



Forest Stewardship Council®



Report of the second public consultation of FSC-STD-40-004 V3-0 D2-0

Summary of the consultation results

FSC-STD-40-004 is the main FSC standard that specifies the requirements for the chain of custody (CoC) certification of organizations that trade and manufacture FSC-certified forest products. A second revised draft of this standard together with a discussion paper on transaction verification were publicly consulted between 01 September and 31 October 2015. This report presents a summary of key stakeholder feedback received during this consultation and the FSC comments on each topic.

FSC received 2306 comments from 373 stakeholders. Figure 1 below shows the number of consultation participants for different groups of stakeholders.

Figure 1. Numbers of consultation participants per stakeholder type

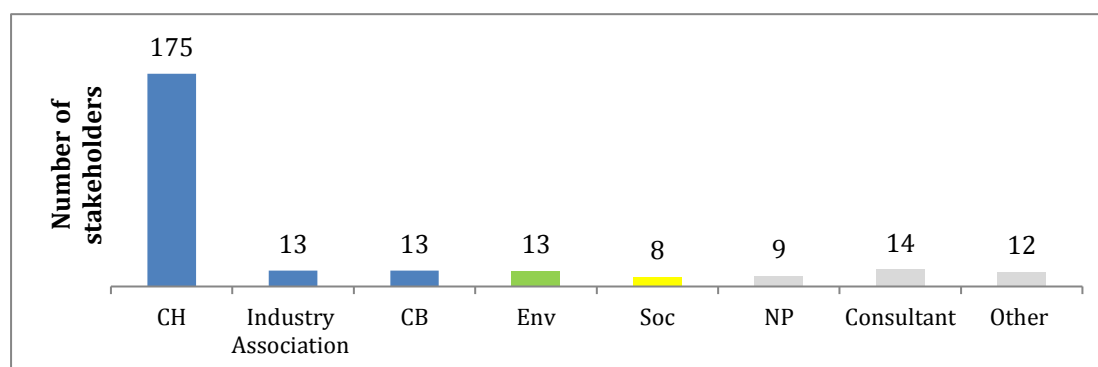
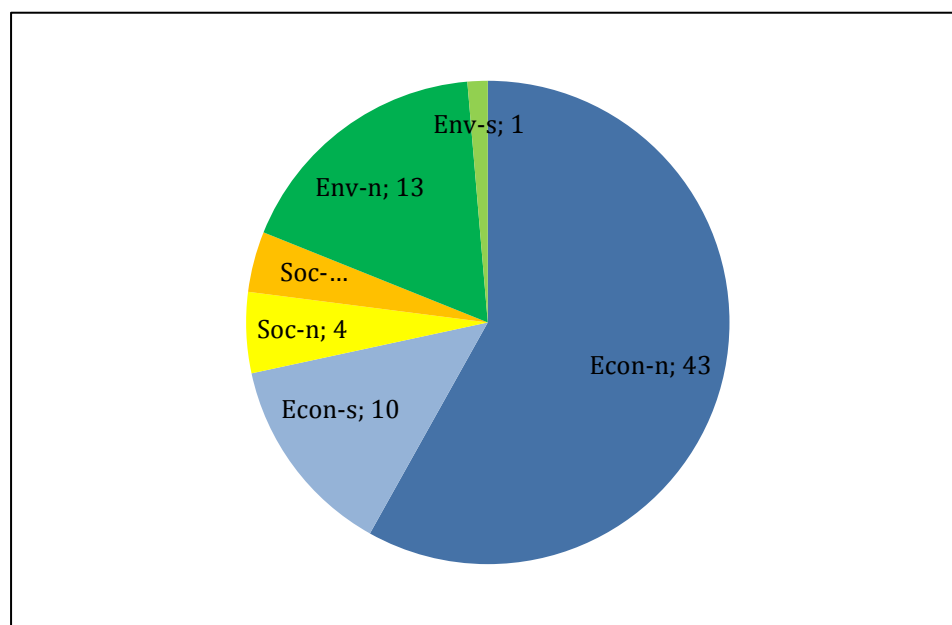


Figure 2 below shows the share of consultation participants considering the FSC sub-chambers.

Figure 2. Numbers of consultation participants per FSC sub-chamber*



* One environmental organization provided views representing both northern and southern perspectives.

72 of the total 255 consultation participants are FSC members, representing economic, social and environmental perspectives.

Although economic chamber members are the largest group of consultation participants, a comparably larger number of environmental and social members actively contributed to the second round of public consultation in comparison to previous consultation.

The individual comments on FSC-STD-40-004 standard are presented in Table A (page 12) and comments related to the discussion paper in Table B (page 241). For reasons of confidentiality, the names of respondents are omitted in this report. Some comments appear more than once because identical comments were sent by more than one stakeholder.

All the comments were analyzed and considered by FSC, while respecting the technical feasibility and alignment with the FSC mission and strategic planning. The following is a summary of the key topics identified in the consultation.

1. Cross-site credits method

Since the introduction of the FSC credit system, some organizations that hold multi-site certificates have shown interest in a system that would create opportunities for improved logistical solutions. Cross-site application of the credit and percentage control systems could relieve the need to physically transport goods between the different sites that are covered in the organization's certificate.

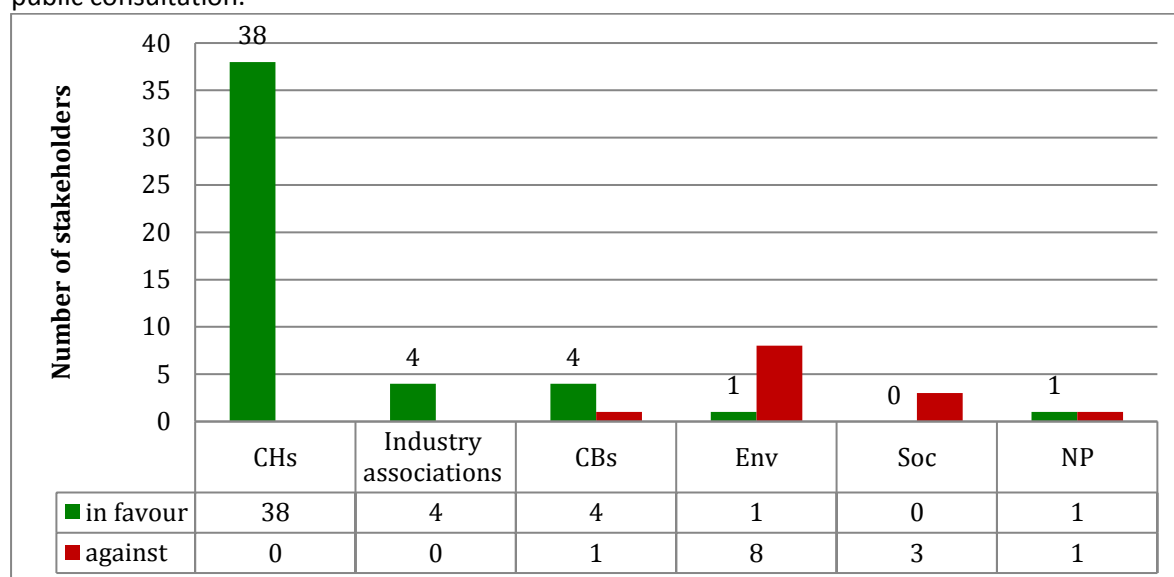
The cross-site credits method was pilot tested by 15 companies and the results submitted to the FSC Board of Directors in June 2013. The FSC Board decided that the results of the pilot project should be fed into the ongoing revision process of the CoC standard (FSC-STD-40-004) for broader stakeholder consultation and further deliberation. At the end of the standard revision process, the FSC Board will decide whether or not FSC should allow cross-site credit systems.

In the second draft, the requirements regarding geographical scope, product groups, certification body's monitoring, and sites' contribution to the credit account have been revised in relation to the proposed requirements in first draft.

Figure 3 below shows stakeholder feedback on the cross-site credit proposal during the second public consultation.

During both consultations the economic chamber strongly supported allowing shared credit accounts, in order to address the imbalance between supply and demand for FSC-certified products at different manufacturing sites.

Figure 3. Stakeholder feedback on the introduction of shared credit accounts during second public consultation.



Most of the environmental members/environmental organizations voiced strong opposition against introduction of the cross-site credit model, arguing that gaps in the CoC system such as fraudulent claims, misinterpretation of the credit system and weakness in auditing should be closed rather than becoming even more flexible.

One environmental organization fully supported the introduction of the shared credit accounts, arguing that the concerns of other environmental members are being addressed by the revised CoC standard. A few environmental members gave conditional consent, requiring that safeguards needed to be in place, to ensure that inputs and outputs of products match, either by making the Online Claims Platform (OCP) mandatory for participating companies, or by implementing another mechanism.

The three social members commenting during the second round strongly objected the introduction of shared credit accounts.

The FSC Board will be asked to take a strategic decision whether or not to accept the cross-site credit sharing model, considering the diverging stakeholder opinions.

Concerning the preconditions, certificate holders stated that some of them would create unnecessary burden without providing benefits for the integrity of the FSC system.

Geographical scope

There was no stakeholder and working group agreement on whether to limit the shared credit model to application at the level of continent, country and/or economic and monetary union. Many stakeholders support the application at continent level, but requested a definition of 'continent', while a few stakeholders believe that a continent approach is too risky, as e.g. workers' rights legislation or environmental legislation would differ between countries of a continent, e.g. in Europe.

A certification body proposed to permit multi-site organizations operating under the credit system to share their credit accounts amongst all of their sites without regard

to their locations, as long as the risk of corruption is low and risks to high conservation value forests are low or mitigated.

The FSC Board will be asked to decide on the geographical scope of cross-site credit accounts.

Physical audits

Most consultation participants stated that physical audits of sites will not add any value where shared credit accounts are controlled centrally and requested deletion of this precondition. However, two environmental members supported the introduction of this additional precondition in the second draft. Following discussions with the CoC WG it was agreed to remove this precondition from the CoC standard, but to amend the accreditation requirements of the CoC evaluation standard FSC-STD-20-011. The risk matrix for sampling of multi-site organizations was adapted to include a risk factor for organizations with cross-site credit accounts. An additional requirement requires certification bodies to annually do a physical inspection of at least one site participating in the cross-site account.

Minimum thresholds

Stakeholders did not agree on the sites' contribution thresholds. Some certificate holders asked for deletion of this clause, arguing that the introduction of such a threshold would not meet the overall strategic goal of FSC for simplification.

Several stakeholders mentioned that sites should be allowed to start with 0% contribution and move to 10% within two years, or that exceptions need to be defined for countries with no or low FSC coverage.

Many certificate holders requested a limitation to 10%, not requiring sites to move to a share of 15% by end of December 2021.

A few certificate holders, network partners and two environmental members requested a considerable increase of the sites' contribution, with varying thresholds between 20% and 50%.

In the revised draft standard the 10% minimum threshold was kept and an announcement made, that the threshold will be revised by FSC in 5 years.

Making OCP mandatory for cross-site credits

Most consultation participants questioned the rationale and benefit of proposing to make the OCP mandatory for multi-site certificates with shared credit accounts. As shared credit accounts can be verified directly at certificate holder level, it was argued that there is no need for transaction verification along the supply chain. If transaction verification was required it was argued that it should be open to the certificate holder to choose the method. Considering the stakeholder feedback, this criterion was eliminated from the revised draft standard.

Extending cross-site method to the percentage system

Following the stakeholder feedback, FSC decided to further investigate the proposal of extending the cross-site concept to the percentage system before the final version is submitted to the FSC Board for decision. The third draft included proposed requirements for a cross-site methods applicable to both percentage and credit systems.

2. Transaction verification

In the first public consultation, FSC received a considerable number of comments from stakeholders regarding this proposal, some supportive and others expressing concerns regarding potential implications, such as data security, increased complexity and costs. In order to respond to stakeholders' comments and provide them with more detailed information about this proposal, FSC prepared a discussion paper with possible options to meet the proposed criterion for stakeholder input which was sent out for public consultation along with the second draft of FSC-STD-40-004. The consultation results showed that several stakeholders support the introduction of transaction verification requirements and would like to see the use of the OCP mandatory for all certificate holders. Some certification bodies support this approach, arguing that it would only serve the purpose if the OCP becomes mandatory for all certificate holders. Other stakeholders, including some certification bodies do not support the proposal and have expressed several concerns regarding potential implications of this proposed requirement, such as data security, increased complexity and costs. There is no consensus on this topic since stakeholders' acceptance and support for transaction verification greatly varies and ranges between support for mandatory use of OCP for all CHs to total objections for any additional requirements. In addition to public consultation of standard and discussion paper, FSC has collected significant stakeholder feedback on this proposal through interviews, pilot tests, stakeholder meetings and surveys. The results were incorporated to the third standard draft which provides a new risk-based proposal for transaction verification. According to this proposal, certificate holders shall be evaluated by their certification bodies according to their risk. Risk can be based on the organization as a whole or for specific product groups and/or sites. Organizations that classify as having a high risk of false claims will be required to use the OCP. For certificate holders with a low risk of false claims, the use of the OCP is optional.

In order to streamline and simplify the system, FSC is proposing that the OCP is the only system used for transaction verification, as using alternative systems can lead to records of input and output being stored in many different places, which means matching transactions can become difficult for the auditor. This difficulty has the potential to increase costs and the risk of data security breaches. In addition, it has been noted that the use of alternative systems could still result in false claims/fraud in the FSC system.

Despite the fact that FSC is proposing to not accept alternative systems to the OCP when the RFC score is 6 or higher, the draft standard proposes that alternative systems are accepted as a risk mitigation factor (as shown in the risk matrix, Table D of FSC-STD-40-004 V3-0 D3), meaning that an organization's RFC score is reduced by one point if it has an alternative transaction verification system in place.

3. Change in the classification of pre-consumer reclaimed paper

In 2011, the FSC membership mandated FSC International to conduct a study to evaluate, from economic, environmental and social perspectives, the risks and

benefits of valuing pre-consumer reclaimed paper fiber 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 telephone interviews with paper companies. Between 25 September 2013 and 15 January 2014, the discussion paper was subjected to targeted consultation with the FSC membership and interested stakeholders. The results of the study and consultation feedback showed that the FSC membership supports the proposal of granting pre-consumer paper fiber the same value as post-consumer material and certified virgin fiber. The FSC Board in its 66th meeting (July 2014) decided to classify pre-consumer reclaimed paper as a claim-contributing input toward percentage and credit calculations. The study and FSC Board decision excluded other pre-consumer reclaimed forest-based materials such as wood and cork. This decision has already been implemented by FSC in 07 October 2015, through the publication of ADVICE-40-004-13.

4. Incorporation of advice notes and standard interpretations

FSC has tried to streamline and simplify the revised FSC-STD-40-004 (compared to the current version). However, the size of the document could not be significantly reduced since several advice notes and standard interpretations were incorporated into the new draft in order to improve clarity of the requirements and also to reduce the number of normative documents. Some stakeholders questioned why not all advice notes and standard interpretations were incorporated into the draft standard. This is because some of these documents are old and address quite specific situations which are not relevant for all certificate holders. FSC tried to find a balance between simplification and reduction in number of documents. It is also important to clarify that standard interpretations are not meant to be incorporated into standards, since they do not introduce new requirements, but clarify existing ones. Therefore, they are complementary information to normative requirements and are meant to be held on the FSC website as interpretation of the requirements.

5. Standard simplification and improved access to certification by small enterprises, retailers and building contractors

One of the overall goals of this standard revision is the simplification of the CoC certification requirements. The revision also aims at addressing two motions from the FSC general assembly 2011:

- Motion 44 calls for the revision of the CoC standard and development of tools and templates to improve access for small enterprises to CoC certification.
- Motion 45 requires FSC to examine barriers to and opportunities for enhanced FSC–retailer collaboration, including improved CoC procedures.

As a response to Motion 44, FSC discussed with the working group and the CoC consultative forum the proposal to develop a simplified CoC standard for small and low-complexity enterprises. A first draft of this simplified standard was developed and shared with the working group and consultative forum for comments. The feedback

and conclusion of this initial process was that the idea of having two CoC standards (FSC-STD-40-004 and another standard for small and low-complexity enterprises) could create confusion and add complexity to the system instead of simplifying it. Another conclusion is that FSC should better engage representatives of these small and low-complexity organizations in order to better understand their needs and develop standards and tools to facilitate their certification.

Based on this, FSC decided to put on hold the proposal of developing a simplified CoC standard until the revision process of FSC-STD-40-004 is concluded. The revised FSC-STD-40-004 draft was developed considering the overall interest of stakeholders, which is to have a streamlined and simplified CoC standard that fits companies of all sizes. After the revised requirements are approved, FSC will look into options to further simplify or explain the requirements to small and low complexity enterprises. The revised CoC standard will offer some improvement for small enterprises (in response to motion 44) via an online tool that is currently being developed to allow certificate holders to only print those sections of the standard that are relevant to them.

FSC also received feedback that some requirements of the current CoC standard are not easily implementable by building contractors. In order to better understand these issues, FSC consulted stakeholders and organized a meeting with certification bodies, companies and FSC network partners to collect their input for this revision process. Some requirements were also changed to address the needs of this group of stakeholders (e.g. changes in the reporting and identification of sales documents requirements). Finally, FSC added a number of examples, tables and graphics to the standard to facilitate the understanding of several requirements.

In relation to Motion 45, FSC consulted the motion proposers and retailers to better understand their difficulties in implementing the current CoC standard. Some changes are being proposed in this revision process to facilitate the certification of retailers (e.g. changes in the product group, verification of incoming invoices and volume summaries requirements). FSC is currently exploring whether the traceability of products that pass through traders and brokers and the verification process for retailers could be done in an efficient and economically feasible manner via the OCP.

6. Establishment of product groups and credit system application

In response to Motion 46, which requires FSC to clarify the intent of the credit system, FSC revised the requirements on the establishment of product groups and some elements of the credit system. The current requirements on product groups for which the percentage or credit system is applied specify that the product shall share similar specifications in relation to quality of inputs and conversion factors. The term 'quality' is now defined in the Terms and Definitions section, since the lack of a definition lead to inconsistent application of the product group concept by several certificate holders and certification bodies. The revised product group criteria also specify the conditions for the establishment of product groups and the substitution of input materials within a product group.

The period for credit expiration was extended from 12 to 24 months, since many companies reported that credits were being lost due to the cycle between sourcing and sales with FSC claims being longer than the validity of the credits.

Another critical topic in the first draft was the requirement that organizations should establish separate credit accounts for input materials of different quality in the case of assembled wood products. FSC received considerable negative feedback regarding this proposal during the first consultation. Several companies reported that they would experience difficulties in maintaining their certification if this change was implemented. The second and third drafts no longer include this requirement, but provides an approach similar to the percentage system: that when the high-quality input material is sourced as FSC controlled wood, it does not represent more than 30 percent of the product composition.

The revised standard also includes a new Annex B with several examples of product group requirements application in order to facilitate the understanding of the requirements.

7. Definition of who needs CoC

Some stakeholders provided comments on the scope of CoC, i.e. “who needs CoC”. Some adjustments were made to this section in order to clarify where the CoC ends. Stakeholders should also consider the definition of finished products. It is important to clarify that FSC cannot specify where the CoC ends just by referring to product types or activities. This is because in some cases, the same products can be classified as unfinished product if used as input for the manufacturing of other products (e.g. sawn timber sold to a furniture manufacturer), or as finished product if ready to be sold and used by the end consumer (e.g. sawn timber sold directly to end consumers).

8. Documented procedures

Some stakeholders complained that the revised draft specifies that procedures shall be documented (i.e. written down), where the current CoC standard specifies that they may be documented or not. FSC decided to require documented procedures based on the feedback from certification bodies and Accreditation Services International (ASI) – i.e. difficulties in approving and verifying conformity of organizations that have no documented procedures in place. Documented procedures are a basic system quality requirement and should be the basis for the approval and implementation of an FSC CoC system.

9. Timber legality legislation

FSC incorporated four advice notes related to timber legality legislation in the draft CoC standard and tried to make the requirements as short as possible while remaining clear. Some stakeholders suggested that FSC remove this whole section from the standard. However, ensuring compliance with timber legality legislation is essential for the credibility of the FSC system and acceptance of FSC products in markets where these legislations apply. The term ‘applicable’ was also questioned many times, but it is relevant to ensure that the requirements are not understood as being applicable to situations beyond the scope of timber legality legislations.

10. Requirement that visible/name giving wood species of a product (e.g. cherry cabinet) should be sourced from FSC certified instead of FSC controlled wood sources

Motion 43 of the FSC general assembly 2011 requests the development of a policy to guide certificate holders in communicating truthfully and transparently about FSC Mix products whose visible and characterizing components are not FSC certified but are controlled wood. In the first draft, FSC included a clause requiring these visible components to be certified. This proposed change resulted in significant negative feedback from stakeholders. Many stakeholders argued that such requirement would make the certification of several products and industries unfeasible. FSC also consulted the motion proposers, who clarified that the proposed clause in the first CoC standard draft was not in line with the motion request and explained that they expected the motion to be addressed through the trademark standard and not FSC-STD-40-004. The proposed clause was therefore removed from the second draft of the standard. The motion was also discussed by the working group responsible for the FSC trademark revision which concluded the unfeasibility of the motion implementation. The current FSC trademark rules do not allow companies to promote FSC Controlled Wood. Therefore, the proposal that companies are required to identify visible components that are FSC Controlled Wood would conflict with FSC trademark rules. This subject and the comments from both working groups will be reported to the FSC Board when the final FSC-STD-40-004 is submitted for approval.

11. Selling FSC Recycled products as FSC Mix or FSC Controlled Wood

During the CoC revision process the fundamental question was raised whether claiming FSC Recycled materials as FSC Mix material or as FSC Controlled Wood is acceptable. The current CoC standard allows that under the percentage and credit system portions of the product not sold with a percentage or credit claim is sold as FSC Controlled Wood. This is allowed regardless whether the inputs include FSC Controlled Wood material or not, as it is considered that FSC Controlled Wood is the “lowest” claim in the FSC system.

The second draft standard proposed to allow downgrading of FSC Recycled to FSC Mix and FSC Mix to FSC Controlled Wood, but not FSC Recycled to FSC Controlled Wood, since FSC Recycled material does not meet the controlled wood requirements.

