



Forest Stewardship Council®



# The Development and Approval of FSC® Centralized National Risk Assessments

PSU-PRO-10-002 V1-0 EN

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| <b>Contact for comments:</b>    | FSC International Center<br>- Performance and Standards Unit -<br><br>Charles-de-Gaulle-Str. 5<br>53113 Bonn, Germany<br><br> +49-(0)228-36766-0<br> +49-(0)228-36766-30<br> <a href="mailto:performance.standards@fsc.org">performance.standards@fsc.org</a> |

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**The Development and Approval of FSC® Centralized National Risk Assessments**

PSU-PRO-10-002 V1-0 EN

The Forest Stewardship Council® (FSC) is an independent, not for profit, non-government organization established to promote environmentally appropriate, socially beneficial, and economically viable management of the world's forests.

FSC’s vision is that the world’s forests meet the social, ecological, and economic rights and needs of the present generation without compromising those of future generations.

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## A Objective

The objective of this procedure is to provide a clear, transparent, and unambiguous methodology for developing, maintaining, revising, and approving FSC Centralized National Risk Assessments (Centralized National Risk Assessments or CNRAs).

## B Scope

This document specifies the requirements to develop, maintain and revise Centralized National Risk Assessments.

NOTE: Centralized National Risk Assessments are required for use by Organizations using *FSC-STD-40-005 Requirements for sourcing FSC Controlled Wood*.

## C Effective and validity dates

|                    |                             |
|--------------------|-----------------------------|
| Approval date      | 13 April 2018               |
| Publication date   | 16 April 2018               |
| Period of validity | until replaced or withdrawn |

Provisions in this procedure have been applied by FSC in past CNRA processes and previously included in the Terms of Reference for the CNRA and the *Methodology for conducting the CNRA for controlled wood category 3 – High Conservation Values*. This document was developed in response to stakeholder feedback on the process, to improve its transparency.

## D References

The following documents, in whole or in part, are normatively referenced in this document and are relevant for its application. For undated references, the latest version of the referenced document (including any amendments) applies.

*FSC-PRO-01-005 Processing appeals*  
*FSC-PRO-60-002 The Development and Approval of FSC National Risk Assessments*  
*FSC-PRO-60-002a Addendum: FSC National Risk Assessment Framework*  
*FSC-STD-40-005 Requirements for Sourcing FSC Controlled Wood*

References included in this document (including links to the existing websites) are up to date as of publication of this document and may be subject to change in the future.

## E Terms and definitions

For the purpose of this procedure, the terms and definitions provided in *FSC-STD-01-002 FSC Glossary of terms*, *FSC-STD-40-005 Requirements for Sourcing FSC Controlled Wood*, *FSC-PRO-60-002 The Development and Approval of FSC National Risk Assessments*, and the following apply:

**FSC Partner:** The person or organization authorized by FSC to support the development of the FSC Centralized National Risk Assessment by organizing a national consultation and submitting the stakeholder feedback to the CNRA consultants and FSC.

**CNRA Consultant:** An external service provider with the expertise in one or more controlled wood categories of unacceptable sources, contracted by FSC International to develop a Centralized National Risk Assessment according to *FSC-PRO-60-002a FSC National Risk Assessment Framework* and the *Methodology for conducting the CNRA for controlled wood category 3 – High Conservation Values*.

**Verbal forms for the expression of provisions**

[Adapted from *ISO/IEC Directives Part 2: Rules for the structure and drafting of International Standards*]

“*shall*”: indicates requirements strictly to be followed in order to conform to the standard.

“*should*”: indicates that among several possibilities one is recommended as particularly suitable, without mentioning or excluding others, or that a certain course of action is preferred but not necessarily required. A certification body can meet these requirements in an equivalent way provided this can be demonstrated and justified.

“*may*”: indicates a course of action permissible within the limits of the document.

“*can*”: is used for statements of possibility and capability, whether material, physical or causal.

## **1 Instances when FSC conducts a Centralized National Risk Assessment**

- 1.1 FSC conducts a CNRA to support the implementation of *FSC-STD-40-005* in countries without an NRA approved according to *FSC-PRO-60-002*.
- 1.2 FSC uses the CNRA as part of the intervention mechanism described under Clause 9 in *PSU-PRO-10-002*.
- 1.3 FSC uses CNRA consultants for the development of the CNRA.

