf of the organization, the organization shall ensure that the contractor only labels the products covered by the scope of the organization and produced under the outsourcing agreement.</p>	12.5.1	<p>The organization shall ensure that the contractor only uses FSC labels on products covered by the scope of the outsourcing agreement.</p>	
11.2	Providing outsourcing services to others			
11.2.1	<p>The organization shall inform its certification body and include the outsourced activity in the scope of its chain of custody certificate, ensuring that all applicable certification requirements and procedures from the contracting organization are correctly implemented.</p>			
11.2.2	<p>The organization may provide outsourcing services to non-certified contracting organizations. If the contracting organization buys FSC certified input materials, these materials shall be shipped directly from an FSC certified supplier to the certified contractor (i.e. the non-certified contracting organizations shall not take physical possession of the materials before outsourcing).</p>	ADV - 01	FSC-DIR-40-004-01	

Section 12 Draft COC Requirements (V3-0)		Existing COC Requirements (V2-1)		Notes for Stakeholders	Additional Resources
12	Compliance with timber legality legislations				
12.1	Trade and custom laws				
12.1.1	Organizations exporting and/or importing timber or timber products shall have a system in place to ensure that the commercialization of FSC certified products complies with all applicable trade and custom laws, which include, but are not necessarily limited to: a) Bans, quotas, and other restrictions on the export of timber products (e.g. bans on the export of unprocessed logs or rough-sawn lumber); b) Requirements for export licenses for timber and timber products; c) Official authorisation required for entities exporting timber and timber products; d) Taxes and duties applying to timber product exports.	ADV - 11	FSC-DIR-40-004-11 FSC certificate holders exporting and/or importing timber or timber products shall have procedures in place to ensure that the commercialization of FSC certified products comply with all applicable trade and custom laws.	This requirement was previously listed in the FSC Directive on Chain of Custody (FSC-DIR-40-004). In early 2012, following a mandate of the FSC Board of Directors, FSC initiated an updating process of its standards to ensure harmonization with the EU Timber Regulation (EUTR) and other timber legality legislations such as the US Lacey Act, FLEGT and the Australian Illegal Logging Prohibition Act. This process includes adjustments in the FSC COC requirements to ensure that FSC certified products conform with legally required information regarding species, origin of timber and timber products, and conformity with trade and custom laws.	
12.1	Access to information				
12.2.1	Upon request and if required by applicable timber legality legislations, the organization shall provide customers with the following information about FSC certified and FSC Controlled Wood products: a) Common name and/or scientific name of timber species as required by the applicable legislation; b) Origin of timber (country(ies) of harvest and, where applicable, sub-national regions and concessions of harvest); NOTE: Information on the sub-national regions or concessions of harvest shall be provided where the risk of illegal harvesting between concessions of harvest in a country or sub-national region varies. Any arrangement conferring the right to harvest timber in a defined area shall be considered a concession of harvest. c) Proof of compliance with relevant trade and customs laws.	ADV- 10	FSC-DIR-40-004-10 1. Upon request, FSC certified suppliers shall provide customers with the following information about FSC certified and FSC Controlled Wood timber or timber products subject to compliance with applicable timber legality legislations: a) Common name and/or scientific name of timber species as required by the applicable legislation; NOTE: This requirement takes precedence over Clause 2.1.1 c) of FSC-STD-40-004 V2-1. b) Origin of timber (countries of harvest and where applicable, sub-national regions and concessions of harvest); NOTE: Information on the sub-national regions or concessions of harvest shall be provided where the risk of illegal harvesting between concessions of harvest in a country or sub-national region varies. Any arrangement conferring the right to harvest timber in a defined area shall be considered a concession of harvest. c) Proof of compliance with relevant trade and customs laws.	This requirement was previously listed in the FSC Directive on Chain of Custody (FSC-DIR-40-004).	
12.2.2	The organization shall provide a timely response to information requests specified in Clause 12.2.1 above.	ADV- 10	FSC-DIR-40-004-10 2. FSC certified suppliers shall provide timely responses to the information requests specified in Clause 1 of ADVICE-40-004-10	This requirement was previously listed in the FSC Directive on Chain of Custody (FSC-DIR-40-004).	