FSC Recycled to FSC Controlled Wood

Certificate holders, two industry associations/ federations and two certification bodies participating in the second consultation believe that downgrading of FSC Recycled material to FSC Controlled Wood material should be allowed, as the current standard allows selling portions of material not sold under the credit or percentage system.

Several stakeholders pointed out that if an FSC Mix product (containing recycled inputs) is allowed to be sold as FSC Controlled Wood then why not allow it if it is FSC Recycled? If FSC Recycled material is allowed to be sold as FSC Mix, the next buyer purchasing the material as FSC Mix is allowed to sell it as FSC Controlled Wood, without any prior knowledge about it originally being FSC Recycled. Ultimately it

would not be possible to control that FSC Recycled is not downgraded and sold as FSC Controlled Wood. Changing this requirement now would cause unnecessary burden on supply chains where this is currently occurring.

Some stakeholder also referred to the claim table under the transfer system, that shows which output claims are allowed when different inputs are combined. When FSC Recycled is combined with FSC Controlled Wood the output claim is FSC Controlled Wood under the transfer system, even though part of the material does not conform to the FSC Controlled Wood requirements.

Stakeholders opposing that FSC Recycled material is claimed as FSC Controlled Wood are mainly concerned that claims are untruthful, since the FSC Recycled material has not been controlled according to the FSC requirements for controlled wood (FSC-STD-40-005 or FSC-STD-30-010).

One option could be to never allow downgrading of FSC Recycled material, since it only contains recycled fibres. According to some stakeholders the best solution would be to allow downgrading to FSC Controlled Wood and acknowledge that recycled material has not been controlled.

FSC Recycled to FSC Mix

One stakeholder questioned why FSC Recycled material can be claimed as FSC Mix, since producing an FSC Mix product implies having at least some certified virgin fibre in it and that it would therefore be an inaccurate claim. This led to a debate among CoC WG members, since the current FSC requirements do not specify how much virgin fibre needs to be contained in an FSC Mix product. An FSC Mix product could have 99% reclaimed material inputs and 1% virgin fibre inputs and would still conform to the current definition of FSC Mix.

Since these questions have significant strategic relevance, this topic was submitted to the FSC Policy and Standards Unit (PSC) and the FSC Board for discussion in March 2016. The PSC made a recommendation that was accepted by the Board that products that are 100% reclaimed should not be sold with FSC Controlled Wood claims. The third CoC standard draft incorporated this recommendation.

12. Social requirements

Some social and environmental chamber members have expressed the expectation during the course of the CoC revision process that the in the CoC are amended.

The current CoC standard requires organizations to “demonstrate commitment to the FSC values” as defined in the Policy for the Association of Organizations with FSC (FSC-POL-01-004). Additionally the standard lists the unacceptable activities as defined in the policy for association, which includes violation of any of the ILO Core Conventions. Organizations are asked to declare that they are not involved in any of them. During the second round of public stakeholder consultation, several participating social and environmental stakeholders requested that requirements for certificate holders’ compliance with the ILO Core Conventions should be introduced as part of the current CoC revision process and provided a wording proposal for a set of criteria.

This requested task was not part of the scope of the current CoC revision process. However, certificate holders’ commitment with ILO core conventions is an element of the FSC Policy for Association. Following stakeholder feedback, the FSC Board of

Directors mandated the FSC Policy and Standards unit to conduct a two-step process to achieve an FSC system-wide solution for certificate holders' compliance with ILO Core Conventions principles. A separate subchamber balanced working group is currently developing a set of draft criteria and indicators which will be presented to the FSC Board for approval in March 2017. The objective of this process is that criteria and indicators will be translated into auditable requirements in a follow up process after March 2017.

Table A. Comments received during the second public consultation of FSC-STD-40-004.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Introduction page 3	FSC-STD-40-004 is the main standard that applies for the certification of all COC organizations and may be combined with complementary standards according to the scope of the organization's certificate, as specified in Table A.	Please use grammatically correct form: FSC-STD-40-004 is the main standard that applies for the certification of all COC organizations and may be combined with complementary standards in accordance with the scope of the organization's certificate, as specified in Table A.
Introduction	The question when the Chain of Custody ends, so who needs to be CoC certified, is not sufficient answered. In the introduction it says "to the point where the product is sold with a FSC claim" which "includes each stage of sourcing, processing, trading and distribution where progress to the next stage of the supply chain involves a change of product ownership". This is not clear enough. Coming to the end of the chain (wholesalers, retailers) CoC certification should not be necessary.	Clearly define in the introduction for which companies and situations the standard applies.
Introduction	The introduction text need to be harmonized with intend d) so that it is clear that the certified supply chain does not encompass the full supply chain of labelled products	„For a product to be claimed as FSC certified ...” Delete the text in brackets: (through a product label and/or sales documentation)
Introduction, page 3 table A	FSC STD 40 006 is missing form the table. FSC _DIS 40 009 is also missing	Clarify what happens to 40 006 Clarify if FSC DIS 40 009 will be a normative reference or inforporated later in 40 004
Table A	Other normative documents should include FSC-DIR-40-005 CW Directive and FSC normative interpretations online. It is particularly important to mention the interpretations website somewhere as being normative because certificate holders do not understand this and have questioned it before.	Include FSC-DIR-40-005 CW Directive and FSC normative interpretations online in the list of Other normative documents.
Introduction	Grammatical Change	...to the point where the product is sold with <u>an</u> FSC Claim.
Introduction	Should FSC-DIR-40-005 be included in the 'Other Normative Documents column	Add FSC-DIR-40-005 if applicable
Introduction	Should mention of Non-Certificate Holders/Retailers be made here due to loss of this point from B	Reference to role of NCH's/retailers here (up until the point where the finished and labelled products are sold to retail)?

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Scope	<p>In Part B (Scope) it says “For a product to be claimed as FSC certified (through a product label and/or sales documentation), there must be an unbroken chain of certified organizations covering every change in legal ownership of the product from the certified forest or reclamation site up to the organization selling it with an FSC claim.” So a product is “claimed as FSC certified” through a product label. Fine, but then CoC certification could stop at this point.</p> <p>The exception “except finished and FSC labelled products that may be promoted by non-certificate holders (e.g. retailers)” is hidden in point d) and not easy to understand.</p> <p>The definition of “finished products” is good, I appreciate that the filling of packaging is reflected there.</p>	Delete the text in brackets “(through a product label and/or sales documentation)”; give the formulated exception in point d) a more prominent place. Clearly explain who needs to be certified and who doesn’t.
B - Scope	<ul style="list-style-type: none"> Service providers may both transport and temporarily storing certified products, therefore it’s worth substituting “or” with “and/or”. 	<ul style="list-style-type: none"> COC certification is optional for [...] <ul style="list-style-type: none"> b) Service providers transporting <u>and/or</u> temporarily storing certified products;
Introduction / B Scope	<p>The document is missing a definition of “chain of custody” and it is recommended to add such a definition in order to create a clear understanding about the defined path.</p> <p>In addition the wording given in the Introduction is in contradiction with the one in the scope section.</p> <p><u>Introduction:</u> <i>Chain of custody (COC) is the path taken by products from the forest, or in the case of recycled materials from the reclamation site, to the point where the product is sold with a FSC claim. The COC includes each stage of sourcing, processing, trading and distribution where progress to the next stage of the supply chain involves a change of product ownership.</i></p> <p><u>Scope:</u> <i>For a product to be claimed as FSC certified (through a product label and/or sales documentation), there must be an unbroken chain of certified organizations covering every change in legal ownership of the product from the certified forest or reclamation site up to the organization selling it with an FSC claim. COC certification is therefore required for all organizations in the supply chain of forest-based products that have legal ownership of certified products and perform at least one of the following activities:</i></p> <p><i>a) Sell FSC certified products with FSC claims on sales documents;</i> <i>b) Label FSC certified products;</i> <i>c) Manufacture or change the composition of products sold with FSC claims;</i> <i>d) Promote FSC certified products, except finished and FSC labelled products that may be promoted by noncertificate holders (e.g. retailers) according to FSC-STD-50-002.</i></p> <p>Therefore the following wording change is proposed:</p>	<p><u>Introduction:</u> <i>Chain of custody (COC) is the path taken by products from the forest, or in the case of recycled materials from the reclamation site, to the point where the product is sold with a FSC claim. The COC includes each stage of sourcing, processing, trading and distribution where progress to the next stage of the supply chain involves a change of product ownership. In case of labeled products the chain of custody ends when the final product is created which will go as such to the consumer.</i></p>
SC-STD-40-004 V3-0 EN: Scope	<p>„ The standard is applicable to all COC or-ganizations trading and/or processing wood-based and non-timber forest prod-ucts ...”</p> <p>What is the definition of non-timber forest products?</p> <p>- natural rubber?</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<ul style="list-style-type: none"> - cork? - mushrooms? - berries? <p>Do also materials belong to this category that come from old or former forests?</p> <ul style="list-style-type: none"> - timber can be transformed through a series of steps oil <p>Can I look forward to buy FSC-certified diesel? But seriously: Where is the definition of forest based products?</p>	
B	It would be very helpful to have the role of ‘installers’ clarified here	Reference to role of installers required
B	Given the potential to use OCP to track finished labelled products could this wording be amended to allow for this. An unbroken CoC would still be required for product labelling and sales documentation claims but uncertified companies may be able to make/verify a “claim” via OCP.	Remove brackets (through a product label and/or sales documentation) to allow for possibility of “claims” by non-certified companies on OCP
B c)	CoC is still required by organisations who repackage, relabel or add other forest-based products therefore the loss of <i>repackaging, relabelling, adding other forest-based products here</i> is misleading	Reinstate ‘repackaging, relabelling, adding other forest-based products’ here
B	Clarification of why FSC claims in sales documents are required is lost from this section and is one which FSC UK regularly have to give advice on	Reinstate this clarification to section a) Sell FSC certified products with FSC claims on sales documents (FSC claims are required in cases where subsequent customers want to use the FSC certified products as input for the manufacturing of other certified products or for re-sale as FSC certified.
B - Scope	<ul style="list-style-type: none"> • Service providers may both transport and temporarily storing certified products, therefore it’s worth substituting “or” with “and/or”. 	<ul style="list-style-type: none"> • COC certification is optional for [...] b) Service providers transporting <u>and/or</u> temporarily storing certified products;
B Scope	It’s not 100 % clear, where the chain of custody ends.	Should be 100 % clear and perhaps some more examples should be added. (e. g. regarding step after “finished and already labelled product”.
B - Scope	<ul style="list-style-type: none"> • Service providers may both transport and temporarily storing certified products, therefore it’s worth substituting “or” with “and/or”. 	<ul style="list-style-type: none"> • COC certification is optional for [...] b) Service providers transporting <u>and/or</u> temporarily storing certified products;
B Scope page 6 b) and c)	<p>COC certification is optional for organizations providing services to certified organizations without taking legal ownership of the certified products, including:</p> <ul style="list-style-type: none"> b) Service providers transporting or temporarily storing certified products; c) Contractors operating under an outsourcing agreement according to Section 11 of this standard. 	Please clarify if stevedoring service provider for loose wooden chips is classified as b) or c)?
B Scope page 6 d)	d) Promote FSC certified products, except finished and FSC labelled products that may be promoted by non-certificate holders (e.g. retailers) according to FSC-STD-50-002.	Please use grammatically correct form:

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		d) Promote FSC certified products, except finished and FSC labelled products that may be promoted by non-certificate holders (e.g. retailers) in accordance with FSC-STD-50-002.
B Scope page 6 c)	COC certification is optional for organizations providing services to certified organizations without taking legal ownership of the certified products, including: ... c) Contractors operating under an outsourcing agreement according to Section 11 of this standard.	Please use grammatically correct form: COC certification is optional for organizations providing services to certified organizations without taking legal ownership of the certified products, including: ... c) Contractors operating under an outsourcing agreement in accordance with Section 11 of this standard.
B Scope	Part 1 covers the universal requirements that are mandatory to all COC certificate holders. The requirements specified in Parts 2 to 4 apply according to the scope of each certificate.	Please use grammatically correct form: Part 1 covers the universal requirements that are mandatory to all COC certificate holders. The requirements specified in Parts 2 to 4 apply in accordance with the scope of each certificate.
Scope COC	Are large retailers (IKEA, Obi, Coop etc.) still excluded from being CoC-certified? If so, why? a) they usually use the brand value of FSC the most b) they make large turnovers and would contribute strongly to finance the FSC c) CoC checks by retailers (and their auditors) would make the COC control of the chain much stronger	Force large retailers (above certain sales quantity of FSC products or turnover) to be CoC-certified.
Scope	Companies producing products that are not eligible for FSC certification because these are made of e.g. plastic, metal or are beverages, are not covered in the scope of the FSC CoC standard. Such companies are therefore not FSC CoC certified. Nevertheless such companies use FSC certified and labeled packaging / beverage cartons to package their products. These finished packed products are sold to retailers. As the Chain of Custody is now disconnected (the retailer buying products from a non FSC certified company) and not conforming to the FSC CoC standard, the retailer cannot make any commercial FSC claims for the products packed with FSC certified and labelled packaging in catalogues, brochures, etc.	As part of the revision of the CoC standard, FSC should consider to enable retailers to make FSC claims in advertising for products that have FSC certified packaging e.g. beverage cartons, but have not been acquired from an FSC CoC certified company e.g. juice factory, dairy. FSC should consider developing a desk and document based simple but secure “one step back” procedure for retailers without requiring e.g. juice factories, dairies, etc. to get FSC CoC certified.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Scope	The standard is applicable to all Chain of Custody operations trading, processing or manufacturing wood based and non-timber forest products from virgin and/or reclaimed materials including the primary industry sector (harvesting, pre-processing) or, in the case of recycled materials, reclamation sites, the secondary sector (primary and secondary manufacturing), and the tertiary sector (trading, wholesale, retail, print services). These activities require substantial workers input of varying numbers, skill bases and backgrounds but no explicit recognition is provided for their work conditions, health & safety or their rights as community and/or indigenous peoples. This is an unacceptable position and failure to explicitly state and enforce appropriate conditions will undermine the 'chain' of integrity and credibility established under the FSC FM Certification.	Provide for explicit recognition and application of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998 and indigenous peoples and communities rights as provided in the appropriate criteria in Principles 3, and 4 of FSC STD 01 001 V4 0 EN FSC Principles and Criteria and FSC POL 30 401 EN FSC certification and ILO Conventions 2002
Scope	The standard is applicable to all Chain of Custody operations trading, processing or manufacturing wood based and non-timber forest products from virgin and/or reclaimed materials including the primary industry sector (harvesting, pre-processing) or, in the case of recycled materials, reclamation sites, the secondary sector (primary and secondary manufacturing), and the tertiary sector (trading, wholesale, retail, print services). These activities require substantial workers input of varying numbers, skill bases and backgrounds but no explicit recognition is provided for their work conditions, health & safety or their rights as community and/or indigenous peoples. This is an unacceptable position and failure to explicitly state and enforce appropriate conditions will undermine the 'chain' of integrity and credibility established under the FSC FM Certification.	Provide for explicit recognition and application of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998 and indigenous peoples and communities rights as provided in the appropriate criteria in Principles 3, and 4 of FSC STD 01 001 V4 0 EN FSC Principles and Criteria and FSC POL 30 401 EN FSC certification and ILO Conventions 2002
Scope	The standard is applicable to all Chain of Custody operations trading, processing or manufacturing wood based and non-timber forest products from virgin and/or reclaimed materials including the primary industry sector (harvesting, pre-processing) or, in the case of recycled materials, reclamation sites, the secondary sector (primary and secondary manufacturing), and the tertiary sector (trading, wholesale, retail, print services). These activities require substantial workers input of varying numbers, skill bases and backgrounds but no explicit recognition is provided for their work conditions, health & safety or their rights as community and/or indigenous peoples. This is an unacceptable position and failure to explicitly state and enforce appropriate conditions will undermine the 'chain' of integrity and credibility established under the FSC FM Certification.	Provide for explicit recognition and application of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998 and indigenous peoples and communities rights as provided in the appropriate criteria in Principles 3, and 4 of FSC STD 01 001 V4 0 EN FSC Principles and Criteria and FSC POL 30 401 EN FSC certification and ILO Conventions 2002
Effective and validity date	Please remember to include a transition period (one year). FSC forgot it in the last multisite standard creating a lot of confusion	
D References	D References The following documents are relevant for the application of this document. For undated references, the latest edition of the referenced document (including any amendments) applies. FSC-DIR-40-004 FSC Directive on Chain of Custody Certification	Please remove FSC-DIR-40-004 FSC Directive on Chain of Custody Certification as the idea is this document will become obsolete once you issue new FSC-STD-40-004 (V3-0), right?
References	The list of references should match Table A and include the interpretations website.	Modify References accordingly

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Part I Section 1	Requirements from section 1 set how a management system shall be in a FSC certified organization operating COC system, and have nothing related to quality. Furthermore, the use of this term would lead to misunderstandings with the concept of input quality, which alone is already controversial.	Change the title of section 1 (Quality Management System) to only "Management System".
Part I Section 1	Requirements from section 1 set how a management system shall be in a FSC certified organization operating COC system, and have nothing related to quality. Furthermore, the use of this term would lead to misunderstandings with the concept of input quality, which alone is already controversial.	Change the title of section 1 (Quality Management System) to only "Management System".
Part I Section 1	Requirements from section 1 set how a management system shall be in a FSC certified organization operating COC system, and have nothing related to quality. Furthermore, the use of this term would lead to misunderstandings with the concept of input quality, which alone is already controversial.	Change the title of section 1 (Quality Management System) to only "Management System".
Part I Section 1	Requirements from section 1 set how a management system shall be in a FSC certified organization operating COC system, and have nothing related to quality. Furthermore, the use of this term would lead to misunderstandings with the concept of input quality, which alone is already controversial.	Change the title of section 1 (Quality Management System) to only "Management System".
Part I Section 1	Requirements from section 1 set how a management system shall be in a FSC certified organization operating COC system, and have nothing related to quality. Furthermore, the use of this term would lead to misunderstandings with the concept of input quality, which alone is already controversial.	Change the title of section 1 (Quality Management System) to only "Management System".
DDS	DDS is a matter close to management system	DDS can be included into Quality management system requirements so the company can have a systematic of control inside a management system implemented.
Clause 1.1	It is not clear what you mean with quality management (ISO 9001 standard?). In the section E of the standard the definition of the Quality management system says "The organizational structure... needed to implement quality management" so it is not clear what the quality management for FSC is.	1.1 The organization shall implement and maintain an <u>FSC COC management system</u> adequate to its size and complexity...
1.1	The expression "the organization's scale and complexity" leaves a lot of interpretation for readers of the standard.	Include criteria for this expression in 1.1 itself or add this expression to part E with underlying criteria like the ones we imagine is available in the CB evaluation standard.
1.1.	A key indicator of company's implementation of the CoC system is that relevant staff demonstrates awareness of company's procedures and competences in implementing the CoC management system.	1.1.e) All relevant staff shall demonstrate awareness of the organization's procedures and competence in implementing the organization's Chain of Custody management system.
1.1.1	The proposed wording of, "all applicable certification requirements" changes the intent of the requirement making the clause applicable to all certification requirements and not just those in FSC-STD-40-004	Change back to compliance with all applicable requirements of this standard