NOTE: The risk assessment schedule as well as the risk designation overview are available on the FSC website.

## **2. Scope of a Centralized National Risk Assessment**

- 2.1 The content of the CNRA shall follow the requirements specified in the procedure *FSC-PRO-60-002a FSC National Risk Assessment Framework* and the *Methodology for conducting the CNRA for controlled wood category 3 – High Conservation Values*.
- 2.2 The control measures provided in the CNRA are not binding for any certificate holder.

## **3 CNRA Consultant selection**

- 3.1 The selection of a CNRA consultant is made by FSC based on the quality and experience demonstrated in the CNRA consultant's application as well as the selection criteria according to Clauses 3.1.1 and 3.1.2.

### 3.1.1 Qualification requirements

- a) A higher degree (M.Sc. or above) in a subject related to Conservation / Natural resource management / Forest policy / Legality / Management of landscapes / GIS / Ecosystem services;
- b) A strong understanding of, and experience with, FSC systems; Forest certification / Standard setting / Supply chain / Auditing;
- c) At least five (5) years' work experience in Conservation / Natural resource management or forest policy / Legality / Management of landscapes / GIS / Ecosystem services and/or a geographic area relevant to the CNRA;
- d) A track record of producing reports and publications following editorial quality of scientific reports/publications;
- e) Proven experience of engaging with a wide range of stakeholders including international, national, governmental and non-governmental organizations.

### 3.1.2 Evaluation criteria

- a) Technical Approach
  - i) Demonstrated understanding of the overall project context as per *FSC-PRO-60-002a*;
  - ii) Detailed work plan and approach clearly defining the targets and the strategy to achieve the objectives as outlined in the scope of work.
- b) Management Structure and staff qualification: Professional qualifications, expertise and experience of the key personnel will directly contribute to the completion of the tasks.
- c) Past Performance and Corporate Experience
  - i) Past performance, familiarity, and experience in understanding policies and programs related to forest resources;
  - ii) Extent of local expertise including experience, qualifications, and track record in relevant geographic area.
- d) Total Cost
  - i) Cost of the service, and a detailed estimate of travel, accommodation and local expenses, if required.

NOTE: While the overall technical evaluation is the key factor in reviewing the proposal, the financial proposal must be competitive and is evaluated for feasibility, completeness, and practicality. Proposals are evaluated with an estimated weight of eighty (80) percent towards project proposal quality and team and organization experience, and twenty (20) percent towards proposed costs.

## 4 CNRA process scenarios

4.1 There are two process scenarios for CNRA development: CNRA with direct FSC Partner engagement and CNRA without direct FSC Partner engagement.

4.1.1. CNRA with direct FSC Partner engagement applies for countries where there is no NRA process in place and the FSC Partner decides to directly participate in the CNRA process.

NOTE: Direct FSC Partner engagement is voluntarily and can be chosen by the FSC Partner, where present.

4.1.2. CNRA with no direct FSC Partner engagement applies for countries where there is no FSC Partner or the FSC Partner does not confirm direct participation, meaning that the CNRA consultant will develop the risk assessment only with the help of local HCV experts.

4.2 All parties involved in the process shall always work in the most recent draft version applying the track change mode at all times during the document exchange.

### 4.3 CNRA with direct FSC Partner engagement

4.3.1 The FSC Partner, the CNRA consultant and FSC agree on a detailed process timeline.

#### *Scenario steps*

NOTE: Clauses 4.3.3, 4.3.5, 4.3.6, 4.3.7 and 4.3.8 are compulsory for controlled wood category 3 (HCV assessment) and optional for the assessment of other controlled wood categories.

4.3.2 The CNRA consultant develops the initial draft CNRA in English.

4.3.3 The CNRA consultant shall ensure continuous involvement of local experts throughout the process.

4.3.4 FSC reviews the initial draft CNRA submitted by the CNRA consultant within a maximum of thirty (30) working days and provides it to the FSC Partner.