12.2.3	The form and frequency of providing this information may be agreed upon between the organization and its customer as long as the information is accurate and can be correctly associated with each material supplied as FSC certified or FSC Controlled Wood.	ADV- 10	FSC-DIR-40-004-10 3. The form and frequency of providing this information may be agreed between FSC certified supplier and customer, as long as the information is accurate and can be correctly associated with each material supplied as FSC certified or FSC Controlled Wood.	This requirement was previously listed in the FSC Directive on Chain of Custody (FSC-DIR-40-004).	
12.2.4	In case the organization does not possess the requested information specified in Clause 12.2.1 above, the request shall be passed on to the upstream FSC certified supplier(s), until the requested information can be obtained.	ADV- 10	FSC-DIR-40-004-10 4. In case the FSC certified supplier does not possess the requested information specified in Clause 1 above, the request shall be passed on to the upstream FSC certified suppliers, until the requested information can be obtained.	This requirement was previously listed in the FSC Directive on Chain of Custody (FSC-DIR-40-004).	
12.3	Pre-consumer reclaimed wood				

12.3.1	<p>Organizations placing FSC certified products on the European market for the first time that contain pre-consumer reclaimed wood material (except paper scraps) shall exercise due diligence to ensure that these materials do not contain illegally harvested timber according to EU Regulation No 995/2010 (EUTR).</p> <p>NOTE: According to the EUTR, reclaimed wood such as sawdust and chips derived from either primary or secondary manufacturing are not classified as waste, and are therefore subject to compliance with the regulation. Paper scraps are currently excluded from the scope of the EUTR.</p>	<p>ADV-12 FSC-DIR-40-004-12</p> <p>FSC certificate holders placing FSC certified products containing pre-consumer reclaimed wood material (except paper scraps) on the European market for the first time shall exercise due diligence to ensure that these materials do not contain illegally harvested timber according to EU Regulation No 995/2010.</p>	<p>This requirement was previously listed in the FSC Directive on Chain of Custody (FSC-DIR-40-004).</p>	
12.3.2	<p>Organizations located in countries outside of Europe and exporting FSC certified products that contain pre-consumer reclaimed wood material to companies in Europe shall either:</p> <p>a) Inform their customers about the presence of pre-consumer reclaimed wood material in the product before its delivery and commit to supporting their customers in applying their due diligence system, as required by the EUTR; or</p> <p>b) Ensure that pre-consumer reclaimed wood (except paper scraps) used in the manufacturing of FSC certified products is FSC Controlled Wood, according to the requirements specified in FSC-STD-40-005.</p>	<p>ADV-12 FSC-DIR-40-004-12</p> <p>FSC certificate holders located in countries outside of Europe and exporting FSC certified products that contain pre-consumer reclaimed wood material to companies in Europe shall either:</p> <p>a) Inform their customers about the presence of pre-consumer reclaimed wood material in the product before its delivery and commit to support their customers in applying their due diligence system, as required by the EUTR, or;</p> <p>b) Ensure that pre-consumer reclaimed wood (except paper scraps) used in the manufacturing of FSC certified products is FSC Controlled Wood, according to FSC-STD-40-005 requirements.</p>	<p>This requirement was previously listed in the FSC Directive on Chain of Custody (FSC-DIR-40-004).</p>	
12.3.3	<p>Organizations applying option 12.3.2 b) above may apply the requirements for co-products outlined in ADVICE-40-005-17, to demonstrate the district of origin of pre-consumer reclaimed wood, and ADVICE-40-005-20, for the risk assessment of pre-consumer reclaimed wood.</p>	<p>ADV-12 FSC-DIR-40-004-12</p> <p>FSC certificate holders applying option 2 b) above, may apply the requirements for co-products outlined in the ADVICE-40-005-17, to demonstrate the district of origin of pre-consumer reclaimed wood and the ADVICE-40-005-20 for the risk assessment of preconsumer reclaimed wood.</p>	<p>This requirement was previously listed in the FSC Directive on Chain of Custody (FSC-DIR-40-004).</p>	<p>The advice notes indicated above are being incorporated into the revised FSC-STD-40-005 standard. Once the new version of this standard is approved, the advice notes will be withdrawn and the references here will be replaced by the respective standard clauses in FSC-STD-40-005.</p>