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Section 1 Quality Management System	Please find a different term for the system. In the last iteration it was suggested by several commenters to address this issue. Suggest dropping “quality” and term this more generically as ‘Management System’ or “Documented Control System”. As worded, the FSC standard is calling for a formal Quality Management System, Management Rep, etc., which may cause confusion for companies that have an existing Quality Management System as part of their business practices, and in some cases maintain a formal ISO 9001 registration. Please avoid confusion with this by using another term that is suitable for an FSC-specific management system..	Term this section simply as “Management System” or the terminology that certificate holders are familiar with, i.e., “Documented Control System” and adjust associated sections to reflect. The term Central Office should be maintained and not be replaced with ‘Management Rep’.
Part I Section 1	Requirements from section 1 set how a management system shall be in a FSC certified organization operating COC system, and have nothing related to quality. Furthermore, the use of this term would lead to misunderstandings with the concept of input quality, which alone is already controversial.	Change the title of section 1 (Quality Management System) to only “Management System”.
1.1	For small companies there is no need for a management system. For large companies there is a need for a management system and therefore companies already have it in place. It is important to avoid extra work for certified companies (as FSC strategic plan mention). It is difficult to determine the need from the short sentence: “...adequate to its size and complexity....” Since FSC-CoC does not include production or manufacturing there is no need for a <u>Quality</u> management system, only a management system.	Remove the word “quality” Replace shall with should
Part I Section 1 Clause 1.1	The requirement set how a management system shall be in a FSC certified organization operating COC system, and have nothing related to quality. Furthermore, the use of this term would lead to misunderstandings with the concept of input quality, which alone is already controversial. Documented procedure and work instructions are, the most part of time the same document, depending on the nomenclature used by the organization. Specify the last approval date and version number of the procedure is the first step, but alone do not ensure that in fact the last version of the procedure is the one implemented. The wording of item c can limit the choice of the best way to make the staff aware of the implementation of certification requirements. Training can mean take all the staff away of its functions and make a formal qualification, but in some cases these formal qualifications are not necessary, and only an instruction by email can be sufficient. Furthermore, each organization has its own culture and processes to make staff aware of working procedures.	1.1 The organization shall implement and maintain a quality management system adequate to its size and complexity to ensure its continuous conformity with all applicable certification requirements, including: a) Appointing a management representative that has overall responsibility and authority for the organization’s conformity with all applicable certification requirements and defining the personnel responsible for the implementation of each procedure. b) Implementing and maintaining up-to-date documented procedures and/or work instructions covering the certification requirements applicable to the scope of the certificate. The last approval date and version number of the documented procedures shall be specified. c) Ensure that the last approved procedure is the one implemented by the organization staff. e-d) Training staff and ensuring their correct implementation of all applicable certification requirements. The method of training or other practices depends on the organizational culture of the organization.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Part I Section 1 Clause 1.1	<p>The requirement set how a management system shall be in a FSC certified organization operating COC system, and have nothing related to quality. Furthermore, the use of this term would lead to misunderstandings with the concept of input quality, which alone is already controversial.</p> <p>Documented procedure and work instructions are, the most part of time the same document, depending on the nomenclature used by the organization.</p> <p>Specify the last approval date and version number of the procedure is the first step, but alone do not ensure that in fact the last version of the procedure is the one implemented.</p> <p>The wording of item c can limit the choice of the best way to make the staff aware of the implementation of certification requirements. Training can mean take all the staff away of its functions and make a formal qualification, but in some cases these formal qualifications are not necessary, and only an instruction by email can be sufficient. Furthermore, each organization has its own culture and processes to make staff aware of working procedures.</p>	<p>d e) Record keeping, as specified in Section 5 of this standard.</p> <p>1.1 The organization shall implement and maintain a quality management system adequate to its size and complexity to ensure its continuous conformity with all applicable certification requirements, including:</p> <p>a) Appointing a management representative that has overall responsibility and authority for the organization's conformity with all applicable certification requirements and defining the personnel responsible for the implementation of each procedure.</p> <p>b) Implementing and maintaining up-to-date documented procedures and/or work instructions covering the certification requirements applicable to the scope of the certificate. The last approval date and version number of the documented procedures shall be specified.</p> <p>c) Ensure that the last approved procedure is the one implemented by the organization staff.</p> <p>e-d) Training staff and ensuring their correct implementation of all applicable certification requirements. The method of training or other practices depends on the organizational culture of the organization.</p> <p>d e) Record keeping, as specified in Section 5 of this standard.</p>
Part I Section 1 Clause 1.1	<p>The requirement set how a management system shall be in a FSC certified organization operating COC system, and have nothing related to quality. Furthermore, the use of this term would lead to misunderstandings with the concept of input quality, which alone is already controversial.</p> <p>Documented procedure and work instructions are, the most part of time the same document, depending on the nomenclature used by the organization.</p> <p>Specify the last approval date and version number of the procedure is the first step, but alone do not ensure that in fact the last version of the procedure is the one implemented.</p> <p>The wording of item c can limit the choice of the best way to make the staff aware of the implementation of certification requirements. Training can mean take all the staff away of its functions and make a formal qualification, but in some cases these formal qualifications are not necessary, and only an instruction by email can be sufficient. Furthermore, each organization has its own culture and processes to make staff aware of working procedures.</p>	<p>1.1 The organization shall implement and maintain a quality management system adequate to its size and complexity to ensure its continuous conformity with all applicable certification requirements, including:</p> <p>a) Appointing a management representative that has overall responsibility and authority for the organization's conformity with all applicable certification requirements and defining the personnel responsible for the implementation of each procedure.</p> <p>b) Implementing and maintaining up-to-date documented procedures and/or work instructions covering the certification requirements applicable to the scope of the certificate. The last approval date and version number of the documented procedures shall be specified.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		<p>c) Ensure that the last approved procedure is the one implemented by the organization staff.</p> <p>€d) Training staff and ensuring their correct implementation of all applicable certification requirements. The method of training or other practices depends on the organizational culture of the organization.</p> <p>€ e) Record keeping, as specified in Section 5 of this standard.</p>
<p>Part I Section 1 Clause 1.1</p>	<p>The requirement set how a management system shall be in a FSC certified organization operating COC system, and have nothing related to quality. Furthermore, the use of this term would lead to misunderstandings with the concept of input quality, which alone is already controversial.</p> <p>Documented procedure and work instructions are, the most part of time the same document, depending on the nomenclature used by the organization.</p> <p>Specify the last approval date and version number of the procedure is the first step, but alone do not ensure that in fact the last version of the procedure is the one implemented.</p> <p>The wording of item c can limit the choice of the best way to make the staff aware of the implementation of certification requirements. Training can mean take all the staff away of its functions and make a formal qualification, but in some cases these formal qualifications are not necessary, and only an instruction by email can be sufficient. Furthermore, each organization has its own culture and processes to make staff aware of working procedures.</p>	<p>1.1 The organization shall implement and maintain a quality management system adequate to its size and complexity to ensure its continuous conformity with all applicable certification requirements, including:</p> <p>a) Appointing a management representative that has overall responsibility and authority for the organization's conformity with all applicable certification requirements and defining the personnel responsible for the implementation of each procedure.</p> <p>b) Implementing and maintaining up-to-date documented procedures and/or work instructions covering the certification requirements applicable to the scope of the certificate. The last approval date and version number of the documented procedures shall be specified.</p> <p>c) Ensure that the last approved procedure is the one implemented by the organization staff.</p> <p>€d) Training staff and ensuring their correct implementation of all applicable certification requirements. The method of training or other practices depends on the organizational culture of the organization.</p> <p>€ e) Record keeping, as specified in Section 5 of this standard.</p>
<p>Part I Section 1 Clause 1.1</p>	<p>The requirement set how a management system shall be in a FSC certified organization operating COC system, and have nothing related to quality. Furthermore, the use of this term would lead to misunderstandings with the concept of input quality, which alone is already controversial.</p> <p>Documented procedure and work instructions are, the most part of time the same document, depending on the nomenclature used by the organization.</p> <p>Specify the last approval date and version number of the procedure is the first step, but alone do not ensure that in fact the last version of the procedure is the one implemented.</p>	<p>1.1 The organization shall implement and maintain a quality management system adequate to its size and complexity to ensure its continuous conformity with all applicable certification requirements, including:</p> <p>a) Appointing a management representative that has overall responsibility and authority for the organization's conformity with all applicable certification requirements and defining the personnel responsible for the implementation of each procedure.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>The wording of item c can limit the choice of the best way to make the staff aware of the implementation of certification requirements. Training can mean take all the staff away of its functions and make a formal qualification, but in some cases these formal qualifications are not necessary, and only an instruction by email can be sufficient. Furthermore, each organization has its own culture and processes to make staff aware of working procedures.</p>	<p>b) Implementing and maintaining up-to-date documented procedures and/or work instructions covering the certification requirements applicable to the scope of the certificate. The last approval date and version number of the documented procedures shall be specified. c) Ensure that the last approved procedure is the one implemented by the organization staff. e-d) Training staff and ensuring their correct implementation of all applicable certification requirements. The method of training or other practices depends on the organizational culture of the organization. d e) Record keeping, as specified in Section 5 of this standard.</p>
<p>Part I Section 1 Clause 1.1</p>	<p>The requirement set how a management system shall be in a FSC certified organization operating COC system, and have nothing related to quality. Furthermore, the use of this term would lead to misunderstandings with the concept of input quality, which alone is already controversial.</p> <p>Documented procedure and work instructions are, the most part of time the same document, depending on the nomenclature used by the organization.</p> <p>Specify the last approval date and version number of the procedure is the first step, but alone do not ensure that in fact the last version of the procedure is the one implemented.</p> <p>The wording of item c can limit the choice of the best way to make the staff aware of the implementation of certification requirements. Training can mean take all the staff away of its functions and make a formal qualification, but in some cases these formal qualifications are not necessary, and only an instruction by email can be sufficient. Furthermore, each organization has its own culture and processes to make staff aware of working procedures.</p>	<p>1.1 The organization shall implement and maintain a management system adequate to its size and complexity to ensure its continuous conformity with all applicable certification requirements, including:</p> <p>a) Appointing a management representative that has overall responsibility and authority for the organization's conformity with all applicable certification requirements and defining the personnel responsible for the implementation of each procedure.</p> <p>b) Implementing and maintaining up-to-date documented procedures and/or work instructions covering the certification requirements applicable to the scope of the certificate.</p> <p>c) Ensure that the last approved procedure is the one implemented by the organization staff.</p> <p>d) Training staff and ensuring their correct implementation of all applicable certification requirements. The method of training or other practices depends on the organizational culture of the organization.</p> <p>e) Record keeping, as specified in Section 5 of this standard.</p>
<p>1.1</p>	<p>A lot of companies work with electronical quality management systems to cover their procedures. In this clause "documented" should not exclude <u>electronical</u> procedures etc.</p>	<p>b) Implementing and maintaining up-to-date documented or electronical procedures and work instructions covering the certification requirements applicable to the scope of the certificate. The last approval date and version number of the documented procedures shall be specified.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Clause 1.1 a)	<p>1.1 The organization shall implement and maintain a quality management system adequate to its size and complexity to ensure its continuous conformity with all applicable certification requirements, including:</p> <p>a) Appointing a management representative that has overall responsibility and authority for the organization's conformity with all applicable certification requirements and defining the personnel responsible for the implementation of each procedure.</p>	<p>Please use grammatically correct form:</p> <p>1.1 The organization shall implement and maintain a quality management system adequate to its size and complexity to ensure its continuous conformity with all applicable certification requirements, including:</p> <p>a) Appointing a management representative that has overall responsibility and authority for the organization's conformity to all applicable certification requirements and defining the personnel responsible for the</p>
1.1 a	<p>In practice, many organizations have two management representatives acting as co-COC administrators. This is especially true when upper management wants to hold the title of "COC Administrator" but the actual work is done by someone under that person.</p>	<p>Include a note allowing the overall responsibility and authority for the COC program to be shared among multiple management representatives under certain low-risk conditions.</p>
1.1 b	<p>Work instructions are too detailed a requirement, given the wording "adequate to its size and complexity" in the overview of 1.1. Therefore, the words "Work instructions" do not add value to this section. The "adequate to its size and complexity" governs how detailed the rest of the clause (a-d) is. For example, a one-person broker does not need to have written work instructions, whereas a 100-person cabinet manufacturer will necessarily have SOPs or work instructions just so that they maintain consistency with their products.</p>	<p>Remove "work instructions" as these are a sub-set of "documented procedures", which the clause already specifies. The size and complexity of the organization will determine whether or not they need to have specific work instructions instead of just general procedures.</p>
1.1b	<p>While the intention of adding "date and version number" is understood, and we do see that it is easier to audit documents with these, it will create a lot of administrative burden in the system. In practice, many certificate holders will not include this and this will result in minor CARs being generated. This adds burden to CHs and CBs but is not adding much value. Please consider the value of adding this very carefully before proceeding.</p>	<p>Change the wording to "date and/ or version number" or remove it altogether.</p>
1.1 b)	<p>The intention of this requirement should be to make sure that latest version is used in each process. Current wording is only requiring the latest version to be specified. Specifying is only the first step towards meeting the intention of this requirement.</p>	<p>New wording: The last approval date and version number of the documented procedures shall be specified <u>and used in each process</u>.</p>
1.1b)	<p>Having documented procedures is in a lot of cases a cost for little companies that adds little in terms of assurance of conformities with the standard (in many cases the coc is managed with a transfer system, without complicated processes)</p>	<p>Add that documented procedures are optional for companies below a certain number of employees, when is applied the transfer system</p>
1.1.b	<p>Here are mentioned documented procedures and work instructions . Moreover approval date and version number shall be specified. In point 1.1 says "adequate to size and complexity"</p>	<p>I suggest to leave documented procedure and removing work instructions. I also suggest to highlight that documented procedures shall be adequate to company's size.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.1 b	<p>FSC Should reduce the documents keeping for micro/small companies (E.g.: less than 15 employees). Documented procedure could be deleted for these companies or at least could not be required the approval version and date.</p> <p>Procedure shall be in place and checked by the CB but maybe should not required written</p> <p>ATTENTION: It is written “documented procedure and work instruction”. Should be “Documented procedure and/or work instruction”.</p>	<p>For companies with less than 15 employees:</p> <p>Implementing and maintaining up-to-date documented procedures and/or work instructions covering the certification requirements applicable to the scope of the certificate. The last approval date and version number of the documented procedures shall be specified.</p>
1.1.b	<p>Here are mentioned documented procedures and work instructions . Moreover approval date and version number shall be specified. In point 1.1 says “adequate to size and complexity”</p>	<p>I suggest to leave documented procedure and removing work instructions. I also suggest to highlight that documented procedures shall be adequate to company’s size.</p>
1.1.b	<p>“The last approval date and version number of the documented procedures shall be specified”. This is an unnecessary detailed requirement. Organisations must be allowed to define themselves how they ensure that documents are maintained.</p>	<p>Use the terminology in the new ISO 9001/14001 standard instead</p>
PART I: Universal Requirements, p. 8, Points 1.1b	<p>Requiring approval date and version number for documented procedures:</p> <p>It is true that many management systems generate these automatically, but there can be different systems. Further, not all documents or instructions are subject to a formal approval process. For example, the multisite manager/coordinator can just give instructions that the sites need to follow. The date of the document should be sufficient to verify the timeliness of the documents.</p>	<p>Deletion: ... The last approval date and version number of the documented procedures shall be specified.</p> <p>Addition to the end: The date of the documented procedures shall be specified.</p>
PART I: Universal Requirements, p. 8, Points 1.1b	<p>Requiring approval date and version number for documented procedures:</p> <p>It is true that many management systems generate these automatically, but there can be different systems. Further, not all documents or instructions are subject to a formal approval process. For example, the multisite manager/coordinator can just give instructions that the sites need to follow. The date of the document should be sufficient to verify the timeliness of the documents.</p>	<p>Deletion: ... The last approval date and version number of the documented procedures shall be specified.</p> <p>Addition to the end: The date of the documented procedures shall be specified.</p>
PART I: Universal Requirements, p. 8, Points 1.1b	<p>Requiring approval date and version number for documented procedures:</p> <p>It is true that many management systems generate these automatically, but there can be different systems. Further, not all documents or instructions are subject to a formal approval process. For example, the multisite manager/coordinator can just give instructions that the sites need to follow. The date of the document should be sufficient to verify the timeliness of the documents.</p>	<p>Deletion: ... The last approval date and version number of the documented procedures shall be specified.</p> <p>Addition to the end: The date of the documented procedures shall be specified.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART I: Universal Requirements, p. 8, Points 1.1b	<p>Requiring approval date and version number for documented procedures:</p> <p>It is true that many management systems generate these automatically, but there can be different systems. Further, not all documents or instructions are subject to a formal approval process. For example, the multisite manager/coordinator can just give instructions that the sites need to follow. The date of the document should be sufficient to verify the timeliness of the documents.</p>	<p>Deletion: ... The last approval date and version number of the documented procedures shall be specified.</p> <p>Addition to the end: The date of the documented procedures shall be specified.</p>
1.1.b	<p>RA respectfully requests a removal of the word “documented” from clause b. This is a change from V2 that will cause current Certificate Holders to revise documented procedures to add minor procedures for requirements that are applicable but not necessary to be documented. For such requirements most companies simply copy the standard language adding no benefit to the certified operation or system.</p>	<p>Implementing and maintaining up-to-date procedures and work instructions covering the certification requirements applicable to the scope of the certificate.</p>
1.1 b)	<p>The version number and approval date is a requirement for document control in organization that have ISO systems. However for non-ISO, sites this may become an overburden with little value-added.</p>	<p>Remove this requirement or require that last update date be specified on documented procedures.</p>
1.1.b	<p>Organizations should not be required to maintain both documented procedures and work instructions. It should be one or the other.</p>	<p>Implementing and maintaining up-to-date documented procedures and/or work instructions covering the certification requirements</p>
Clause 1.1 b)	<p>1.1 The organization shall implement and maintain a quality management system adequate to its size and complexity to ensure its continuous conformity with all applicable certification requirements, including:</p> <p>b) Implementing and maintaining up-to-date documented procedures and work instructions covering the certification requirements applicable to the scope of the certificate. The last approval date and version number of the documented procedures shall be specified.</p>	<p>Please require documented management system and amend word “specified” to read:</p> <p>1.1 The organization shall implement and maintain documented quality management system adequate to its size and complexity to ensure its continuous conformity with all applicable certification requirements, including:</p> <p>b) Implementing and maintaining up-to-date documented procedures and work instructions covering the certification requirements applicable to the scope of the certificate. The last approval date and version number of the documented procedures shall be recorded.</p>
1.1 c)	<p>Is important to keep the need of a training plan so it can be monitored. The company can decide the periodicity</p>	<p>Keep the 1.3.1 (v2-1) The organization shall establish and implement a training plan according to the qualifications and/or training measures defined for each procedure</p>
1.1c	<p>The following does not make sense</p> <p>Training staff and ensuring their correct implementation of all applicable certification requirements</p>	<p>Change to....</p> <p>Training staff and ensuring it is correctly implemented for all applicable certification requirements</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.1d	1.1d is redundant. The overview of 1.1 already states “conformity with all applicable certification requirements”, so specifically drawing attention to Section 5 is unnecessary. All sections could be included in 1.1 in a similar manner.	Remove 1.1d.
1.1		The organization shall establish implement and maintain
1.2, 5.3, 11.11	The expansion of scope into non FSC certified products and storage facilities is concerning and will add significantly to audit cost with little added value to the system.	
1.2		All related products to be sold with correct FSC claims.
1.2	the certificate scope does not include input materials	No change
Clause 1.2	1.2 The organization shall define its certification scope including:	Please include additional wording to read: 1.2 The organization shall define and record its certification scope including:
1.2	Introduce the term product group here	a) The product groups: all products to be sold with an FSC claim
1.2	Why any extra work. Keep it Simple	No change in FSC-STD-40-004
1.2	“Secondary offices” are often used by Companies as part of their standard structure. Example: home offices for employees. These secondary offices are merely extension of the main office and should not be required to be listed in the scope of the certificate. Outsource facilities should be excluded from the listing. Often, the list of Outsource contractors that a company may use is very dynamic, in terms of overall use of Outsourcing, as well as the number of Contractors. Including the Outsource Facility in the scope of the certificate would result in endless revisions and edits.	
1.2 a)	All products seems too large a number – therefore should this be product groups or product types?	All Product Types/Groups?
1.Quality management system 1.2 a)	a) All products to be sold with FSC claim is too vague according to requirement for defining them per product type in FSC database	Change to All products to be sold with FSC claims, by product type according to FSC STD 40 004 a)
1.Quality management system 1.2 b)	Eligibility criteria for a single operation with more than one site not to apply 40 003 is included solely in 40 003 , but these organizations only need to apply 40 004 if they meet the criteria, so this eligibility criteria should be here	Include eligibility criteria for a COC operation with more that one site not to apply 40 003 and to apply 40 004 in FSC STD 40 004
1.2 b)	Grammatical change	Organisations including multiple sites in the scope of the certificate shall also conform to the requirements specified in FSC-STD-40-003 Chain of Custody Certification of Multiple Sites
1.2.1	Administrative burden will be increased for certificate holders as it requires certificate holders to write out all procedures and work standards for all applicable parts of the standards.	Remove “documented” from requirement
1.2, 1.2.1	This can be an administrative burden to small operations that use CoC standard.	Delete “Documented“ keeping “procedures“.
1.2.2	For the same reasons of the above.	Delete.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.2c)	Here it is written ..activities under the terms of outsourcing agreements, while in terms and definition, at the voice “scope”, is written..activities included in the evaluation (thus all activities); a part of that, the scope, with regards to products and activities, can be written in different ways (some CBs inserting purchase, others no, and so on)	Give a stricter definition of how the scope has to be written in a certificate, in a way that make uniform all the certificates issued by the different CBs
1.2 c), 11.2	As for outsourcing activities it is not reasonable in our eyes to list outsourcing activities offered by a certified company on the certificate.	In the case of outsourcing activities offered by certified companies it would be reasonable to enter these activities into the Salesforce database. The validity of the certificate of a certified company offering outsourcing activities must be checked either way in the database.
1.2	How does this requirement add value? It seems items a & c are already addressed in different parts of the standards (Sections 4 and 11 respectively). Item b) should be added as a requirement in the product group list (4.2) to maintain consistency with V2-1.	Eliminate 1.2, and add item 1.2b to 4.2.
Documented procedures; clause 1.2.1	For clarification and to avoid repetitive, unnecessary descriptions of work procedures please add an ‘or’ between procedures and work instruction.	..maintain documented procedures and / or work instruction ...
1.4	In line with the 2015-2020 Strategic Plan, in which it is emphasized that the FSC will empower workers, amongst other under-represented groups, we recommend to strengthen the requirements regarding occupational health and safety, by including reference to the ILO Declaration on Fundamental Principles and Rights at Work.	Add: The organisation shall demonstrate compliance to ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998. This includes that: a. All workers are able to form and join trade union of their choice and conclude collective agreements without fear of intimidation or reprisal. b. There is no evidence of any types of forced labour.c. Strict adherence to minimum age provisions of national laws and regulations, or where those are defective, of the international standards. d. Workers are accorded equal employment opportunities and treatment. The Organization shall demonstrate that workers’ wages, social protection and other benefits are paid on time and in accordance to the applicable national or sectorial requirements, with regular review of wage levels to support the welfare of workers. The Organization shall provide a safe and healthy workplace environment, and establish an Occupational Safety and Health Management System with active participation of workers.
1.4	In line with the 2015-2020 Strategic Plan, in which it is emphasized that the FSC will empower workers, amongst other under-represented groups, we recommend to strengthen the requirements regarding occupational health and safety, by including reference to the ILO Declaration on Fundamental Principles and Rights at Work.	The organisation shall demonstrate compliance to ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998. This includes that: a. All workers are able to form and join trade union of their choice and conclude collective agreements without fear of intimidation or reprisal.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		<p>b. There is no evidence of any types of forced labour.</p> <p>c. Strict adherence to minimum age provisions of national laws and regulations, or where those are defective, of the international standards.</p> <p>d. Workers are accorded equal employment opportunities and treatment.</p> <p>The Organization shall demonstrate that workers' wages, social protection and other benefits are paid on time and in accordance to the applicable national or sectorial requirements, with regular review of wage levels to support the welfare of workers.</p> <p>The Organization shall provide a safe and healthy workplace environment, and establish an Occupational Safety and Health Management System with active participation of workers.</p>
1.4	<p>In line with the 2015-2020 Strategic Plan, in which it is emphasized that the FSC will empower workers, amongst other under-represented groups, we recommend to strengthen the requirements regarding occupational health and safety, by including reference to the ILO Declaration on Fundamental Principles and Rights at Work.</p>	<p>Add:</p> <p>The organisation shall demonstrate compliance to ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998. This includes that:</p> <p>a. All workers are able to form and join trade union of their choice and conclude collective agreements without fear of intimidation or reprisal.</p> <p>b. There is no evidence of any types of forced labour.</p> <p>c. Strict adherence to minimum age provisions of national laws and regulations, or where those are defective, of the international standards.</p> <p>d. Workers are accorded equal employment opportunities and treatment.</p> <p>The Organization shall demonstrate that workers' wages, social protection and other benefits are paid on time and in accordance to the applicable national or sectorial requirements, with regular review of wage levels to support the welfare of workers.</p> <p>The Organization shall provide a safe and healthy workplace environment, and establish an Occupational Safety and Health Management System with active participation of workers.</p>
1.4	<p>In its 2015-2020 Strategic Plan, FSC has expressed commitment in its values and practices to uphold recognized rights of workers. But while the rights of workers are specifically addressed in the FSC Principles and Criteria for forest management, the requirements for Chain of Custody operations are very vague, as they only require the organization to demonstrate its commitment to occupational health and safety, appoint relevant representatives, develop procedures and train its staff on health and safety issues. In order to adhere to the newly developed Global Strategic Plan, we recommend including reference to the ILO Declaration on Fundamental Principles and Rights at Work, as this would make it explicitly clear that adherence to the Core Conventions applies both within the forest sector and to all the forest products sectors along the Chain of Custody.</p>	<p>The organisation shall demonstrate compliance to ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998. This includes that:</p> <p>a. All workers are able to form and join trade union of their choice and conclude collective agreements without fear of intimidation or reprisal.</p> <p>b. There is no evidence of any types of forced labour.</p> <p>c. Strict adherence to minimum age provisions of national laws and regulations, or where those are defective, of the international standards.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		<p>d. Workers are accorded equal employment opportunities and treatment.</p> <p>The Organization shall demonstrate that workers' wages, social protection and other benefits are paid on time and in accordance to the applicable national or sectorial requirements, with regular review of wage levels to support the welfare of workers.</p> <p>The Organization shall provide a safe and healthy workplace environment, and establish an Occupational Safety and Health Management System with active participation of workers.</p>
1.4	In line with the 2015-2020 Strategic Plan, in which it is emphasized that the FSC will empower workers, amongst other under-represented groups, we recommend to strengthen the requirements regarding occupational health and safety, by including reference to the ILO Declaration on Fundamental Principles and Rights at Work.	<p>Add:</p> <p>The organisation shall demonstrate compliance to ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998. This includes that:</p> <ul style="list-style-type: none"> a. All workers are able to form and join trade union of their choice and conclude collective agreements without fear of intimidation or reprisal. b. There is no evidence of any types of forced labour. c. Strict adherence to minimum age provisions of national laws and regulations, or where those are defective, of the international standards. d. Workers are accorded equal employment opportunities and treatment. <p>The Organization shall demonstrate that workers' wages, social protection and other benefits are paid on time and in accordance to the applicable national or sectorial requirements, with regular review of wage levels to support the welfare of workers.</p> <p>The Organization shall provide a safe and healthy workplace environment, and establish an Occupational Safety and Health Management System with active participation of workers.</p>
Part I: Universal Requirements	To maintain coherence between CoC and Policy for Association reference to ILO Core Conventions as well as to put high premium on workers' rights as defined in the ILO Declaration on Fundamental Principles and Rights at Work,1998.	Provide explicit recognition and application of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.
Part I: Universal Requirements	To maintain coherence between CoC and Policy for Association reference to ILO Core Conventions as well as to put high premium on workers' rights as defined in the ILO Declaration on Fundamental Principles and Rights at Work,1998.	Provide explicit recognition and application of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.
Part I: Universal Requirements	To maintain coherence between CoC and Policy for Association reference to ILO Core Conventions as well as to put high premium on workers' rights as defined in the ILO Declaration on Fundamental Principles and Rights at Work,1998.	Provide explicit recognition and application of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Part I: Universal Requirements	To maintain coherence between CoC and Policy for Association reference to ILO Core Conventions as well as to put high premium on workers' rights as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.	<p>Expound Article:</p> <p>1.3 The organization shall demonstrate its commitment to the FSC values as defined in Policy for Association of Organizations with FSC.</p> <p>1.4 The organisation shall demonstrate not to be involved directly or indirectly in:</p> <ul style="list-style-type: none"> a. Illegal harvesting or trade in forest products; b. Violation of traditional and human rights in forestry operations; c. Significant damage to high conservation values in forests; d. Significant conversion of forests to plantations or non-forest use; e. Planting or growing of genetically modified trees for commercial purposes. f. Violation of any of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.
Part I: Universal Requirements	To maintain coherence between CoC and Policy for Association reference to ILO Core Conventions as well as to put high premium on workers' rights as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.	<p>Expound Article:</p> <p>1.3 The organization shall demonstrate its commitment to the FSC values as defined in Policy for Association of Organizations with FSC.</p> <p>1.4 The organisation shall demonstrate not to be involved directly or indirectly in:</p> <ul style="list-style-type: none"> a. Illegal harvesting or trade in forest products; b. Violation of traditional and human rights in forestry operations; c. Significant damage to high conservation values in forests; d. Significant conversion of forests to plantations or non-forest use; e. Planting or growing of genetically modified trees for commercial purposes. f. Violation of any of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.
Part I: Universal Requirements	To maintain coherence between CoC and Policy for Association reference to ILO Core Conventions as well as to put high premium on workers' rights as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.	<p>Expound Article:</p> <p>1.3 The organization shall demonstrate its commitment to the FSC values as defined in Policy for Association of Organizations with FSC.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		<p>1.4 The organisation shall demonstrate not to be involved directly or indirectly in:</p> <ul style="list-style-type: none"> a. Illegal harvesting or trade in forest products; b. Violation of traditional and human rights in forestry operations; c. Significant damage to high conservation values in forests; d. Significant conversion of forests to plantations or non-forest use; e. Planting or growing of genetically modified trees for commercial purposes. f. Violation of any of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.
<p>Part I: Universal Requirements</p>	<p>To maintain coherence between CoC, the FSC Global Strategic Plan 2015-2020 and the Policy for Association with its reference to ILO Core Labour Conventions. To place a high premium on workers' rights as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p> <p>FSC Global Strategic Plan 2015-2010, page 1, success criterion 1.4.</p> <p>'1.4.1 – New tools are developed to empower people and uphold and respect the rights of those that depend most substantially on forests, including Indigenous Peoples, smallholders, forest-based communities, women and workers in the forest industry.'</p>	<p>Expand clauses:</p> <p>1.3 The Organization shall demonstrate its commitment to the FSC values as defined in the Global Strategic Plan 2015-2020 and as defined in Policy for Association of Organizations with FSC (FSC-POL-10-004).</p> <p>1.4 The Organization shall demonstrate that it is not involved directly or indirectly in:</p> <ul style="list-style-type: none"> a. Illegal harvesting or trade in forest products; b. Violation of traditional and human rights in forestry operations; c. Significant damage to high conservation values in forests; d. Significant conversion of forests to plantations or non-forest use; e. Planting or growing of genetically modified trees for commercial purposes; f. Violation of any of the ILO Core Labour Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.
<p>Part I: Universal Requirements</p>	<p>To maintain coherence between CoC, the FSC Global Strategic Plan 2015-2020 and the Policy for Association with its reference to ILO Core Labour Conventions. To place a high premium on workers' rights as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p> <p>FSC Global Strategic Plan 2015-2010, page 1, success criterion 1.4.</p> <p>'1.4.1 – New tools are developed to empower people and uphold and respect the rights of those that depend most substantially on forests, including Indigenous Peoples, smallholders, forest-based communities, women and workers in the forest industry.'</p>	<p>Expand clauses:</p> <p>1.3 The Organization shall demonstrate its commitment to the FSC values as defined in the Global Strategic Plan 2015-2020 and as defined in Policy for Association of Organizations with FSC (FSC-POL-10-004).</p> <p>1.4 The Organization shall demonstrate that it is not involved directly or indirectly in:</p> <ul style="list-style-type: none"> g. Illegal harvesting or trade in forest products; h. Violation of traditional and human rights in forestry operations; i. Significant damage to high conservation