4.3.5 The FSC Partner organizes a workshop on the CNRA draft for national stakeholders to:

- a) present the HCV methodology that shall be followed;
- b) identify aspects that require adaptation to national and/or regional conditions;
- c) discuss the critical elements of the initial draft CNRA, data used, scale, etc.

NOTE: Costs of the workshop are covered by the FSC Partner.

4.3.6 The FSC Partner submits the workshop feedback to the CNRA consultant in English to inform the next draft CNRA.

4.3.7 The CNRA consultant develops the second draft CNRA in English. The CNRA consultant shall provide an answer to each comment submitted by the FSC Partner with information and justification on if/how the feedback was incorporated.

4.3.8 FSC reviews the second draft CNRA submitted by the CNRA consultant within a maximum of thirty (30) working days.

4.3.9 The FSC Partner conducts a national consultation on the draft CNRA for thirty (30) calendar days using the most recent draft CNRA.



NOTE: The cost of the consultation is covered by the FSC Partner.

- 4.3.10 The FSC Partner analyzes, summarizes and provides collated stakeholder feedback to the CNRA consultant in English.
- 4.3.11 The CNRA consultant reviews the comments and, if necessary, amends the draft CNRA based on the feedback received. The CNRA consultant shall provide responses to each comment submitted with information and justification on if/how the feedback was incorporated.
- 4.3.12 The CNRA consultant submits the final version of the draft CNRA to FSC.
- 4.3.13 FSC reviews the final draft CNRA submitted by the CNRA consultant within a maximum of thirty (30) working days.
- 4.3.14 The CNRA consultant addresses the comments resulting from the FSC review until FSC considers the CNRA ready for approval.

#### 4.4 CNRA without direct FSC Partner engagement

- 4.4.1 The CNRA consultant and FSC agree on a detailed process timeline.

##### *Scenario steps*

NOTE: Clauses 4.4.3, 4.4.5 and 4.4.6 are compulsory for controlled wood category 3 (HCV assessment) and optional for the assessment of other controlled wood categories.

- 4.4.2 The CNRA consultant develops the initial draft CNRA in English.
- 4.4.3 The CNRA consultant shall ensure continuous involvement of local experts throughout the process.
- 4.4.4 FSC reviews the initial draft CNRA submitted by the CNRA consultant within a maximum of thirty (30) working days.
- 4.4.5 The CNRA consultant develops the second draft CNRA in English. The CNRA consultant shall provide an answer to each comment submitted by FSC.
- 4.4.6 FSC reviews the second draft CNRA submitted by the CNRA consultant within a maximum of thirty (30) working days.
- 4.4.7 FSC conducts an international consultation on the draft CNRA in English and/or Spanish for thirty (30) calendar days using the most recent draft CNRA (Clause 5.1.2).
- 4.4.8 FSC provides collated stakeholder feedback to the CNRA consultant in English.

- 4.4.9 The CNRA consultant reviews the comments and, if necessary, amends the draft CNRA based on the feedback received. The CNRA consultant shall provide responses to each comment submitted with information and justification on if/how the feedback was incorporated.
- 4.4.10 The CNRA consultant submits the final version of the draft CNRA to FSC.
- 4.4.11 FSC reviews the final draft CNRA submitted by the CNRA consultant within a maximum of thirty (30) working days.
- 4.4.12 The CNRA consultant addresses the comments resulting from the FSC review until FSC considers the CNRA ready for approval.

## **5 Stakeholder consultation**

- 5.1 The draft CNRA shall be publicly consulted by the FSC Partner / FSC respectively to ensure its relevance to national and/or regional conditions and allow stakeholder contribution for at least thirty (30) calendar days.
- 5.1.1 For CNRA processes with direct FSC Partner engagement, the stakeholder consultation is conducted by the FSC Partner (Clause 4.3.9).
- 5.1.2 For CNRA processes without direct FSC Partner engagement, the stakeholder consultation is conducted by FSC (Clause 4.4.7).
- 5.2 Information presented for the stakeholder consultation shall, at a minimum, include the following:
- a) The start and end dates of the stakeholder consultation period;
  - b) The draft CNRA(s) consulted;
  - c) The contact details for submission of comments;
  - d) A stakeholder consultation feedback form.
- 5.3 Stakeholders from all stakeholder groups shall be invited to participate.
- 5.3.1. For CNRA processes with direct FSC Partner engagement, the FSC Partner shall be proactive in seeking input from representatives of identified stakeholders.