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		values in forests; j. Significant conversion of forests to plantations or non-forest use; k. Planting or growing of genetically modified trees for commercial purposes; Violation of any of the ILO Core Labour Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.
Part I: Universal Requirements	<p>To maintain coherence between CoC, the FSC Global Strategic Plan 2015-2020 and the Policy for Association with its reference to ILO Core Labour Conventions.</p> <p>To place a high premium on workers' rights as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998. FSC Global Strategic Plan 2015-2010, page 1, success criterion 1.4. '1.4.1 – New tools are developed to empower people and uphold and respect the rights of those that depend most substantially on forests, including Indigenous Peoples, smallholders, forest-based communities, women and workers in the forest industry.'</p>	Expand clauses: 1.3 The Organization shall demonstrate its commitment to the FSC values as defined in the Global Strategic Plan 2015-2020 and as defined in Policy for Association of Organizations with FSC (FSC-POL-10-004). 1.4 The Organization shall demonstrate that it is not involved directly or indirectly in: l. Illegal harvesting or trade in forest products; m. Violation of traditional and human rights in forestry operations; n. Significant damage to high conservation values in forests; o. Significant conversion of forests to plantations or non-forest use; p. Planting or growing of genetically modified trees for commercial purposes; Violation of any of the ILO Core Labour Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.
Part I: Universal Requirements	<p>As of 09 October 2015, there are: 1.346 FM/COC Certificates, and 29.576 COC Certificates.</p> <p>It indicates that the number of COC Certificate holders outnumbers more than 20 times that of the FM. In addition to that, the number of labour force employed in the COC certified sites are many folds than in the FM.</p> <p>In its 2015-2020 Strategic Plan, FSC has expressed commitment in its values and practices to uphold recognized rights of workers. Noting that any certified COC product cannot be materialised without the involvement of workers, it becomes substantial that workers rights need to be included in an auditable COC standard and we therefore request for its inclusion in the current COC standard revision with proposed text to be added in the Draft. In order to consistently put high premium on workers' rights the new CoC revision must contain explicit reference to ILO Core Conventions as defined in the ILO Declaration on Fundamental Principles and Rigths at Work, 1998.</p>	Adding Article: 7. Working Conditions 7.1. The organisation shall demonstrate compliance to ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998. a. All workers are able to form and join trade union of their choice and conclude collective agreements without fear of intimidation or reprisal. b. There is no evidence of any types of forced labour. c. Strict adherence to minimum age provisions of national laws and regulations, or where those are defective, of the international standards. d. Workers are accorded equal employment opportunities and treatment.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		<p>7.2. The Organization shall demonstrate that workers' wages, social protection and other benefits are paid on time and in accordance to the applicable national or sectoral requirements, with regular review of wage levels to support the welfare of workers.</p> <p>7.3. The Organization shall provide a safe and healthy workplace environment, and establish an Occupational Safety and Health Management System with active participation of workers.</p>
<p>Part I: Universal Requirements</p>	<p>As of 09 October 2015, there are: 1.346 FM/COC Certificates, and 29.576 COC Certificates.</p> <p>It indicates that the number of COC Certificate holders outnumbers more than 20 times that of the FM. In addition to that, the number of labour force employed in the COC certified sites are many folds than in the FM.</p> <p>In its 2015-2020 Strategic Plan, FSC has expressed commitment in its values and practices to uphold recognized rights of workers. Noting that any certified COC product cannot be materialised without the involvement of workers, it becomes substantial that workers rights need to be included in an auditable COC standard and we therefore request for its inclusion in the current COC standard revision with proposed text to be added in the Draft. In order to consistently put high premium on workers' rights the new CoC revision must contain explicit reference to ILO Core Conventions as defined in the ILO Declaration on Fundamental Principles and Righths at Work, 1998.</p>	<p>Adding Article:</p> <p>7. Working Conditions</p> <p>7.1. The organisation shall demonstrate compliance to ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p> <p>a. All workers are able to form and join trade union of their choice and conclude collective agreements without fear of intimidation or reprisal.</p> <p>b. There is no evidence of any types of forced labour.</p> <p>c. Strict adherence to minimum age provisions of national laws and regulations, or where those are defective, of the international standards.</p> <p>d. Workers are accorded equal employment opportunities and treatment.</p> <p>7.2. The Organization shall demonstrate that workers' wages, social protection and other benefits are paid on time and in accordance to the applicable national or sectoral requirements, with regular review of wage levels to support the welfare of workers.</p> <p>7.3. The Organization shall provide a safe and healthy workplace environment, and establish an Occupational Safety and Health Management System with active participation of workers.</p>
<p>Part I: Universal Requirements</p>	<p>As of 09 October 2015, there are: 1.346 FM/COC Certificates, and 29.576 COC Certificates.</p> <p>It indicates that the number of COC Certificate holders outnumbers more than 20 times that of the FM. In addition to that, the number of labour force employed in the COC certified sites are many folds than in the FM.</p> <p>In its 2015-2020 Strategic Plan, FSC has expressed commitment in its values and practices to uphold recognized rights of workers.</p>	<p>Adding Article:</p> <p>7. Working Conditions</p> <p>7.1. The organisation shall demonstrate compliance to ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>Noting that any certified COC product cannot be materialised without the involvement of workers, it becomes substantial that workers rights need to be included in an auditable COC standard and we therefore request for its inclusion in the current COC standard revision with proposed text to be added in the Draft. In order to consistently put high premium on workers' rights the new CoC revision must contain explicit reference to ILO Core Conventions as defined in the ILO Declaration on Fundamental Principles and Rigths at Work, 1998.</p>	<p>a. All workers are able to form and join trade union of their choice and conclude collective agreements without fear of intimidation or reprisal.</p> <p>b. There is no evidence of any types of forced labour.</p> <p>c. Strict adherence to minimum age provisions of national laws and regulations, or where those are defective, of the international standards.</p> <p>d. Workers are accorded equal employment opportunities and treatment.</p> <p>7.2. The Organization shall demonstrate that workers' wages, social protection and other benefits are paid on time and in accordance to the applicable national or sectoral requirements, with regular review of wage levels to support the welfare of workers.</p> <p>7.3. The Organization shall provide a safe and healthy workplace environment, and establish an Occupational Safety and Health Management System with active participation of workers.</p>
<p>Part I: Universal Requirements</p>	<p>As of 09 October 2015, there are: 1.346 FM/COC Certificates, and 29.576 COC Certificates. It indicates that the number of COC Certificate holders outnumbers more than 20 times that of the FM. In addition to that, the number of labour force employed in the COC certified sites are many folds than in the FM. In its 2015-2020 Strategic Plan, FSC has expressed commitment in its values and practices to uphold recognized rights of workers. Noting that any certified COC product cannot be materialised without the involvement of workers, it becomes substantial that workers rights need to be included in an auditable COC standard and we therefore request for its inclusion in the current COC standard revision with proposed text to be added in the Draft. In order to consistently put high premium on workers' rights the new CoC revision must contain explicit reference to ILO Core Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p>	<p>Adding Article: 7. Working Conditions</p> <p>7.1. The organisation shall demonstrate compliance to ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p> <p>a. All workers are able to form and join trade union of their choice and conclude collective agreements without fear of intimidation or reprisal.</p> <p>b. There is no evidence of any types of forced labour.</p> <p>c. Strict adherence to minimum age provisions of national laws and regulations, or where those are defective, of the international standards.</p> <p>d. Workers are accorded equal employment opportunities and treatment.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		<p>7.2. The Organization shall demonstrate that workers' wages, social protection and other benefits are paid on time and in accordance to the applicable national or sectoral requirements, with regular review of wage levels to support the welfare of workers.</p> <p>7.3. The Organization shall provide a safe and healthy workplace environment, and establish an Occupational Safety and Health Management System with active participation of workers.</p> <p>7.4 The Organization shall provide for indigenous peoples and communities rights as provided in the appropriate criteria in Principles 3, and 4 of FSC STD 01 001 V4 0 EN FSC Principles and Criteria</p>
<p>Part I: Universal Requirements</p>	<p>As of 09 October 2015, there are: 1.346 FM/COC Certificates, and 29.576 COC Certificates.</p> <p>It indicates that the number of COC Certificate holders outnumbers more than 20 times that of the FM. In addition to that, the number of labour force employed in the COC certified sites are many folds than in the FM.</p> <p>In its 2015-2020 Strategic Plan, FSC has expressed commitment in its values and practices to uphold recognized rights of workers. Noting that any certified COC product cannot be materialised without the involvement of workers, it becomes substantial that workers rights need to be included in an auditable COC standard and we therefore request for its inclusion in the current COC standard revision with proposed text to be added in the Draft. In order to consistently put high premium on workers' rights the new CoC revision must contain explicit reference to ILO Core Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p>	<p>Adding Article: 7. Working Conditions</p> <p>7.1. The organisation shall demonstrate compliance to ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p> <ul style="list-style-type: none"> e. All workers are able to form and join trade union of their choice and conclude collective agreements without fear of intimidation or reprisal. f. There is no evidence of any types of forced labour. g. Strict adherence to minimum age provisions of national laws and regulations, or where those are defective, of the international standards. h. Workers are accorded equal employment opportunities and treatment. <p>7.2. The Organization shall demonstrate that workers' wages, social protection and other benefits are paid on time and in accordance to the applicable national or sectoral requirements, with regular review of wage levels to support the welfare of workers.</p> <p>7.3. The Organization shall provide a safe and healthy workplace environment, and establish an Occupational Safety and Health Management System with active participation of workers.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		7.4 The Organization shall provide for indigenous peoples and communities rights as provided in the appropriate criteria in Principles 3, and 4 of FSC STD 01 001 V4 0 EN FSC Principles and Criteria
Part I: Universal Requirements	As of 09 October 2015, there are: 1.346 FM/COC Certificates, and 29.576 COC Certificates. It indicates that the number of COC Certificate holders outnumbers more than 20 times that of the FM. In addition to that, the number of labour force employed in the COC certified sites are many folds than in the FM. In its 2015-2020 Strategic Plan, FSC has expressed commitment in its values and practices to uphold recognized rights of workers. Noting that any certified COC product cannot be materialised without the involvement of workers, it becomes substantial that workers rights need to be included in an auditable COC standard and we therefore request for its inclusion in the current COC standard revision with proposed text to be added in the Draft. In order to consistently put high premium on workers' rights the new CoC revision must contain explicit reference to ILO Core Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.	Adding Article: 7. Working Conditions 7.1. The organisation shall demonstrate compliance to ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998. i. All workers are able to form and join trade union of their choice and conclude collective agreements without fear of intimidation or reprisal. j. There is no evidence of any types of forced labour. k. Strict adherence to minimum age provisions of national laws and regulations, or where those are defective, of the international standards. l. Workers are accorded equal employment opportunities and treatment. 7.2. The Organization shall demonstrate that workers' wages, social protection and other benefits are paid on time and in accordance to the applicable national or sectoral requirements, with regular review of wage levels to support the welfare of workers. 7.3. The Organization shall provide a safe and healthy workplace environment, and establish an Occupational Safety and Health Management System with active participation of workers. 7.4 The Organization shall provide for indigenous peoples and communities rights as provided in the appropriate criteria in Principles 3, and 4 of FSC STD 01 001 V4 0 EN FSC Principles and Criteria
Part I: Universal Requirements	As of 09 October 2015, there are: 1.346 FM/COC Certificates, and 29.576 COC Certificates. It indicates that the number of COC Certificate holders outnumbers by more than 20 times that of the FM. In addition to that, the size of the labour force employed in the COC certified sites are many time greater than in the FM. In its Global Strategic Plan 2015-2020, FSC has expressed commitment in its values and practices to uphold recognized rights of workers.	Add a new clause: 7. Working Conditions 7.1. The organisation shall demonstrate compliance to ILO Core Labour Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>Noting that any certified COC product cannot be developed without the involvement of workers, workers' rights need to be included in an auditable COC standard.</p> <p>For consistent attention to workers' rights, the CoC revision should contain explicit reference to ILO Core Labour Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p>	<p>m. All workers are able to form and join a trade union of their choice and to conclude collective agreements without fear of intimidation or reprisal.</p> <p>n. There is no evidence of any types of forced labour.</p> <p>o. Strict adherence to minimum age provisions of national laws and regulations. Where these provisions are less stringent than the international norms, the international standards shall be implemented instead.</p> <p>p. Workers are accorded equal employment opportunities and treatment.</p> <p>7.2. The Organization shall demonstrate that workers' wages, social protection and other benefits are paid on time and in accordance to the applicable national or sectoral requirements, with regular review of wage levels to support the welfare of workers.</p> <p>7.3. The Organization shall provide a safe and healthy workplace environment, and establish an Occupational Safety and Health Management System with active participation of workers.</p>
Part I: Universal Requirements	<p>As of 09 October 2015, there are: 1.346 FM/COC Certificates, and 29.576 COC Certificates.</p> <p>It indicates that the number of COC Certificate holders outnumbers by more than 20 times that of the FM. In addition to that, the size of the labour force employed in the COC certified sites are many time greater than in the FM.</p> <p>In its Global Strategic Plan 2015-2020, FSC has expressed commitment in its values and practices to uphold recognized rights of workers.</p> <p>Noting that any certified COC product cannot be developed without the involvement of workers, workers' rights need to be included in an auditable COC standard.</p> <p>For consistent attention to workers' rights, the CoC revision should contain explicit reference to ILO Core Labour Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p>	<p>Add a new clause:</p> <p>7. Working Conditions</p> <p>7.1. The organisation shall demonstrate compliance to ILO Core Labour Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p> <p>q. All workers are able to form and join a trade union of their choice and to conclude collective agreements without fear of intimidation or reprisal.</p> <p>r. There is no evidence of any types of forced labour.</p> <p>s. Strict adherence to minimum age provisions of national laws and regulations. Where these provisions are less stringent than the international norms, the international standards shall be implemented instead.</p> <p>t. Workers are accorded equal employment opportunities and treatment.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		<p>7.2. The Organization shall demonstrate that workers' wages, social protection and other benefits are paid on time and in accordance to the applicable national or sectoral requirements, with regular review of wage levels to support the welfare of workers.</p> <p>7.3. The Organization shall provide a safe and healthy workplace environment, and establish an Occupational Safety and Health Management System with active participation of workers.</p>
Part I: Universal Requirements	<p>As of 09 October 2015, there are: 1.346 FM/COC Certificates, and 29.576 COC Certificates.</p> <p>It indicates that the number of COC Certificate holders outnumbered by more than 20 times that of the FM. In addition to that, the size of the labour force employed in the COC certified sites are many times greater than in the FM.</p> <p>In its Global Strategic Plan 2015-2020, FSC has expressed commitment in its values and practices to uphold recognized rights of workers.</p> <p>Noting that any certified COC product cannot be developed without the involvement of workers, workers' rights need to be included in an auditable COC standard.</p> <p>For consistent attention to workers' rights, the CoC revision should contain explicit reference to ILO Core Labour Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p>	<p>Add a new clause:</p> <p>7. Working Conditions</p> <p>7.1. The organisation shall demonstrate compliance to ILO Core Labour Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p> <ul style="list-style-type: none"> u. All workers are able to form and join a trade union of their choice and to conclude collective agreements without fear of intimidation or reprisal. v. There is no evidence of any types of forced labour. w. Strict adherence to minimum age provisions of national laws and regulations. Where these provisions are less stringent than the international norms, the international standards shall be implemented instead. x. Workers are accorded equal employment opportunities and treatment. <p>7.2. The Organization shall demonstrate that workers' wages, social protection and other benefits are paid on time and in accordance to the applicable national or sectoral requirements, with regular review of wage levels to support the welfare of workers.</p> <p>7.3. The Organization shall provide a safe and healthy workplace environment, and establish an Occupational Safety and Health Management System with active participation of workers.</p>
Part I: Universal Requirements	<p>As of 09 October 2015, there are: 1.346 FM/COC Certificates, and 29.576 COC Certificates.</p> <p>It indicates that the number of COC Certificate holders outnumbered by more than 20 times that of the FM. In addition to that, the size of the labour force employed in the COC certified sites is many times greater than in the FM.</p>	<p>Add a new clause which contains the Working conditions according to the to ILO Core Labour Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>In its Global Strategic Plan 2015-2020, FSC has expressed commitment in its values and practices to uphold recognized rights of workers.</p> <p>Noting that any certified COC product cannot be developed without the involvement of workers, workers' rights need to be included in an auditable COC standard.</p> <p>For consistent attention to workers' rights, the CoC revision should contain explicit reference to ILO Core Labour Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p>	
<p>Part I: Universal Requirements</p>	<p>As of 09 October 2015, there are: 1.346 FM/COC Certificates, and 29.576 COC Certificates.</p> <p>It indicates that the number of COC Certificate holders outnumbers by more than 20 times that of the FM. In addition to that, the size of the labour force employed in the COC certified sites are many time greater than in the FM.</p> <p>In its Global Strategic Plan 2015-2020, FSC has expressed commitment in its values and practices to uphold recognized rights of workers.</p> <p>Noting that any certified COC product cannot be developed without the involvement of workers, workers' rights need to be included in an auditable COC standard.</p> <p>For consistent attention to workers' rights, the CoC revision should contain explicit reference to ILO Core Labour Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p>	<p>Add a new clause which contains the Working conditions according to the to ILO Core Labour Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p>
<p>Part I: Universal Requirements 1.5</p>	<p>There is no explicit acknowledgement of a basis for worker conditions or rights as a critical factor in the CoC with respect to the complaints process outlined below:</p> <p>1.5 The organization shall ensure that complaints received regarding the organization's conformity with this standard are adequately considered, including:</p> <ul style="list-style-type: none"> a) Acknowledging receipt of complaints; b) Providing an initial response to the complainant within a time period of two (2) weeks; c) Investigating the complaint and specifying its proposed actions in response to the complaint within two (2) months; d) Taking appropriate actions with respect to complaints and any deficiencies found in processes that affect conformity with the certification requirements; e) Notifying the complainant when the complaint is considered to be successfully addressed and closed . 	<ul style="list-style-type: none"> • Provide for explicit recognition and application of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998 and indigenous peoples and communities rights as provided in the appropriate criteria in Principles 3, and 4 of FSC STD 01 001 V4 0 EN FSC Principles and Criteria

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Part I: Universal Requirements 1.5	<p>There is no explicit acknowledgement of a basis for worker conditions or rights as a critical factor in the CoC with respect to the complaints process outlined below:</p> <p>1.5 The organization shall ensure that complaints received regarding the organization's conformity with this standard are adequately considered, including:</p> <ul style="list-style-type: none"> a) Acknowledging receipt of complaints; b) Providing an initial response to the complainant within a time period of two (2) weeks; c) Investigating the complaint and specifying its proposed actions in response to the complaint within two (2) months; d) Taking appropriate actions with respect to complaints and any deficiencies found in processes that affect conformity with the certification requirements; e) Notifying the complainant when the complaint is considered to be successfully addressed and closed . 	<ul style="list-style-type: none"> • Provide for explicit recognition and application of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998 and indigenous peoples and communities rights as provided in the appropriate criteria in Principles 3, and 4 of FSC STD 01 001 V4 0 EN FSC Principles and Criteria
Part I: Universal Requirements 1.5	<p>There is no explicit acknowledgement of a basis for worker conditions or rights as a critical factor in the CoC with respect to the complaints process outlined below:</p> <p>1.5 The organization shall ensure that complaints received regarding the organization's conformity with this standard are adequately considered, including:</p> <ul style="list-style-type: none"> a) Acknowledging receipt of complaints; b) Providing an initial response to the complainant within a time period of two (2) weeks; c) Investigating the complaint and specifying its proposed actions in response to the complaint within two (2) months; d) Taking appropriate actions with respect to complaints and any deficiencies found in processes that affect conformity with the certification requirements; e) Notifying the complainant when the complaint is considered to be successfully addressed and closed . 	<ul style="list-style-type: none"> • Provide for explicit recognition and application of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998 and indigenous peoples and communities rights as provided in the appropriate criteria in Principles 3, and 4 of FSC STD 01 001 V4 0 EN FSC Principles and Criteria
1.3	"shall demonstrate its commitment to the FSC values" today means "sign the license agreement".	Fill the commitment to the FSC values with valuable content and action or delete this clause.
1.3	The statement "the organization shall demonstrate its commitment to the FSC values" is too ambiguous and therefore very difficult to comply with and audit.	Change the requirement to something specific, such as "signed the FSC declaration".
1.3	In our opinion a statement on the commitment to the value of FSC is of now use and meaningless. Through the decision for a certification is taken consciously and there is no need to refer a second time to this.	Eliminate clause 1.3
1.3	It is not clear how an Organisation is expected to 'demonstrate its commitment'. This is an open-ended expectation. At this point at audit a company is 'demonstrating' this through signing the Policy of Association. Is FSC satisfied that this is sufficient?	This may be demonstrated in the future by companies undertaking some form of due diligence process for any non-certified products they trade.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.3	It is very unclear what is meant by “demonstrate its commitment to the FSC values” as this implies more than the actual requirement (to sign policy of association).	Rephrase this 1.3 to what is actually meant with this requirement: The organization shall commit itself not to be directly or indirectly involved in the following unacceptable activities as defined in FSC-POL-01-004 Policy for Association of Organizations with FSC by signing a self-declaration.
1.3.	Details on how “The organization shall demonstrate its commitment to the FSC values as defined in the FSC-POL-01-004 Policy for Association of Organizations with FSC” will help measuring compliance as well as provide value to a FSC CoC certificate that is not used to produce FSC certified products	The organization shall demonstrate its commitment to the FSC values as defined in the FSC-POL-01-004 Policy for Association of Organizations with FSC by having a system in place to manage the risk of non-compliance with FSC-POL-01-004.
1.3	.. <u>Demonstrate</u> its commitment, demonstrate is very vague	Specify what means demonstrate (and so what CBs shall verify)
Training; clause 1.3.1	Training does not seem to be per se a useful instrument to inform colleagues about relevant FSC aspects which they have to take into account to meet the FSC standard. In some cases, e.g. for colleagues from specific departments, a written information / instruction by E-mail could be more effective than a training. Furthermore, each company has its own culture and management processes to inform colleagues about relevant working procedures or changes in working steps. As a result, the organization should have the option to decide how to inform relevant colleagues about the FSC requirements. For FSC it should be sufficed that all relevant requirements are fulfilled. The way of implementation should not be part of the standard.	Delete this section and replace it by a new clause: The organization shall ensure by an adequate management system that all relevant FSC requirements are implemented and relevant colleagues are informed about relevant FSC procedures for them.
1.3	ILO Core Convention Issue: AF&PA continues to take the position that application of ILO Conventions to private parties in lieu of governments is an incorrect application of ILO Core Conventions in this Chain of Custody Standard by referencing <i>FSC-POL-01-004 Policy For Association of Organizations with FSC</i> The ILO Core Conventions are designed to apply to governments and not private parties. Private party certificate holders are obligated to comply with laws applicable in the countries in which they operate. It is unreasonable and inappropriate to expect certificate holders and their suppliers to comply with ILO Core conventions.	
1.3	ILO Core Convention Issue: AF&PA continues to take the position that application of ILO Conventions to private parties in lieu of governments is an incorrect application of ILO Core Conventions in this Chain of Custody Standard by referencing <i>FSC-POL-01-004 Policy For Association of Organizations with FSC</i> These conventions are designed to apply to governments and not to private parties. Private parties are obligated to comply with laws at the national level. It is unreasonable and inappropriate to expect certificate holders and their suppliers to comply with ILO Core conventions.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.3	ILO Core Convention Issue: AF&PA continues to take the position that application of ILO Conventions to private parties in lieu of governments is an incorrect application of ILO Core Conventions in this Chain of Custody Standard by referencing FSC-POL-01-004 Policy For Association of Organizations with FSC The ILO Core Conventions are designed to apply to governments and not private parties. Private party certificate holders are obligated to comply with laws applicable in the countries in which they operate. It is unreasonable and inappropriate to expect certificate holders and their suppliers to comply with ILO Core conventions.	
1.3	ILO Core Convention Issue: GPI continues to take the position that application of ILO Conventions to private parties in lieu of governments is an incorrect application of ILO Core Conventions in this Chain of Custody Standard by referencing FSC-POL-01-004 Policy For Association of Organizations with FSC. These conventions are designed to apply to governments and not to private parties. Private parties are obligated to comply with laws at the national level. It is unreasonable and inappropriate to expect certificate holders and their suppliers to comply with ILO Core conventions.	References to the ILO Core Conventions should be eliminated or suspended until the working group focused on addressing labour practices has completed their work.
Quality Management System/PfA 1.3	We cannot provide meaningful feedback on this provision until the Policy for Association revisions are complete.	We have commented previously on the Policy for Association and our concerns remain the same.
1.3	Was the self declaration excluded? Please Explain how companies shall demonstrate their commitment.	
1.3	It is unclear what is meant by “demonstrate its commitment to the FSC values” as defined in the FSC-POL-01-004 as this implies more than the actual requirement, to sign policy of association, which is not specially mentioned in v3-0 of FSC-STD-40-004 or in FSC-POL-01-004 as the means to demonstrate commitment.	Delete this requirement or specify at a minimum, what is the means to demonstrate commitment to FSC values, something similar to what was added to the organization commitment to health and safety requirement in 1.4 of this draft.
1.3- Commitment to FSC Values	This clause should be the first clause of the standard as it identifies. It is high level and looks at the values that any organisation must commit to use this FSC standard.	This clause should become clause 1 etc and be a stand out clause in itself. Followed by clause 2 management requirements.
1.4	Delete this clause – CofC is a quality management system standard. H&S should not be part of this standard, it is curious that FSC include this, but not a commitment to Environmental concerns.	Delete
1.4	Good addition of minimum requirements. This is how our CB currently audits our commitment to H&S.	
1.4	The abviation OHS is not identical to the one commonly used when referring to occupational health and safety. The term is normally abviated as OHAS.	Edit to OHAS
1.4	The abviation OHS is not identical to the one commonly used when referring to occupational health and safety. The term is normally abviated as OHAS.	Edit to OHAS

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.4	The abbreviation OHS is not identical to the one commonly used when referring to occupational health and safety. The term is normally abbreviated as OHAS.	Edit to OHAS
1.4	OHS requirements should not be applicable. The STD is focused on CoC, not OHS. Stick to the core objective, which is tracking certified material, not policing OHS at sites. Leave that to gov't.	Drop or minimize the OHS requirements.
1.4	The wording "demonstrate commitment" and "declare" are <u>far too weak</u> . As auditor what can I demand here? A piece of paper is sufficient. Paper is patient we say in German. This is THE loophole of the transfer system compared to the credit system. Please close this for the credibility of FSC! Companies can do "window dressing" with 2-5% FSC sales volume and continue their "business as usual" in the backyard with 95% of non-certified wood.	EITHER Having Controlled Wood at minimum for non-certified supplies in in a transfer system. Level the compliance between credit and transfer system. OR (option that gives auditors more power to check): "shall <u>ensure</u> to comply with the Values of FSC" resp. "shall declare and <u>ensure</u> not to be directly..."
1.4	The FSC COC is not the standard for ensuring health and safety, although H&S issues need to be underlined by FSC. No specific procedures should need to be written, but this should be in accordance with the law. In this requirement 'shall' is used and later 'alternatively'. This makes the requirement unclear and hard to audit.	The organisation shall demonstrate its commitment to occupational health and safety. The organisation shall appoint an OHS representative and ensure and provide evidence that the company is acting in compliance with the applicable H&S legislation.
1.4	Certifications and enforcement of local regulations related to OHS should be evidence to demonstrate commitment, not evidence that equals conformity to the requirement. Having no issues with local laws and/or having a third party audit occasionally should not be accepted alone as evidence of commitment.	Remove last sentence, and instead include the list of indicators to demonstrate commitment from PRO-20-001. This will ensure consistency between standards.
1.4	Remove requirements for OHS. By law, companies are required to implement and maintain OHS policies and procedures as applicable to their business in the countries in which they operate. There is no added benefit to layering additional auditing requirements on CBs and other auditors to evaluate systems that are already captured by another process (not to mention that FSC auditors are not OHS specialists, and as such places an undue burden of additional training, cost, and potential liability on both internal and CB auditors).	Remove this section.
1.4	This definition is much clearer than the one of the previous version, allowing now a clear and objective interpretation.	
1.4	This definition is much clearer than the one of the previous version, allowing now a clear and objective interpretation.	
1.4 OHS	The organization shall demonstrate its commitment to occupational health and safety (OHS).	What is prescribed here is more than a commitment so change to The organization shall demonstrate its implementation of occupational health and safety (OHS).

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.4	Language surrounding what may be used to determine conformance is auditing guidance and does not need to be within the standard itself. Streamline wording in this clause to include what will <i>be</i> conformance, as opposed to what <i>can be used</i> to demonstrate conformance.	Remove final sentence beginning with “alternatively other certifications and enforcement of local regulations.....”
Clause 1.4	The clause is too lengthy and indecisively worded.	Please be concise and restructure this cause in a bullet-point style listing all possible ways to conform to this requirement
1.4, last sentence of the paragraph	The use of the word may implies a non requirement. Local legislation on OHS is a legal requirement and the standards should not give an optional approach on this. On the other hand if the organization is going to refer to OHS certification or SA 800 it is important that is accredited	Change the sentence to: The organization shall evidence enforcement to local regulation related to OHS. A valid accredited certification that includes requirements for compliance with OHS regulation may be used as evidence of compliance
1.4	OHS have different approaches around the world. The standard should has minimum requirements to guarantee the same OHS around the world.	ILO could be used
1.4		Use reference to ILO and global compact.
1.4. and 1.5.,	Points 1.4. and 1.5. are welcome because they clarify the standard.	
1.4. and 1.5.,	Points 1.4. and 1.5. are welcome because they clarify the standard.	
1.4. and 1.5.,	Points 1.4. and 1.5. are welcome because they clarify the standard.	
1.5	Simplify – Ok to include, but concerned that requirement is overly prescriptive. A company could be subject to numerous minor vindictive complaints, requiring lengthy responses.	Simplify
1.5	In CW often the problem is a bad communication channel	Would be necessary a public channel to receive complaints
Clause 1.5	In this close, the complaint handling process is very detailed and time scale related, but represents a huge formalism for FSC related complaints. Most of the FSC complaints, I have ever encountered in this organisation or in my previous one, were related to order entry typing mistakes with either the certification of the order not typed in, or a mix up between FSC Mix and FSC Recycled ID in the system when order registered. Such a heavy procedure is then not adapted to this kind of situation. Moreover, the new standard ask for organization to run a quality management system. The most common one is ISO 9001 and it is also required that organisation has a defined procedure for complaint handling and improvement topics. This then doubles the work load	The detailed procedure should be recommended only to organizations that are not ISO 9001 certified. For ISO 9001 certified organizations, they should use their standard complaints handling procedure to FSC related matters.
1.5	The complaints routine: To complicated, time consuming and add extra burden to the certified companies (not in line with FSC strategic plan).	Point A and B: Add “..within 10 working days” in point A and remove point B Point E: Remove also E or add “...if the compliant requests to be notified”

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.5	Complaints: The complaints section continues to require very strict deadlines and adds an unknown level of burden on COC holders while providing little benefit to FSC Complaints from stakeholders may be complex and require more than 2 months to fully review and respond to complaints that may be complex and require additional review or investigation.	b) Providing an initial response to the complainant within a time period of two (2)-weeks <u>months</u> ; c) Investigating the complaint and specifying its proposed actions in response to the complaint within two (2) <u>four (4)</u> months;
1.5	Complaints: The complaints section continues to require very strict deadlines and adds an unknown level of burden on COC holders while providing little benefit to FSC Complaints from stakeholders may be complex and require more than 2 months to fully review and respond. It is important that stakeholder complaints are investigated thoroughly to ensure that appropriate conclusions and actions are taken. Providing an appropriate amount of time will ensure the integrity of the investigation and response.	b) Providing an initial response to the complainant within a time period of two (2) months; c) Investigating the complaint and specifying its proposed actions in response to the complaint within six (6) months;
1.5	Complaints: The complaints section continues to require very strict deadlines and adds an unknown level of burden on COC holders while providing little benefit to FSC Complaints from stakeholders may be complex and require more than 2 months to fully review and respond to complaints that may be complex and require additional review or investigation.	b) Providing an initial response to the complainant within a time period of two (2)-weeks <u>months</u> ; c) Investigating the complaint and specifying its proposed actions in response to the complaint within two (2) <u>four (4)</u> months;
1.5 Complaints procedure	Generally, we agree with the re-wording of the lead-in sentence and item b. In item b, however, we still feel strongly that 2 weeks is not sufficient time to make even an initial response to a complainant. Personnel that need to be consulted may be traveling or on vacation, or there may be other very urgent issues going on that need to be addressed. We suggest 20 business days is a more reasonable time-frame for an initial response. For similar reasons, we feel strongly that 4 months (instead of 2 months) is a more reasonable time-frame for conducting an investigation and making a full response (item c). We repeat our concerns from the 1 st consultation that the complaints mechanism must not be such that it can be hijacked and abused by a complainant for the purpose of advancing its particular agenda, rather than for addressing legitimate concerns regarding an organization's CoC program.	
Clause 1.5	Please require a documented complaints procedure.	The organisation shall establish a documented procedure for dealing with complaints from suppliers, customers and other parties related with the organisation's chain of custody system including following provisions: a)-e)
1.5	Why does FSC International have to dictate how stakeholders fill in their complaints strategy	No change in FSC-STD-40-004
1.5.1	Demonstration of commitment to Policy of Association introduces issues of HCVF,ILO conventions, legality and human rights into the CoC standard. Higher level of conformance and audit costs to demonstrate conformance. This level of effort is inline with an FM cert .	The organization shall demonstrate commitment through having signed FSC-Pol01-004 document on record

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Part I Section 1 Clause 1.5	We know that is important to have a deadline, but these fixed deadlines would stifle the procedure and do not reflect properly the complexity of the complaints to be responded. It is more suitable that each organization could fix the deadlines for its own procedures.	Remove the deadline from item b and insert a new consideration: b) Providing an initial response to the complainant within a time period of two (2) weeks . The deadlines for this response shall be established by the organization according to the complexity of the complaint;
Part I Section 1 Clause 1.5	We know that is important to have a deadline, but these fixed deadlines would stifle the procedure and do not reflect properly the complexity of the complaints to be responded. It is more suitable that each organization could fix the deadlines for its own procedures.	Remove the deadline from item b and insert a new consideration: b) Providing an initial response to the complainant within a time period of two (2) weeks . The deadlines for this response shall be established by the organization according to the complexity of the complaint;
PART I: Universal Requirements, p. 8, Points 1.5. and 1.6.,	Both points 1.5. and 1.6. are welcome because they clarify the standard.	
Part I Section 1 Clause 1.5	We know that is important to have a deadline, but these fixed deadlines would stifle the procedure and do not reflect properly the complexity of the complaints to be responded. It is more suitable that each organization could fix the deadlines for its own procedures.	Remove the deadline from item b and insert a new consideration: b) Providing an initial response to the complainant within a time period of two (2) weeks . The deadlines for this response shall be established by the organization according to the complexity of the complaint;
Part I Section 1 Clause 1.5	We know that is important to have a deadline, but these fixed deadlines would stifle the procedure and do not reflect properly the complexity of the complaints to be responded. It is more suitable that each organization could fix the deadlines for its own procedures.	Remove the deadline from item b and insert a new consideration: b) Providing an initial response to the complainant within a time period of two (2) weeks . The deadlines for this response shall be established by the organization according to the complexity of the complaint;
Part I Section 1 Clause 1.5	We know that is important to have a deadline, but these fixed deadlines would stifle the procedure and do not reflect properly the complexity of the complaints to be responded. It is more suitable that each organization could fix the deadlines for its own procedures.	Remove the deadline from item b and insert a new consideration: b) Providing an initial response to the complainant within a time period of two (2) weeks . The deadlines for this response shall be established by the organization according to the complexity of the complaint;
Part I Section 1 Clause 1.5	We know that is important to have a deadline, but these fixed deadlines would stifle the procedure and do not reflect properly the complexity of the complaints to be responded. It is more suitable that each organization could fix the deadlines for its own procedures.	Remove the deadline from item b and insert a new consideration: b) Providing an initial response to the complainant. The deadlines for this response shall be established by the organization according to the complexity of the complaint;