NOTE 1: Techniques may include, but are not limited to, face-to-face meetings, personal contact by phone or letter, notices published in the national and/or local press and on relevant websites, local radio announcements, announcements on local customary notice boards in the language or the local people, and emails in the language of the recipients.

NOTE 2: The FSC Partner is responsible for facilitating culturally appropriate outreach to representatives of all identified stakeholders.

5.3.2. For CNRA processes without direct FSC Partner engagement, FSC shall announce the consultation start via the CB and membership mailing lists, Branching Out and the FSC newsletter in addition to an announcement on the international FSC website [www.ic.fsc.org](http://www.ic.fsc.org).

5.4 FSC shall maintain a list of identified stakeholders and their respective contact details.

## **6 Submission and analysis of consultation feedback**

6.1 Comments submitted by stakeholders shall meet the following:

- a) Comments shall refer to the particular indicators of the draft CNRA;
- b) When referencing other sources of information (than those used in the draft CNRA), it shall be clear what indicator and threshold of the risk assessment is addressed by the referenced sources;
- c) Comments shall be explained and supported with objective evidence to enable a decision regarding the risk designation;
- d) Contextual information may be provided as background information. General comments, comments not supported with evidence, or comments that are not attributed to, or not relevant for, the risk assessment process will be acknowledged but will not be used.

6.2 Analysis of the feedback submitted by stakeholders shall include the following:

- a) The FSC Partner / FSC respectively shall acknowledge the receipt and collect comments;
- b) The FSC Partner / FSC respectively shall compile and forward all stakeholder comments to the CNRA consultant;
- c) The CNRA consultant shall address the stakeholder comments and make the applicable changes in the final version of the CNRA;
- d) Amendments to the draft CNRA resulting from consultation feedback shall be proposed by making comments and changing the content in MS Word track change mode by the:
  - i) FSC Partner for CNRA processes with direct FSC Partner engagement;
  - ii) CNRA consultant for CNRA processes without direct FSC Partner engagement.

NOTE: The analysis of comments may take several months.

- 6.3 After three (3) months from the consultation closing date, FSC will update all participating stakeholders on the progress with regards to the feedback analysis. Updates will continue bi-monthly.
- 6.4 FSC shall complete an evaluation report (synopsis) in English after every public consultation. This report will be publicly available together with the approved CNRA.
- 6.5 Upon publication of the CNRA, FSC shall provide a response to each individual stakeholder comment and indicate if/how the comment was taken into account. Comments and responses will not be attributed to personal stakeholder data.

NOTE: Clauses 6.3-6.5 were introduced in this procedure in 2018 in response to stakeholder feedback on the quality of CNRA consultations.

## **7 Approval process**

- 7.1 FSC shall prepare approval documents (final draft CNRA, evaluation report, synopsis of stakeholder consultation, and approval meeting presentation) and submit them to the FSC Director Policy Operations.
- 7.2 Within thirty (30) days of receiving the approval documents, the FSC Director Policy Operations takes a decision to:
  - a) Approve the CNRA; or
  - b) Reject the CNRA, with rationale for why it was rejected and suggestions for actions needed to address the concerns.
- 7.3 Upon approval, FSC shall publish the CNRA in the FSC Document Center (<https://ic.fsc.org/en/document-center>).

NOTE: Information about the approval is announced through available FSC communication channels (e.g. CB and membership mailing lists, Branching Out and the FSC newsletter in addition to an announcement on the international FSC website [www.ic.fsc.org](http://www.ic.fsc.org)).

## **8 Review and fast revision**

- 8.1 A CNRA normally has a period of validity for five (5) years after the publication date.
- 8.2 Changes to the approved CNRA may be implemented in three ways:
  - a) As an update of the CNRA, or
  - b) Through fast revision, or
  - c) Through regular revision.

### *CNRA updates*

- 8.3 Updates to a CNRA shall not affect the risk designations and shall be implemented according to need and urgency.