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.5	Needs to clarify who the complaint can come from – i.e. CB, FSC – too broad a definition even will explanation of complaint in terms and definition	Further clarification of complaints from whom
1.5	<ul style="list-style-type: none"> Need for better clarity/comprehension 	<ul style="list-style-type: none"> The revised standard should explicitly indicate which subject(s) is/are to be notified, or not. Example: is the acknowledge of receipt to be sent to the complainant only, or also to CB?
1.5	<ul style="list-style-type: none"> Need for better clarity/comprehension 	<ul style="list-style-type: none"> The revised standard should explicitly indicate which subject(s) is/are to be notified, or not. Example: is the acknowledge of receipt to be sent to the complainant only, or also to CB?
1.5	<ul style="list-style-type: none"> Need for better clarity/comprehension 	<ul style="list-style-type: none"> The revised standard should explicitly indicate which subject(s) is/are to be notified, or not. Example: is the acknowledge of receipt to be sent to the complainant only, or also to CB?
1.5 Clause	<ul style="list-style-type: none"> Better clarity/comprehension will not generate any possible proliferation of complaints not relevant to Clause 1.5. 	<ul style="list-style-type: none"> Please, provide a better explanation of which issues are relevant to relevant to Clause 1.5, and which are not. Example: specific business-to-business issues should be excluded.
1.5 Clause	<ul style="list-style-type: none"> Better clarity/comprehension will not generate any possible proliferation of complaints not relevant to Clause 1.5. 	<ul style="list-style-type: none"> Please, provide a better explanation of which issues are relevant to relevant to Clause 1.5, and which are not. Example: specific business-to-business issues should be excluded.
1.5 Clause	<ul style="list-style-type: none"> Better clarity/comprehension will not generate any possible proliferation of complaints not relevant to Clause 1.5. 	<ul style="list-style-type: none"> Please, provide a better explanation of which issues are relevant to relevant to Clause 1.5, and which are not. Example: specific business-to-business issues should be excluded.
1.5	From our point of view this clause is made from behind a desk. First of all this clause has nothing to do with the main objective of FSC, promoting responsible forest management. Furthermore this clause does not service the FSC's main purpose. The standards should be easier, with the current clause it makes it unnecessarily complicated. This clause only leads to bureaucracy to maintain a license to operate.	
PART I / 1.5	The proposed process for dealing with complaints has extremely short deadlines and does not provide the necessary flexibility for a company to review and respond to what may be complex complaints requiring additional review and/or investigation. FSC should provide a more reasonable timeframe for investigating and responding to complaints.	1.5 The organization shall ensure that valid written complaints received regarding the organization's conformity with this standard are adequately considered, including: a) Acknowledging receipt of complaints; b) Providing an initial response to the complainant within a time period of two (2) months;

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		c) Investigating the complaint and specifying its proposed actions in response to the complaint within three (3) months; d) Taking appropriate actions with respect to complaints and any deficiencies found in processes that affect conformity with the certification requirements; e) Notifying the complainant when the complaint is considered to be successfully addressed and closed.
1.5	The complaint resolution requirement could require an unnecessary amount of time to follow-up especially for unjust complaints	Allow the complaints to be followed up with our CB
1.5c-complaints mechanism	Investigating the complaint and specifying its proposed actions in response to the complaint within two (2) months	To prescriptive on timing. Timing of investigation should be agreed between those complaining and those complained against. Perhaps can set a maximum of 4 months.
1.5e)	Need spaces in between the words in this sentence.	Add spaces in sentence.
1.5e)	Text spacing needs amending	Amend spacing
clause 1.5 (e); p.8	Grammatical change – the current format of text looks like there are no spaces between the words.	No change to wording but to grammar
1.5.2 note	This note is destined to CB for them to determine the level of auditing.	Delete.
PART I: Universal Requirements, p. 8, Points 1.5. and 1.6.,	Both points 1.5. and 1.6. are welcome because they clarify the standard.	
PART I: Universal Requirements, p. 8, Points 1.5. and 1.6.,	Both points 1.5. and 1.6. are welcome because they clarify the standard.	
PART I: Universal Requirements, p. 8, Points 1.5. and 1.6.,	Both points 1.5. and 1.6. are welcome because they clarify the standard.	
Part I Section 1 Clause 1.6	Many organizations have a very complex supply network and may need more days to notify their clients about non-conforming products. Our proposal is that the organization could negotiate new deadlines with its certification body. Moreover, the definition of which clients are relevant is subjective. The most suitable would be to notify clients whose COC could be affected by the non-conforming product. Besides that, the Chain of Custody Evaluation (FSC-STD-20-011) should present an orientation regarding these special situations.	a) Notify its certification body and all relevant affected customers in writing within five (5) business days of the non-conforming product identification, and maintain records of that notice. Special situations where the deadlines cannot be met, shall be previously negotiated and approved by the certification body.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Part I Section 1 Clause 1.6	Many organizations have a very complex supply network and may need more days to notify their clients about non-conforming products. Our proposal is that the organization could negotiate new deadlines with its certification body. Moreover, the definition of which clients are relevant is subjective. The most suitable would be notify clients whose COC could be affected by the non-conforming product. Besides that, the Chain of Custody Evaluation (FSC-STD-20-011) should present an orientation regarding these special situations.	a) Notify its certification body and all relevant affected customers in writing within five (5) business days of the non-conforming product identification, and maintain records of that notice. Special situations where the deadlines cannot be met, shall be previously negotiated and approved by the certification body.
Part I Section 1 Clause 1.6	Many organizations have a very complex supply network and may need more days to notify their clients about non-conforming products. Our proposal is that the organization could negotiate new deadlines with its certification body. Moreover, the definition of which clients are relevant is subjective. The most suitable would be notify clients whose COC could be affected by the non-conforming product. Besides that, the Chain of Custody Evaluation (FSC-STD-20-011) should present an orientation regarding these special situations.	a) Notify its certification body and all relevant affected customers in writing within five (5) business days of the non-conforming product identification, and maintain records of that notice. Special situations where the deadlines cannot be met, shall be previously negotiated and approved by the certification body.
Part I Section 1 Clause 1.6	Many organizations have a very complex supply network and may need more days to notify their clients about non-conforming products. Our proposal is that the organization could negotiate new deadlines with its certification body. Moreover, the definition of which clients are relevant is subjective. The most suitable would be notify clients whose COC could be affected by the non-conforming product. Besides that, the Chain of Custody Evaluation (FSC-STD-20-011) should present an orientation regarding these special situations.	a) Notify its certification body and all relevant affected customers in writing within five (5) business days of the non-conforming product identification, and maintain records of that notice. Special situations where the deadlines cannot be met, shall be previously negotiated and approved by the certification body.
Part I Section 1 Clause 1.6	Many organizations have a very complex supply network and may need more days to notify their clients about non-conforming products. Our proposal is that the organization could negotiate new deadlines with its certification body. Moreover, the definition of which clients are relevant is subjective. The most suitable would be notify clients whose COC could be affected by the non-conforming product. Besides that, the Chain of Custody Evaluation (FSC-STD-20-011) should present an orientation regarding these special situations.	a) Notify its certification body and all relevant affected customers in writing within five (5) business days of the non-conforming product identification, and maintain records of that notice. Special situations where the deadlines cannot be met, shall be previously negotiated and approved by the certification body.
Part I Section 1 Clause 1.6	Many organizations have a very complex supply network and may need more days to notify their clients about non-conforming products. Our proposal is that the organization could negotiate new deadlines with its certification body. Moreover, the definition of which clients are relevant is subjective. The most suitable would be notify clients whose COC could be affected by the non-conforming product. Besides that, the Chain of Custody Evaluation (FSC-STD-20-011) should present an orientation regarding these special situations.	a) Notify its certification body and all affected customers in writing within five (5) business days of the non-conforming product identification, and maintain records of that notice. Special situations where the deadlines cannot be met, shall be previously negotiated and approved by the certification body.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.6	Auditors need to be trained on checking for non-conforming products. This means: during an audit not only checking the documents of the products of which the company says they have sold as certified, but also randomly checking other invoices to ensure that claiming the certified status of products does not occur on documents that the company did not offer to the auditor to check in the first place (which were not mentioned on the annual overview).	
Clause 1.6	As for previous comment, this paragraph is doubling the administrative requirements for ISO 9001 certified organisations, as the non-conforming goods procedure is already a demand of ISO 9001	Same suggestion as before.
1.6	Notification to CB within 5 days is appropriate. However, often times more than 5 days is needed to investigate the reason for the nonconforming product and then communicate to clients.	a) Notify its certification body in writing within five (5) business days and all relevant customers within ten (10) business days of the non-conforming product identification, and maintain records of that notice;
1.6 non conforming products	<p>If an organization detects that it has been selling certified FSC product that after all, was not FSC product is it enough to warn the clients? Are there no remedial actions, for example, to ensure that the false volume sold is compensated by FSC input to balance? On the other hand when an FSC certified company receives this notification how shall it handle this?</p> <p>Are we going to require recall? It would be important to clarify this so CB don't have different approaches for acceptable corrective actions</p> <p>And how do you handle illegal logging that you detect in case you are applying 40 005</p>	<p>Clarify this issue. I believe that under FSC 100% the FSC supplier should notify the clients to whom the product was sold, that in turn will have to notify their clients if they have sold it already and so on. – that os – there should be a kind of recall procedures</p> <p>In all other methods, I believe an internal remedial action to be more effective: the organization, can compensate the percentage or the credit by removing the false quantities in the future, in order to balance. In this case a notification to the CB and ASI should be done.</p> <p>Requirements to handle a communication of non conforming product should also be included</p> <p>Regarding 40 005 deal with illegal logging non conformity detection</p>
1.6	<p>“The organization shall have a system in place to ensure...”</p> <p>Here is focus on non-conforming products control & monitoring measure, it is under Part 1: Quality management system, if it address on the non-conforming products control process. That is one part under Quality management system, not necessarily to repeat a system, otherwise may create other confusion</p>	<p>“The organization shall define and implement a process to ensure...”</p> <p>Note: It means have a system in place change to define and implement a process (from five words to five words)</p>
1.6	Grammatical change	The organization shall have a system in place to ensure that <u>any</u> non-conforming products are identified and controlled to prevent <u>their</u> unintended sale and delivery with FSC claims.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.6	Should be necessary check how big is the impact of non-conforming product.	IN cases of non-conforming products is necessary to have a requirement to company review the largeness of the problem before taking any corrective action.
1.6(a)	FSC-DIR-40-004-08 refers to the notification period as 3 days from identification of non-conforming product. The proposed 5 days is better as occasionally obtaining the data within a short period of time, over various states/countries etc can be difficult.	Agree with 5 day notification period.
1.6 a	When a NC product is detected during the audit for the companies is really a commercial problem to inform the clients. Almost always the NC product is derived by a not intentional mistake and this can create a really big problem to inform the client.	I suggest to include a different dissuasive requirement like an addition audit to the company
1.6 c Non-conforming product	This clause needs to go a little further to set some requirements/ identify when a Non-compliant product (after the issue is solved) can go back with FSC claims on the market.	Need another bullet or another sub-clause that provides clarity about when a non-conforming product can be claimed to be FSC again.
1.6 c)	This section lacks any indication of measures which may need to be taken concerning consequences of the non-conformity i.e. can the items be sold?	Section requires d) Cooperate with its certification body in order to allow the certification body to prescribe actions concerning the sale/handling/return of non-conforming stock
2.1	I am not sure if FSC Trademark Portal is eligible for checking supplier's certificate scope and validity. FSC Marketplace should instead be included as it is linked to FSC database.	
2.1	An annual certificate validation is onerous enough. Do not increase it to a more frequent period. Also, given the errors and omissions in the FSC database, these requirements may turn into a make-work project for all involved, including FSC.	
Clause 2.1	Indicator 2.1. talks about the need to verify the validity and scope of the supplier certificates. The new indicator says "...This shall be done through one of FSC's official online sources of information (i.e. the FSC database at info.fsc.org, the FSC Online Claims Platform at ocp.fsc.org or the FSC Trademark Portal at trademarkportal.fsc.org" We think that only fsc.info.org contains the information requested to verify correctly the certification scope with: sites, species, products, etc. We don't think that currently the other websites show the info requested so if a CH use other online source of information, the validation will not be as rigorous as needed.	Old wording from V2-1 was totally fine. It could be amended with the clause that if OCP is fully used then using info.fsc.org is not required as verification is automated.
2.1	"This shall be done through one of FSC's official online sources of information (i.e. the FSC database, the FSC Online Claims Platform, or the FSC Trademark Portal)". Deemphasizing the FSC Database will complicate verification of FSC status.	Remove the option of using the FSC Online Claims Platform and the FSC Trademark Portal.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	If the three systems aren't completely in communication with each other, there is no guarantee that they will all show the same information at any given time. This could lead to a stand-off, where the certificate holder says a supplier is still valid, or has the option to sell Y product, but the auditor sees that the supplier is suspended, or doesn't include Y in their product list – depending on which site each party is looking at. In addition, although FSC is trying to add flexibility, there is also a mandate to streamline the standard. This just adds unnecessary complexity and burden on FSC and/or the CB or CHs to ensure consistency across all three sites.	
Clause 2.1	This is the only case where the OCP should really help companies. Now it is difficult for companies to avoid purchasing of FSC material from suppliers with an FSC certificate suspended. It is also difficult for CBs to check this during the audit. The auditor cannot know when a company certified with another CB was suspended. If the company has the list of suppliers on the OCP and the system automatically inform the company about suspension, termination, change of scope etc. it easier for the CB to avoid purchasing from companies in troubles.	I will impose the use of the OCP only for keeping the list of FSC suppliers.
2.1	Allowing multiple credible means of verifying certificates enables certificate holders to streamline their systems. This wording is a step in the right direction to facilitate ease of certification implementation.	
2.1	Once a year is too big period for suspend, terminate	Before each purchasing and keep verification evidence
2.1	'One of FSC's official sources' is clear enough. Only write one example.	Only write (i.e. FSC database at info.fsc.org)
2.1	Once a year is a new addition – why is this? This is rather vague	Clarify and substantiate requirement
2.1	The trademarkportal.fsc.org, is a label generator and not a reference for this analysis	Exclude just this reference
2.1	Words missing	2.1 The organization shall verify the validity and scope of the certificates of their FSC certified suppliers <u>in order to confirm</u> any changes...
2.1, p 9	To make it easier for certificate holders to follow and keep track of their supplier's and/or customer's certificate validity, FSC could implement a notification system within the current online certificate database where certificate holders can choose to "follow" certain certificates (by their own choice) and be notified by an automatic email if/when the certificate changes. This would improve the quality compared to the text of verifying once per year.	No actual change proposed to the text, rather a suggestion to consider.
2.1	The manual check via info.fsc.org might be too complicated and might be done not often enough. The check via OCP implies liabilities which are not accepted by many companies.	FSC should provide a technical solution to inform about changes of certificate data (suppliers, clients, competitors), without necessary agreement by the certificate holders and without a necessary client-supplier-relationship, in form of an email subscription with real-time announcements of changes. Not via the OCP.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
2.1	A key requirement should be kept as simple as possible to ensure consistent interpretation.	The org. shall verify (via FSC online resources) the validity and scope of ...certified suppliers.
2.1 (FSC-STD-40-004 V3-0 D2-0)	An additional definition to “FSC certified suppliers” is required. 2.1 should be applied just for currently supplying organizations (last 12 months). Former suppliers should not be considered.	Suggest for change: The organization shall verify the validity and scope of the certificates of their currently (from the last 12 months) FSC certified suppliers.
2.1	We are pleased to see that the standard now defines a period for checking certificate’s validity and scope.	
2.1	We are pleased to see that the standard now defines a period for checking certificate’s validity and scope.	
2.1 of FSC-STD-40-004 V3-0 D2-0	The wording in 2.1 is fine. Organisations shall verify the validity and scope of the supplier’s FSC certificate themselves with the help of documents serviced by FSC.	None. Proposed change in the second draft is the right way. Good wording.
2.1 of FSC-STD-40-004 V3-0 D2-0	The wording in 2.1 is fine. Organisations shall verify the validity and scope of the supplier’s FSC certificate themselves with the help of documents serviced by FSC.	None. Proposed change in the second draft is the right way. Good wording.
2.1 of FSC-STD-40-004 V3-0 D2-0	The wording in 2.1 is fine. Organisations shall verify the validity and scope of the supplier’s FSC certificate themselves with the help of documents serviced by FSC.	None. Proposed change in the second draft is the right way. Good wording.
2.1 of FSC-STD-40-004 V3-0 D2-0	The wording in 2.1 is fine. Organisations shall verify the validity and scope of the supplier’s FSC certificate themselves with the help of documents serviced by FSC.	None. Proposed change in the second draft is the right way. Good wording.
2.1 of FSC-STD-40-004 V3-0 D2-0	The wording in 2.1 is fine. Organisations shall verify the validity and scope of the supplier’s FSC certificate themselves with the help of documents serviced by FSC.	None. Proposed change in the second draft is the right way. Good wording.
2.1 of FSC-STD-40-004 V3-0 D2-0	The wording in 2.1 is fine. Organisations shall verify the validity and scope of the supplier’s FSC certificate themselves with the help of documents serviced by FSC.	None. Proposed change in the second draft is the right way. Good wording.
2.1 of FSC-STD-40-004 V3-0 D2-0	The wording in 2.1 is fine. Organisations shall verify the validity and scope of the supplier’s FSC certificate themselves with the help of documents serviced by FSC.	None. Proposed change in the second draft is the right way. Good wording.
2.1 Material sourcing	Only certificates of <u>active</u> suppliers can be provided. It is not possible to provide data of the all of the certificate holder’s former or potential suppliers	„The organization shall verify the validity and scope of the certificates of their active FSC certified suppliers for any changes that might affect the availability and authenticity of the supplied products at least once a year.“
2.1 Material sourcing	Only certificates of <u>active</u> suppliers can be provided. It is not possible to provide data of the all of the certificate holder’s former or potential suppliers	„The organization shall verify the validity and scope of the certificates of their active FSC certified suppliers for any changes that might affect the availability and authenticity of the supplied products at least once a year.“
2.1 Material sourcing	Only certificates of <u>active</u> suppliers can be provided. It is not possible to provide data of the all of the certificate holder’s former or potential suppliers <i>Is it possible to install the feasibility to subscribe every change on the data’s of the FSC-website of selected suppliers? That should be easy to install and very helpfully to be in an easy way up to date informed of the for Glunz relevant companies.</i>	„The organization shall verify the validity and scope of the certificates of their active FSC certified suppliers for any changes that might affect the availability and authenticity of the supplied products at least once a year.“

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
2.1 Material sourcing	Only certificates of <u>active</u> suppliers can be provided. It is not possible to provide data of the all of the certificate holder's former or potential suppliers	„The organization shall verify the validity and scope of the certificates of their active FSC certified suppliers for any changes that might affect the availability and authenticity of the supplied products at least once a year.“
2.1 Material sourcing	Only certificates of <u>active</u> suppliers can be provided. It is not possible to provide data of the all of the certificate holder's former or potential suppliers	„The organization shall verify the validity and scope of the certificates of their active FSC certified suppliers for any changes that might affect the availability and authenticity of the supplied products at least once a year.“
2.1 Material sourcing	Only certificates of active suppliers can be provided. It is not possible to provide data of the all of the certificate holder's former or potential suppliers	
2.1 Material sourcing	Only certificates of active suppliers can be provided. It is not possible to provide data of the all of the certificate holder's former or potential suppliers	
2.1 Material sourcing	Only certificates of active suppliers can be provided. It is not possible to provide data of the all of the certificate holder's former or potential suppliers	„The organization shall verify the validity and scope of the certificates of their active FSC certified suppliers for any changes that might affect the availability and authenticity of the supplied products at least once a year.“
PART I, Universal Requirements p. 9, Point 2.1.	FFIF wants to emphasize that the FSC database is a very useful tool and therefore largely accepted and used by the Organizations. Instead of creating new tools, the database could be developed further, e.g. by enabling search function to display more than 200 results and providing a possibility to transfer data to Excel.	
PART I, Universal Requirements p. 9, Point 2.1.	Metsä Group wants to emphasize that the FSC database is a very useful tool and therefore largely accepted and used by the Organizations. Instead of creating new tools, the database could be developed further, e.g. by enabling search function to display more than 200 results and providing a possibility to transfer data to Excel.	
PART I, Universal Requirements p. 9, Point 2.1.	SEWSF wants to emphasize that the FSC database is a very useful tool and therefore largely accepted and used by the Organizations. Instead of creating new tools, the database could be developed further, e.g. by enabling search function to display more than 200 results and providing a possibility to transfer data to Excel.	
PART I, Universal Requirements p. 9, Point 2.1.	UPM wants to emphasize that the FSC database is a very useful tool and therefore largely accepted and used by the Organizations.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Part I Section 2 Clause 2.1	FSC Trademark Portal is a label generator and not a reference to consult validity and scope of certificates. The most appropriate platform is the FSC database, which never showed weaknesses in the performance. Beyond this, does not make sense to reference OCP in the standard if the choice of verification transaction system is still open.	2.1 The organization shall verify the validity and scope of the certificates of their FSC certified suppliers for any changes that might affect the availability and authenticity of the supplied products at least once a year. This shall be done through one of FSC's official online sources of information (i.e. the FSC database at info.fsc.org, the FSC Online Claims Platform at ocp.fsc.org or the FSC Trademark Portal at trademarkportal.fsc.org).
Part I Section 2 Clause 2.1	FSC Trademark Portal is a label generator and not a reference to consult validity and scope of certificates. The most appropriate platform is the FSC database, which never showed weaknesses in the performance. Beyond this, does not make sense to reference OCP in the standard if the choice of verification transaction system is still open.	2.1 The organization shall verify the validity and scope of the certificates of their FSC certified suppliers for any changes that might affect the availability and authenticity of the supplied products at least once a year. This shall be done through one of FSC's official online sources of information (i.e. the FSC database at info.fsc.org, the FSC Online Claims Platform at ocp.fsc.org or the FSC Trademark Portal at trademarkportal.fsc.org).
Part I Section 2 Clause 2.1	FSC Trademark Portal is a label generator and not a reference to consult validity and scope of certificates. The most appropriate platform is the FSC database, which never showed weaknesses in the performance. Beyond this, does not make sense to reference OCP in the standard if the choice of verification transaction system is still open.	2.1 The organization shall verify the validity and scope of the certificates of their FSC certified suppliers for any changes that might affect the availability and authenticity of the supplied products at least once a year. This shall be done through one of FSC's official online sources of information (i.e. the FSC database at info.fsc.org, the FSC Online Claims Platform at ocp.fsc.org or the FSC Trademark Portal at trademarkportal.fsc.org).
Part I Section 2 Clause 2.1	FSC Trademark Portal is a label generator and not a reference to consult validity and scope of certificates. The most appropriate platform is the FSC database, which never showed weaknesses in the performance. Beyond this, does not make sense to reference OCP in the standard if the choice of verification transaction system is still open.	2.1 The organization shall verify the validity and scope of the certificates of their FSC certified suppliers for any changes that might affect the availability and authenticity of the supplied products at least once a year. This shall be done through one of FSC's official online sources of information (i.e. the FSC database at info.fsc.org, the FSC Online Claims Platform at ocp.fsc.org or the FSC Trademark Portal at trademarkportal.fsc.org).
Part I Section 2 Clause 2.1	FSC Trademark Portal is a label generator and not a reference to consult validity and scope of certificates. The most appropriate platform is the FSC database, which never showed weaknesses in the performance. Beyond this, does not make sense to reference OCP in the standard if the choice of verification transaction system is still open.	2.1 The organization shall verify the validity and scope of the certificates of their FSC certified suppliers for any changes that might affect the availability and authenticity of the supplied products at least once a year. This shall be done through one of FSC's official online sources of information (i.e. the FSC database at info.fsc.org, the FSC Online Claims Platform

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		at ocp.fsc.org or the FSC Trademark Portal at trademarkportal.fsc.org)
Part I Section 2 Clause 2.1	FSC Trademark Portal is a label generator and not a reference to consult validity and scope of certificates. The most appropriate platform is the FSC database, which never showed weaknesses in the performance. Beyond this, does not make sense to reference OCP in the standard if the choice of verification transaction system is still open.	2.1 The organization shall verify the validity and scope of the certificates of their FSC certified suppliers for any changes that might affect the availability and authenticity of the supplied products at least once a year. This shall be done through the FSC database at info.fsc.org.
2.1 Clause + Note	<ul style="list-style-type: none"> The proposed timeline (“at least once a year”) does not seem sufficient to ensure consistency to the revised standard. Furthermore, the following NOTE introduces margins of discretion that are difficult to be standardized. 	<ul style="list-style-type: none"> The overall approach should be reversed, with a very short and compulsory timeline (as it is now), and further indication of circumstances where longer time-spans may eventually apply. Criteria for longer time-spans should be clearly defined, instead of introducing discretionality. At least, considerably reduce the compulsory timeline. At least, try to avoid discretionality as much as possible.
2.1 Clause + Note	<ul style="list-style-type: none"> The proposed timeline (“at least once a year”) does not seem sufficient to ensure consistency to the revised standard. Furthermore, the following NOTE introduces margins of discretion that are difficult to be standardized. 	<ul style="list-style-type: none"> The overall approach should be reversed, with a very short and compulsory timeline (as it is now), and further indication of circumstances where longer time-spans may eventually apply. Criteria for longer time-spans should be clearly defined, instead of introducing discretionality. At least, considerably reduce the compulsory timeline. At least, try to avoid discretionality as much as possible.
2.1 Clause + Note	<ul style="list-style-type: none"> The proposed timeline (“at least once a year”) does not seem sufficient to ensure consistency to the revised standard. Furthermore, the following NOTE introduces margins of discretion that are difficult to be standardized. 	<ul style="list-style-type: none"> The overall approach should be reversed, with a very short and compulsory timeline (as it is now), and further indication of circumstances where longer time-spans may eventually apply. Criteria for longer time-spans should be clearly defined, instead of introducing discretionality. At least, considerably reduce the compulsory timeline. At least, try to avoid discretionality as much as possible.
Clause 2.1 NOTE	NOTE: The organization may consider increasing the periodicity for this verification in order the address the risk of having non-conforming products.	Please do not leave “hanging” NOTE under the normative requirements and incorporate into the body of the clause

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		PLUS replace the word “periodicity” with frequency .
2.1 NOTE	There is a typo in the Note and the phrase “...having non-conforming products” is too vague	Change to: The organization may consider increasing the periodicity for this verification in order to address the risk of purchasing non-conforming products.
2.1 NOTE	Words missing and could be clearer (strongly recommend removing the word ‘periodicity’)	Note: The organization may consider increasing the periodicity for frequency of this verification in order the address the risk of having dealing with non-conforming products.
2.1: NOTE	The phrase “may consider” has no place in a conformance standard.	Exercise discipline in drafting – less is more
2.2	A comma should be used to avoid confusion and set off the parenthetical elements in this clause.	On receipt of material, or prior to further use or processing, the organization shall check the supplier invoice and supporting documentation to confirm its certified status and quantities.
2.2	The supplier invoice is not always relevant at the time of receipt of material, or prior to processing. It is common that the supplier sends invoices separately from the delivery of material, e.g. monthly. It is not practical to expect certificate holders to hold material in stock until they can verify that the invoice is correct. Therefore, there should be more flexibility of what to check on receipt or prior to processing.	Recommended wording is “sales and/ or delivery documentation”. This provides flexibility and aligns the language with section 6.2. In addition, if 2.2 is adjusted to be more flexible, there should also be a clause to check the invoice when it does come in. This should be a separate clause and not connected to the physical material. E.g. “2.3: On receipt of invoice, the organization shall check the document to confirm ...”
2.2	The term “certified status” is confusing. This term is usually used to reference the status of the organization as a whole, rather than individual products.	Changing the wording to “valid claim” would be clearer.
2.2	<ul style="list-style-type: none"> - “Status of certification” can be confused - The possibility “prior to further use” has the risk of a received wrong material don’t be returned. 	Clarify to the company what “status” of certificate means (input’s category of material) and include the verification of COC certification code Exclude this possibility
2.2	It is not clear whether the organization should be confirming the certified status of the supplier or the material or both	Clarify requirement
2.2	Refer to the legal documentation to be in line with the comments on 1.7.	Rewrite: On receipt of the basic material or prior to further use or processing the organisation shall check the suppliers legal documents (i.e. invoice and supporting documentation) to confirm it’s certified status and quantities.
2.2	Company get daily, 24h delivery into mills that run 24h. The invoices arrive later, on monthly basis.	Remove the first eleven words. Start with: The organisation shall.....

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Part I Section 2 Clause 2.2	<p>Certified status of suppliers (valid, terminated or suspended) is already checked in the requirement 2.1. In this case, the information that should be checked in invoices are: certificate code, material category and quantities.</p> <p>Is not clear how the client will identify that some inputs comes from small and community producers. It is necessary to ensure that this information is available in invoices.</p>	<p>2.2 On receipt of material or prior to further use or processing the organization shall check the supplier invoice and supporting documentation to confirm its certificate code, material category certified status and quantities. The organization shall also check in the invoice if the supplier is a small or community producer.</p>
Part I Section 2 Clause 2.2	<p>Certified status of suppliers (valid, terminated or suspended) is already checked in the requirement 2.1. In this case, the information that should be checked in invoices are: certificate code, material category and quantities.</p> <p>Is not clear how the client will identify that some inputs comes from small and community producers. It is necessary to ensure that this information is available in invoices.</p>	<p>2.2 On receipt of material or prior to further use or processing the organization shall check the supplier invoice and supporting documentation to confirm its certificate code, material category certified status and quantities. The organization shall also check in the invoice if the supplier is a small or community producer.</p>
Part I Section 2 Clause 2.2	<p>Certified status of suppliers (valid, terminated or suspended) is already checked in the requirement 2.1. In this case, the information that should be checked in invoices are: certificate code, material category and quantities.</p> <p>Is not clear how the client will identify that some inputs comes from small and community producers. It is necessary to ensure that this information is available in invoices.</p>	<p>2.2 On receipt of material or prior to further use or processing the organization shall check the supplier invoice and supporting documentation to confirm its certificate code, material category certified status and quantities. The organization shall also check in the invoice if the supplier is a small or community producer.</p>
Part I Section 2 Clause 2.2	<p>Certified status of suppliers (valid, terminated or suspended) is already checked in the requirement 2.1. In this case, the information that should be checked in invoices are: certificate code, material category and quantities.</p> <p>Is not clear how the client will identify that some inputs comes from small and community producers. It is necessary to ensure that this information is available in invoices.</p>	<p>2.2 On receipt of material or prior to further use or processing the organization shall check the supplier invoice and supporting documentation to confirm its certificate code, material category certified status and quantities. The organization shall also check in the invoice if the supplier is a small or community producer.</p>
Part I Section 2 Clause 2.2	<p>Certified status of suppliers (valid, terminated or suspended) is already checked in the requirement 2.1. In this case, the information that should be checked in invoices are: certificate code, material category and quantities.</p> <p>Is not clear how the client will identify that some inputs comes from small and community producers. It is necessary to ensure that this information is available in invoices.</p>	<p>2.2 On receipt of material or prior to further use or processing the organization shall check the supplier invoice and supporting documentation to confirm its certificate code, material category certified status and quantities. The organization shall also check in the invoice if the supplier is a small or community producer.</p>
Part I Section 2 Clause 2.2	<p>Certified status of suppliers (valid, terminated or suspended) is already checked in the requirement 2.1. In this case, the information that should be checked in invoices are: certificate code, material category and quantities.</p> <p>Is not clear how the client will identify that some inputs comes from small and community producers. It is necessary to ensure that this information is available in invoices.</p>	<p>2.2 On receipt of material or prior to further use or processing the organization shall check the supplier invoice and supporting documentation to confirm its certificate code, material category and quantities. The organization shall also check in the invoice if the supplier is a small or community producer.</p>
2.2 Clause	<ul style="list-style-type: none"> Usually, CHs cannot wait for invoices to verify certified status and quantities (invoices often are sent/received 30 days after the delivery/reception of materials). 	<ul style="list-style-type: none"> The revised standard should refer to “delivery documentation”, instead of “invoice”!!

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
2.2 Clause	<ul style="list-style-type: none"> Usually, CHs cannot wait for invoices to verify certified status and quantities (invoices often are sent/received 30 days after the delivery/reception of materials). 	<ul style="list-style-type: none"> The revised standard should refer to “delivery documentation”, instead of “invoice”!!
2.2 Clause	<ul style="list-style-type: none"> Usually, CHs cannot wait for invoices to verify certified status and quantities (invoices often are sent/received 30 days after the delivery/reception of materials). 	<ul style="list-style-type: none"> The revised standard should refer to “delivery documentation”, instead of “invoice”!!
2.2 Clause	<ul style="list-style-type: none"> Usually, CHs cannot wait for invoices to verify certified status and quantities (invoices often are sent/received 30 days after the delivery/reception of materials). 	<ul style="list-style-type: none"> The revised standard should refer to “delivery documentation”, instead of “invoice”!!
2.2 Clause	<ul style="list-style-type: none"> The proposed draft standard states that “certified status and quantities” shall be verified. This simple information is not sufficient to ensure that the claim actually matches the supplier’s certificate scope. Such mismatch is made even more problematic by the revised timeline in Clause 2.1. 	<ul style="list-style-type: none"> The revised standard should refer to a broader set of information, as in the current standard version: certified code, scope, therefore including also FSC claim.
2.2 Clause	<ul style="list-style-type: none"> The proposed draft standard states that “certified status and quantities” shall be verified. This simple information is not sufficient to ensure that the claim actually matches the supplier’s certificate scope. Such mismatch is made even more problematic by the revised timeline in Clause 2.1. 	<ul style="list-style-type: none"> The revised standard should refer to a broader set of information, as in the current standard version: certified code, scope, therefore including also FSC claim.
2.2 Clause	<ul style="list-style-type: none"> The proposed draft standard states that “certified status and quantities” shall be verified. This simple information is not sufficient to ensure that the claim actually matches the supplier’s certificate scope. Such mismatch is made even more problematic by the revised timeline in Clause 2.1. 	<ul style="list-style-type: none"> The revised standard should refer to a broader set of information, as in the current standard version: certified code, scope, therefore including also FSC claim.
2.2 Clause	<ul style="list-style-type: none"> The proposed draft standard states that “certified status and quantities” shall be verified. This simple information is not sufficient to ensure that the claim actually matches the supplier’s certificate scope. Such mismatch is made even more problematic by the revised timeline in Clause 2.1. 	<ul style="list-style-type: none"> The revised standard should refer to a broader set of information, as in the current standard version: certified code, scope, therefore including also FSC claim.
2.2	<p>The use of words ‘certified status’ here is inappropriate as this term is often used to describe ‘certified status’ of suppliers. Intention here is to check the material category. So the word ‘material category’ should be used instead.</p> <p>Current wording: On receipt of material or prior to further use or processing the organization shall check the supplier invoice and supporting documentation to confirm its <u>certified status</u> and quantities.</p>	<p>New wording: On receipt of material or prior to further use or processing the organization shall check the supplier invoice and supporting documentation to confirm its <u>material category</u> and quantities.</p>
2.2	Confirm <u>its certified status</u> ..	Making more explicit what certified status means (correct FSC claim?)
2.2	Verification of validity and scope of the certificates of FSC suppliers in not always easy on the FSC database info.fsc.org as the exact names of the research engine is not easy to use (name of companies), the information is sometimes incomplete or inaccurate (i.e. species, product group, etc.)	The accuracy and reliability of the database should be improved.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
2.2	Not sure what type of supporting documentation the organization is required to check to confirm certified status. Just the sales and delivery information?	Please add an example of “supporting documentation” that would meet this requirement. Expect some wide divergence from CBs unless direction is given as to what qualifies as “supporting documentation.”
2.2.	In my auditor experience the level of detail in V2-1 is necessary to avoid misunderstanding with clients. Also, to have the same audit level everywhere.	The level of detail in 2.2. of V2-1 should be kept or moved into chapter 1.7 (for description what “match” means in detail)
Clause 2.2	2.2 On receipt of material or prior to further use or processing the organization shall check the supplier invoice and supporting documentation to confirm its certified status and quantities.	What if the company does not receive an invoice at the material receipt? Please amend it to: 2.2 On receipt of material or prior to further use or processing the organization shall check the supplier invoice or transport documentation to confirm its certified status and
2.2	This requirement should remain as it is in the current standard. It is the most important critical control point of the CoC system as it is identifying and verifying input materials and claims that will be the basis/root of all future claims in the supply chain.	On receipt of material or prior to further use of processing, the organization shall check the supplier invoice and supporting transport documentation to confirm the status (FSC code and FSC claim) and quantities.
2.2 & 6.2	Requiring CoC Claim on delivery documents adds no value to the CoC process but rather creates a lot of unnecessary bureaucracy and costs for the certified organisations.	Remove the requirement
2.2	Both invoices and delivery notes are often digitally sent from supplier to customer. This makes it (e.g. for building & construction companies) unpractical to check these documents (on the building site) prior to further use of the FSC-certified materials	
2.2	To allow more flexibility in application, with little added risk.	Dropping the “invoice and..” language in favor of “sales documentation”
2.2 On receipt verification	Removal of a) to c) of the old standard is critical to conformity evaluation, as this new version no longer specifies what has to be checked and how. This removal is not compensated by the transaction verification requirements, and will increase risk on entering non certified wood specially in low risk countries and where quantities sold are not very precise Example: as stated now, they have to verify quantities but no longer if the quantities stated in the invoice match quantities received. This is particularly critical when companies are receiving FSC material, either FSC certified or FSC CW, at the beginning of the supply chain. Here quantities referred by an FSC FM certificate or FSC CW operation may differ enormously due to poor inventories, auction procedures, delay between time when the wood is bought and when it is felled, etc. Incongruencies in quantities at this point of the supply chain can be big. The perception of risk may be high, even in countries with low CPI. The same can occur other points of COC whenever one of the parties leaves the metric system	Reinstate a) to c) of the old standard, specially the need for a) Define requirements to handle which quantities entered that do not match and are higher than the ones declared in sales documentation, that is from FSC FM or FSC CW to the transformation sector or in first stages of wood transformation where quantities can be very inaccurate

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
2.2.3 e)	There are efficient ways of CH demonstrate input material's species and countries of harvest, other than stating this on product list or material accounting record.	
Clause 2.3	Forest-based inputs which are not sourced with FSC claims shall either be reclaimed according to the requirements of FSC-STD-40-007 or FSC Controlled Wood according to FSC-STD-40-005 or FSC-STD-30-010.	Please use grammatically correct form: "Forest-based inputs which are not sourced with FSC claims shall either be reclaimed in accordance with the requirements of FSC-STD-40-007 or FSC Controlled Wood according to FSC-STD-40-005 or FSC-STD-30-010."
2.3	Does "Forest-based inputs which are not sourced with FSC claims shall either be reclaimed according to the requirements of ..." include all forest-based inputs, so also NTFP? This is unrealistic today (think about resins and natural chemicals in glue, colours etc.). Each component of a product has to be analysed according to potential ingredients that origin in forests? This is not realistic. Auditors have to be trained to become analytical chemists? Does FSC have reliable proof that the use of these components has negative impact on forests? Does it significantly influence forest management?	Reduce the requirement in 2.3 to WOOD-based material as long as the change is not justified and the market effect is not analysed.
2.3	Please replace 'neutral' with something more user-friendly	Non-forest based materials
2.3	To help ensure proper and consistent application of this key concept.	Add a more explicit and detailed definition of "eligible inputs"
2.3	Add 'basic materials' The term product group is wrong here. The product group is the term for the products that a company may and is allowed to sell with an FSC claim since it is defined in the scope. Here it is about the product that is sold with an FSC claim.	The organisation shall ensure that only eligible inputs (basic materials) are used in products sold with an FSC claim.
2.3	Term 'FSC Controlled Wood' should be replaced with 'Controlled Material'. FSC Controlled Wood is sourced with FSC Claim. Controlled Material is not sourced with FSC Claim. Current wording: Forest-based inputs which are not sourced with FSC claims shall either be reclaimed according to the requirements of FSC-STD-40-007 or <u>FSC Controlled Wood</u> according to FSC-STD-40-005 or FSC-STD-30-010.	New wording: Forest-based inputs which are not sourced with FSC claims shall either be reclaimed according to the requirements of FSC-STD-40-007 or <u>Controlled Material</u> according to FSC-STD-40-005 or FSC-STD-30-010.
2.3	"Neutral materials are exempt from FSC chain of custody control requirements." <u>Unless covered by 2.4</u> What about products mainly composed of neutral material? To what extent can they carry the FSC label?	Products which are mainly composed by non-forest fibers (e.g : flaxseed fibers in panels) can't carry the FSC label or be sold with FSC claim.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	What would be the accepted threshold of neutral material? For example a panel made of flaxseed fibres with a small percentage of FSC wood fibres (30%, 10%...) can it be sold as FSC certified when we don't have any idea whatsoever on how the flaxseed was produced? Even maybe in violation of social rights, destruction of HCV, use of Highly Hazardous Pesticides, etc.. Another example: We have heard of research regarding the making of concrete in which sand would be replaced by saw dust. Do we want to allow the production and commercialization of an "FSC certified" concrete?? We think (and hope!) not.	
2.3	Since FSC Controlled Wood is an FSC Claim, it is used redundantly in this section. Suggest replacing this term with "Controlled Material".	Replace "FSC Controlled Wood" with "Controlled Material" in this section.
2.3	Good. Excluded confuse requirements	
2.4		If possible, put some more examples, like ADV 06
2.4	The table of examples given in ADVICE-40-004-06 were very clear and helpful and this section would benefit greatly from their inclusion	Incorporate examples given in ADVICE-40-004-06 into this section or an annexe
Clause 2.4	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.	Please incorporate the wording of this note into the body of the clause.
2.4	Components which have a functional purpose in the product must conform to COC control requirements (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). Does that include neutral material?	Note : products that are mainly made of neutral material with FSC fibres cannot be sold with FSC claim nor be labelled FSC
2.4	Components which have a functional purpose in the product <u>must</u> conform to COC control requirements	Components which have a functional purpose in the product <u>shall</u> conform to COC control requirements
2.4	Specify more cases	Add face paper, label paper, no-meaning pictures...
"2 Material sourcing"; clause 2.4; note; p. 9	1) To avoid consumer beguilement and/or greenwashing all components including packing of a product should be FSC certified. 2) To remain and strength the credibility of FSC all components of a product should be FSC certified, including the packaging.	We propose that this entire note and other affected passages of the standard should be deleted or restate as it should be self-evident that all components (including the packaging) of a product have to be FSC certified.
2.4	Please no "opt out" for forest-based inputs, in particular packaging on which the FSC logo is printed! E.g. Packaging of FSC-certified copy paper carries usually the FSC-label and is thus perceived by the consumer as FSC-certified, too. In my auditor experience, it is not certified, even not Controlled Wood, nothing. Why opens FSC the door to mislead the consumer?	Strict option: All forest-based input components must conform to COC control requirements ... Middle option 1: All forest-based input components must conform to Controlled Wood control requirements ...