NOTE: Update(s) may include, but are not limited to: updates of links of information sources, adding information sources and maps and amending typographic or translation mistakes.

- 8.4 In case of an update, the CNRA shall be given a new, 2nd level version number (e.g., V1-1, V1-2).

### *Fast revision of the CNRA*

- 8.5 A request for fast revision of a CNRA shall be submitted to FSC in the form of a letter addressed to the FSC Director Policy Operations, which includes:

- a) Request for fast revision;
- b) Detailed description of change(s) proposed;
- c) Clear, objective and undisputable evidence supporting the change;
- d) Any other supportive information (e.g. feedback from stakeholder consultation);
- e) Signature by a certification body.

NOTE: Examples of clear and undisputable evidence may include but are not limited to: changes in legislation, results of complaints handled at the international level and newly published scientific evidence.

- 8.6 FSC will evaluate requests for fast revisions within ten (10) working days and proceed with fast revisions when there is clear and undisputable evidence requiring a change of risk determination and/or change of recommended risk mitigation measures.

NOTE: In the case the request(s) is not evaluated as eligible for fast revision, it will be documented and considered in the next regular revision.

- 8.7 FSC will proceed with a maximum of:

- a) One (1) fast revision per CNRA per 5 years, and
- b) Three (3) fast revisions per quarter.

NOTE: FSC will prioritize requests based on the priority status of the country for which a CNRA was developed, and the urgency of the revision assessed according to the presented evidence.

### *Regular revision of the CNRA*

- 8.8 By no later than six (6) months prior to the end of the validity period of the CNRA, FSC shall have performed a review of all comments received since the approval of the CNRA.

- 8.8.1 FSC shall create a report summarizing the results and conclusions of the review process. The report shall include a recommendation as to whether the CNRA merits re-approval or requires regular revision.
- 8.8.2 The FSC Director Policy Operations shall decide regarding re-approval or regular revision.
- 8.8.3 FSC shall communicate the decision before the end of the validity period of the CNRA.
- 8.9 The regular revision process shall be conducted according to the requirements for CNRA development in this procedure.
- 8.10 For each revision of the CNRA a new, 1st level version number shall be given (e.g., V2-0, V3-0).

## **9 Changes in the established CNRA process**

- 9.1 FSC can change a process scenario if the FSC Partner or CNRA consultant does not meet its obligations as agreed.
  - a) Before changing the scenario of any CNRA process, FSC shall approach the FSC Partner or CNRA consultant to clarify why the procedure or directions are not followed;
  - b) If the justification is deemed by FSC to be insufficient, or if there is continued deviation from the CNRA procedure, FSC will undertake and communicate further actions according to the situation.
- 9.2 The following circumstances trigger a scenario change:
  - a) Lack of communication with FSC during the process;
  - b) Insufficient reporting on the process by the FSC Partner;
  - c) Unjustified delays of the process or deviations from the original schedule;
  - d) No submission of stakeholder feedback to PSU or the CNRA consultants after national consultation;
  - e) Any other substantive deviation from this procedure and the individual agreements made with the FSC Partner.

## **10 Disputes**

- 10.1 Disputes regarding an approved CNRA shall follow *FSC-PRO-01-005 Processing appeals*.

## **11 External funding**

11.1 A CNRA process may be funded by an external donor.

11.2 Requirements for the funding process are as follows:

- a) The donor approaches FSC expressing an interest to fund the development of a CNRA for a particular area.

NOTE: The area of the assessment will typically cover a particular country or countries.

- b) FSC evaluates the donor's initiative according to capacity and relevance for sourcing controlled material.
- c) FSC asks qualified consultants to submit their proposal for CNRA development.
- d) FSC chooses a CNRA consultant based on the selection criteria described under Clause 3.
- e) Based on the accepted consultant's proposal, FSC develops a funding agreement which is submitted to the potential donor.
- f) FSC and the donor sign the funding agreement.
- g) Within two (2) weeks after signature of the funding agreement, the donor transfers the funds in one (1) full installment to FSC International whereupon FSC issues a donation certificate to the donor.
- h) FSC and the CNRA consultant sign the service agreement.
- i) The CNRA development begins as per Clause 4.