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		<p>Middle option 2: Packaging that is made from forest-based inputs (e.g. paper or wood) is considered a functional element of the product and must conform to COC control requirements.</p> <p>Light option: Packaging that is made from forest-based inputs (e.g. paper or wood) and carrying the FSC trademark must conform to COC control requirements.</p>
2.4	<p>Reference: "Components that are not part of the product and have secondary functions (e.g. for transportation or protection), may be exempt from COC control requirements. Components which have a functional purpose in the product must conform to COC control requirements (ie. If the product will have its function compromised by the removal of this secondary component, then this component also needs to be certified". This section is rather ambiguous. After discussing this with my contacts, there were varied interpretations of this section within our application (cores in a paper reel).</p>	<p>"Components that are not part of the product and have a secondary function (e.g. for transportation, protection or dispensing), may be exempt from COC control requirements".</p> <p>The word 'dispensing' is noted several times in the directive 40-004-06, and therefore should be included to aid clarification (at least in the paper industry).</p>
FSC-STD-40-004 V3-0 EN: Material sourcing clause 2.4	<p>" Components which have a functional purpose in the product must conform to COC control requirements (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>Example 1: FSC timber with a decor paper layer. => The paper need to be FSC certified?</p> <p>Example 2: Paper that get laminated with a foil : => The foil need to be FSC certified?</p> <p>Example 3: FSC paper roles on paper tubes (without the paper tube the paper cannot be winded up, which results in a compromised function without the tube) => The paper tube need to be FSC certified?</p> <p>Question: What is the interpretation of the term " functional purpose "?</p>	
2.4	<p>"Secondary function" is too broad and needs to be clarified. This has caused confusion in Australia under the Illegal Logging Prohibition regulations and has been clarified to not include components that have a dispensing function.</p>	<p>Definition of "secondary function" should be clarified to include "dispensing"</p>
2.4	<p>This is a good addition that should serve to clarify which products need to be certified. It still does not adequately clarify some situations, such as blown in or perforated marketing materials and ads in magazines</p>	<p>Add some additional examples in as a Figure.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
2.4	This clause should come with follow-up guidance in an annex with examples as is provided in the current COC directive. The examples provided there are always helpful when determining which elements of a product need to be certified.	Include examples of this clause in an annex.
Part I Section 2 Clause 2.4	Often certified organizations have doubts in relation to these components, thus, would be reasonable an annex to this standard to add some good examples which are already presented in FSC-STD-40-004a.	Add a new annex with examples from FSC-STD-40-004a.
Part I Section 2 Clause 2.4	Often certified organizations have doubts in relation to these components, thus, would be reasonable an annex to this standard to add some good examples which are already presented in FSC-STD-40-004a.	Add a new annex with examples from FSC-STD-40-004a.
Part I Section 2 Clause 2.4	Often certified organizations have doubts in relation to these components, thus, would be reasonable an annex to this standard to add some good examples which are already presented in FSC-STD-40-004a.	Add a new annex with examples from FSC-STD-40-004a.
Part I Section 2 Clause 2.4	Often certified organizations have doubts in relation to these components, thus, would be reasonable an annex to this standard to add some good examples which are already presented in FSC-STD-40-004a.	Add a new annex with examples from FSC-STD-40-004a.
Part I Section 2 Clause 2.4	Often certified organizations have doubts in relation to these components, thus, would be reasonable an annex to this standard to add some good examples which are already presented in FSC-STD-40-004a.	Add a new annex with examples from FSC-STD-40-004a.
Part I Section 2 Clause 2.4	Often certified organizations have doubts in relation to these components, thus, would be reasonable an annex to this standard to add some good examples which are already presented in FSC-STD-40-004a.	Add a new annex with examples from FSC-STD-40-004a.
Part I Section 2 Clause 2.4	Often certified organizations have doubts in relation to these components, thus, would be reasonable an annex to this standard to add some good examples which are already presented in FSC-STD-40-004a.	Add a new annex with examples from FSC-STD-40-004a.
clause 2.4; p.9	<u>2.4 Components that are not part of the product and have secondary functions (e.g. for transportation or protection), 'may be exempt' from COC control requirements. – 'may be exempt' This needs to be expanded and explained.</u> <u>Components which have a functional purpose in the product 'must conform' to COC control requirements (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).</u> – require clarification – in an example of masking tape are you saying both the paper (for tape) and the inner cardboard core (tape is wound around) both need to be certified?	Clarification required
2.4.	2.4 Components that are not part of the product and have secondary functions (e.g. for transportation or protection), may be exempt from COC control requirements. Components which have a functional purpose in the product must conform to COC control requirements (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) Considering the definition: FSC certified material: input material that is supplied with an FSC 100%, FSC Mix or FSC Recycled claim from an FSC certified supplier. ... this last component would also have to be certified, and could not be Controlled Wood. This is not reasonable.	Change the final part of the text into "...then this component also needs to be controlled under COC requirements."
2.4	We support the new clause. It provides clarification on in and out-of-scope materials.	Retain new clause.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
2.4, 2.5, 2.6, 3.2, 4.1:NOTE, 6.5, 6.7, 6.8	Phrases like “may be exempt”, “may classify”, or “may use” do not belong in a conformance standard	Most of this language belongs in an informative annex
2.5	We support introduction of this clause. The ability to use reclaimed materials from secondary manufacturing as a claim contributing input supports efforts to improve overall manufacturing efficiency via waste elimination by creating incentives for onsite reclamation.	Retain as worded.
2.5. last sentence	I do not understand the last sentence as it is written alone. All material from secondary processing may be classified as pre-consumer? What of an FCS certified organization with FSC 100% and receiving also other non certified inputs can classify all their by products as pre-consumer, even if it may be receiving illegal material (we do not know as she does not have to apply	Clarify better the last sentence, stating the conditions where material generated on site can be classified as pre-consumer with no risk of contamination with illegal wood
2.5	Check content and move this requirement	Move requirement to my 3.4
2.5	Good that pre-consumer reclaimed paper is accepted. The same should be done for pre-consumer reclaimed wood	Ensure that pre-consumer reclaimed wood is included under the accepted sources as soon as possible.
2.5	This wording allows companies reclaiming material to classify material as preconsumer without having a full reclaimed standard in place. This wording should point to the 40-007 standard in full if preconsumer and classification is mentioned.	Add reference to side standard unless the intent that the 40-007 reclaimed standard is no longer required for sites.
2.5	Recommend replacing the use of ‘lowest’ with ‘lower’ otherwise this is confusing.	See comment
2.5	Definition of “secondary manufacturing” is absent. This is vital, please add to the glossary. Different terminologies are used in relation to the word primary in the standard, which need clarification e.g. page 6 refers to <u>primary</u> (harvesting, pre-processing), the secondary (<u>primary</u> and secondary manufacturing)...sectors. Clarification is critical for understanding.	
2.6	Sentence is too long, please split it up.	
2.6	Good! This is an issue when companies are starting up their certification. Now solved!	
2.6	2.6 (material in stock) is not a criterion, but could be a note.	Change 2.6 to a Note
2.6	Moving this wording from the accreditation and guidance standards to the actual standard that certificate holders use is the right thing to do. Certification bodies have implemented this guidance inconsistently during the last 5 years and it is important to have a level playing field in this regard..	
2.6	We support not making changes to this clause.	Retain as worded.
2.6	This is a requirement/ knowledge for the auditor.	Remove from standard.
2.6	This section has lost context in revision. Main evaluation as part of certification process needs to be clarified for this section to be clear. Main evaluation is not defined in Terms and Definitions section	Organisations in the certification process may include material held in stock at the time of the main evaluation by the certification body
2.6	Grammatical change	An organisation may <i>include</i> material help in stock... <i>in/as part of</i> FSC product input calculations

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
2.6	This section does not refer to companies who have manufactured products, but not sold, before issuance of certificate.	Write instead: 2.6 An organization may use material held in stock at the time of the main evaluation as well as material received and produced between the date of the main evaluation and the issue date of the organization's FSC chain of custody certificate towards FSC product input calculations, provided the organization is able to demonstrate to the certification body that the materials meet the FSC material sourcing requirements.
Clause 2.6	How this clause can be used if the OCP system will enter in force?	I think this point is positive, but just remember that if FSC will decide to use the OCP, CHs will have to enter FSC transaction data into the OCP by the end of each month as a minimum requirement
2.6	The language used in the criteria is difficult to understand.	"If the organization holds material in stock at the time of the first main evaluation, this may be used as FSC input and in FSC input calculations, provided that the organization is able to demonstrate to the certification body, that the materials meet the FSC material sourcing requirements. The same goes for materials received between the date of the first main evaluation and the issue date of the organizations FSC chain of Custody certificate."
2.6	The language used in the criteria is difficult to understand.	"If the organization holds material in stock at the time of the first main evaluation, this may be used as FSC input and in FSC input calculations, provided that the organization is able to demonstrate to the certification body, that the materials meet the FSC material sourcing requirements. The same goes for materials received between the date of the first main evaluation and the issue date of the organizations FSC chain of Custody certificate."
2.6	The language used in the criteria is difficult to understand.	"If the organization holds material in stock at the time of the first main evaluation, this may be used as FSC input and in FSC input calculations, provided that the organization is able to demonstrate to the certification body, that the materials meet the FSC material sourcing requirements. The same goes for materials received between the date

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		of the first main evaluation and the issue date of the organizations FSC chain of Custody certificate.”
Clause 2.6	2.6 An organization may use material held in stock at the time of the main evaluation as well as material received between the date of the main evaluation and the issue date of the organization’s FSC chain of custody certificate towards FSC product input calculations, provided the organization is able to demonstrate to the certification body that the materials meet the FSC material sourcing requirements.	Please allow companies to demonstrate the conformance to FSC COC standard for the materials purchased before the initial audit. Usually it is clear that the materials have not been mixed even before the company has been formally audited.
3.1	The three options presented (a, b, & c) do not allow sufficiently allow for the credit system. Using the credit system, material is tracked by way of paperwork, excel sheets, etc. The physical material is often not separated at all, unless there is some ineligible material also being received. However, in most cases all material entering the facility, or at least all material for a particular product, is eligible. Therefore, there is no need for the material to be “easily identifiable and separable” at any point in time. There should be an option for tracking material when no ineligible inputs are present and the certified volume is tracked via a credit system.	Add another clause (d) that captures a quality control more relevant to a credit account.
3.1	“Identifiable and separable”: What does this mean? Identifiable as what? Separable from what?	Clarify
Clause 3.1	KOB: The physical separation is still a main element of the COC and important to understand for CH from the beginning. It affects their processes also in case of a percentage /credit system. It is positive that this draft standard says already more about physical separation than Version 2.1.	Additional information about physical separation to be provided in the Section. Something like: Material must be physically separable as following: <ol style="list-style-type: none"> 1. Separation of raw material, from entering the company to the point it is used for production or it is registered in the credit account. 2. Separation of the material between different product groups during processing and at intermediary storage. 3. Separation of finished products or in case of a credit system, from the point, when the product is withdrawn from the Credit Account.
3.1	When using the Percentage or Credit System 3.1 (separation and identification throughout all stages) is unrealistic and a big contradiction to these control systems.	Clarify that 3.1. (separation / identification) only applies for the input and output storage, but not for production, when using the Percentage or Credit System.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Clause 3.1	<p style="text-align: center;">3 Material handling</p> <p>3.1 The organization shall ensure that materials used in FSC product groups remain easily identifiable and separable throughout all phases of storage, processing and distribution. This can be achieved by applying one or more of the following options:</p> <p style="margin-left: 40px;">a) Physical separation of materials;</p> <p style="margin-left: 40px;">b) Temporal separation of materials;</p> <p style="margin-left: 40px;">c) Identification of materials.</p>	<p>Make more clear that CH only need to segregate “non FSC conform material” from FSC conform material eligible for product groups using a FSC percentage and credit system..</p> <p>It is not always possible in percentage system or credit system to keep all input material clearly identifiable during all steps of the process. E.g. In a paper or particle board making process all kind of fibre materials are mixed and cannot be separated or cannot be categorised according all FSC categories during all steps of the processing</p> <p>...In a paper mill only “non FSC conform” inputs must be clearly identifiable as such on the stock yard and need to be separated through temporal separation in the production process from FSC certified or FSC CW production batches.</p> <p>Add: “non FSC conform” material need to be segregated from “FSC conform material” (certified & controlled)</p>
3.1	If in all phases material need to be separated (physically or temporally) or need to be identifiable, than this is contradicting the basic principle of the percentage and credit system – at least in specific phase of transformation.	There should be separate clauses for the transfer system and for the percentage/credit system. For all systems there should be a requirement to separate non-FSC-conforming material.
3.1	Since much volume pass a credit system the material are not separable	Remove ..“and separable”..
3.1.	<p>3.1 The organization shall ensure that materials used in FSC product groups remain easily identifiable and separable throughout all phases of storage, processing and distribution. This can be achieved by applying one or more of the following options:</p> <p style="margin-left: 40px;">a) Physical separation of materials;</p> <p style="margin-left: 40px;">b) Temporal separation of materials;</p> <p style="margin-left: 40px;">c) Identification of materials.</p> <p>This is only a realistic requirement if the transfer system is applied. It makes no sense to apply this requirement as a general rule, including in the cases where the percentage or credit systems are in place.</p>	Clarify that this requirement is not applicable when using the percentage or credit systems.
3.1	The item “c) Identification of materials” should be clarified as it may be interpreted as a requirement of labelling on the materials themselves, when dematerialized traceability is a good, efficient and safe way to identify (in IT management system)	Identification of materials should be clarified and extended to the concept of dematerialized identification

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
3.1	If in all phases material need to be separated (physically or temporally) or need to be identifiable, than this is contradicting the basic principle of the percentage and credit system – at least in specific phase of transformation.	There should be separate clauses for the transfer system and for the percentage/credit system. For all systems there should be a requirement to separate non-FSC-conforming material.
3.1	If in all phases material need to be separated (physically or temporally) or need to be identifiable, than this is contradicting the basic principle of the percentage and credit system – at least in specific phase of transformation.	There should be separate clauses for the transfer system and for the percentage/credit system. For all systems there should be a requirement to separate non-FSC-conforming material.
3.1	If in all phases material needs to be separated (physically or temporally) or needs to be identifiable, than this is contradicting the basic principle of the percentage and credit system – at least in specific phase of transformation.	
3.1	This requirement may not be applicable in case of percentage or credit system, but still needed when the company has non certified material in the plant	Clarify applicability
3.1	For certificate holders operating under a mix credit system, the proposed requirement to ensure that materials remain easily identifiable throughout all phases of storage and processing is not feasible.	Retain current language specific to “inputs” or clarify that the requirement to identify certified materials throughout all phases of storage and processing does not apply to certificate holders operating under the mix credit system.
3.1 of FSC-STD-40-004 V3-0 D2-0	„The organization shall ensure that materials used in FSC product groups remain easily identifiable and separable throughout all phases of storage, processing and distribution“ During the complex production process neither a physical nor a temporal separation or identification of materials or qualities of the product groups can be provided be the certificate holder.	
3.1	It is unclear if inputs that may be eligible to more than one claim must be separated at all times. Clarify the intent and requirements.	
3.1	For Percentage and Credit System neither a) physical separation nor b) temporal separation nor c) identification of materials is possible throughout all phases of storage, processing and distribution. These control systems allow seeing the production as a black box, therefore separation and identification can only be provided for input and output.	Revise 3.1 by either reducing it to the Transfer System or by making clear that it applies only for inputs and outputs when using Percentage or Credit System.
Clause 3.1	This requirement is only relevant for Transfer system.	Specify it is relevant for Transfer system
3.1 Material handling	„The organization shall ensure that materials used in FSC product groups remain <u>easily identifiable and separable</u> throughout all phases of storage, processing and distribution.“ During the complex production process neither a physical nor a temporal separation or identification of materials or qualities of the product groups can be provided be the certificate holder.	
3.1 Material handling	„The organization shall ensure that materials used in FSC product groups remain <u>easily identifiable and separable</u> throughout all phases of storage, processing and distribution.“ During the complex production process neither a physical nor a temporal separation or identification of materials or qualities of the product groups can be provided be the certificate holder.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
3.1 Material handling	„The organization shall ensure that materials used in FSC product groups remain easily identifiable and separable throughout all phases of storage, processing and distribution.“ During the complex production process neither a physical nor a temporal separation or identification of materials or qualities of the product groups can be provided by the certificate holder.	
3.1 Material handling	„The organization shall ensure that materials used in FSC product groups remain <u>easily identifiable and separable</u> throughout all phases of storage, processing and distribution.“ During the complex production process neither a physical nor a temporal separation or identification of materials or qualities of the product groups can be provided be the certificate holder.	
3.1 Material handling	„The organization shall ensure that materials used in FSC product groups remain <u>easily identifiable and separable</u> throughout all phases of storage, processing and distribution.“ During the complex production process neither a physical nor a temporal separation or identification of materials or qualities of the product groups can be provided be the certificate holder.	
3.1 Material handling	„The organization shall ensure that materials used in FSC product groups remain <u>easily identifiable and separable</u> throughout all phases of storage, processing and distribution.“ During the complex production process neither a physical nor a temporal separation or identification of materials or qualities of the product groups can be provided by the certificate holder.	
3.1 Material handling	„The organization shall ensure that materials used in FSC product groups remain <u>easily identifiable and separable</u> throughout all phases of storage, processing and distribution.“ During the complex production process neither a physical nor a temporal separation or identification of materials or qualities of the product groups can be provided be the certificate holder.	
3.1 Material handling	„The organization shall ensure that materials used in FSC product groups remain <u>easily identifiable and separable</u> throughout all phases of storage, processing and distribution.“ During the complex production process neither a physical nor a temporal separation or identification of materials or qualities of the product groups can be provided be the certificate holder.	
3.1 of FSC-STD-40-004 V3-0 D2-0	„The organization shall ensure that materials used in FSC product groups remain easily identifiable and separable throughout all phases of storage, processing and distribution.“ During the complex production process neither a physical nor a temporal separation or identification of materials or qualities of the product groups can be provided be the certificate holder.	
3.1 of FSC-STD-40-004 V3-0 D2-0	„The organization shall ensure that materials used in FSC product groups remain easily identifiable and separable throughout all phases of storage, processing and distribution.“ During the complex production process neither a physical nor a temporal separation or identification of materials or qualities of the product groups can be provided be the certificate holder.	
3.1	Please further clarify the methods for segregation. It is not clear what ‘Temporal’ is implying.	Add option for Electronic segregation.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Suggest adding the option for 'Electronic' segregation as in the use of an ERP system where the electronic and physical identification correlate and is used to control products and materials and their status within a company's FSC Control System.	
3.1	This is a unclear situation, because in credits and percentage system is a separation not necessary.	The organization shall ensure that materials used in FSC product groups remain easily identifiable and separable from not certified material (if they use transfer system) or uncontrolled wood (if they use percentage system ore credit system) throughout all phases of storage, processing and distribution.
3.1	Good. It explains separation forms.	
3.1.2	(T) In order to solve "Originating Error 2: claims with errors" (Transaction Verification webinar slides) the standard should define a period for checking certificate's validity and scope.	(E) Delete "FSC Online Claims Platform at ocp.fsc.org" from the sentence.
3.2.2 table B	As it is written here, this table seems to forbid what is later described in 3.3. as possible.	On the note there should be a sentence referring that controlled material is allowed, if in accordance with 3.3, in order not to induce confusion.
3.2	This section is confusing in terms of the use of the word 'supplying'. It only makes full sense in conjunction with 6.5 Does the use of the word 'supplying' here make reference to the supplier or the certified company who are 'handling' controlled wood	Revision of this section and consideration of the term 'supplying'
3.2.	What is meant by segregation marks?	Explain "Segregation mark" in glossary or phrase clearer.
3.2	We are in agreement with this clause with minor edits.	Remove red text from the requirement. Suggest further clarifying by removing the 'and' in the following statement: 'Controlled Wood' segregation marks shall be removed if products are finished and/or reaching final points of sale and/or when the segregation marks could be interpreted as commercial labels.
3.2.4	From our point of view the topic of "FSC Mix assembled wood products, [where] the visible wood component whose species (e.g. oak or maple) characterizes and gives its name to the product" belongs into the COC-standard, because this topic controls not just labeling matters but especially technical production and quality properties of the wood product as well as the procurement of the timber. To shift this topic into the Trademark Standard would just shift the problem into a standard which regulate issues which comes after the production of the product and the procurement of the timber.	
Version 2 - 3.2.4	From our point of view the topic of "FSC Mix assembled wood products, [where] the visible wood component whose species (e.g. oak or maple) characterizes and gives its name to the product" belongs into the COC-standard, because this topic controls not just labeling matters but especially technical production and quality properties of the wood product as well as the procurement of the	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	timber. To shift this topic into the Trademark Standard would just shift the problem into a standard which regulate issues which comes after the production of the product and the procurement of the timber.	
Version 2 - 3.2.4	From our point of view the topic of "FSC Mix assembled wood products, [where] the visible wood component whose species (e.g. oak or maple) characterizes and gives its name to the product" belongs into the COC-standard, because this topic controls not just labeling matters but especially technical production and quality properties of the wood product as well as the procurement of the timber. To shift this topic into the Trademark Standard would just shift the problem into a standard which regulate issues which comes after the production of the product and the procurement of the timber.	
3.2.4	The concept that visible / name giving parts of a product should be certified is appropriate. But currently, a change to this concept is not feasible, because the needed FSC quantities with the necessary quality (for packages, veneers, etc.) are not available in the market.	First of all an advancement of certified forest areas needs to be done in order to ensure the availability of primary wood types (e.g. oak, beech). Afterwards the concept should be integrated step-by-step in the Standards and, dependent on the change of certified wood areas, it should also be a part of the next revision process in the year 2020 again.
3.2.4	With this new requirement it may be hard for suppliers of for instance veneers to meet the demand for FSC certified material, which will be the consequence of 3.2.4. Until now much of the veneer has had CW status and the 70/30 (FSC input / CW) balance for the veneer can be difficult to reach.	
3.4	This requirement undermines FSC's credibility being unable to solve a problem within the FSC certification system and transferring this responsibility and burden to the certificate holders. And how will this even be credibly audited? Legally, a CB only has the right to audit a client with whom it has a signed agreement, not its client's suppliers.	Delete.
3.4	The requirements to be met by an alternative Transactional Verification methods are not published/ not completely clear even for FSC at the moment and therefore they are not available for this consultation period. This procedure is not comprehensible enough to comment on it without having the all needed information available.	deletion
3.4	The requirements for alternative verification systems must be also included in the main/leading CoC standard, the CoC accreditation standard for certification bodies (FSC-STD- 20-011 here). The Transaction Verification is one of the main changes of the CoC-standard. Companies must be informed in this CoC standard about new regulations. The regulations about alternative systems of the Transaction Verification have to be part of the second draft of the CoC standard and have to be commented within this CoC standard. There is a risk that only a few companies will give feedback when it is not part of this consultation. Although this is FSC compliant that can cause a	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	loss of reputation for the FSC. With more complicated regulations FSC will loose some of his supporters on the company side.	
3.4	Alternative verification systems must be risk-based. Depending on the risk there should be a 100 % inspection or a small sampling inspection. The risk approach should in particular relate to countries.	Propose risk based verification system, e.g. based on CPI.
3.4	The alternative verification systems must be pragmatic and applicable. After OCP was not made mandatory it shouldn't be introduced through the back door, because the alternatives are so complex and complicated that there are de facto no alternatives to OCP. This indirect introduction of OCP will cause a lot of reputation damage for the FSC International. Excessive requirements can lead to a series cessation of FSC certifications.	
3.4.1	This requirement will create a lot of additional work for certificate holder to be in compliance, increasing the costs of a CoC certificate.	
4.	Product groups should be part of the quality management system. Product groups are the spider in the web. A very good way of having internal and external control to monitor the FSC claims. Please look back and re-inform yourself about the reasons why product groups were introduced in the first place.	Move chapter 4 between 1.2 and 1.4. Delete that product groups should only be established under the percentage and credit system
4.1	All systems should require established product groups. Removing transfer system from this requirement causes confusion as to what Transfer System certificate holders are required to do. This change may have been an attempt to simplify, but instead causes complexity. Product types seems to be the wrong word in the note? These new additions are very confusing (possibly even more complex) to a simple system that currently works. Establishing product groups is a core concept of the CoC system that should not be removed. This allows a system for CBs to collect information on scope and add this information to appropriate database for transparency in scope to future customers in the supply chain.	
Section 4	KOB: Why has the definition of product groups been moved to section 4 and not remain as section 2? The product group definition is fundamental and the company must be clear on their own product groups, before they start sourcing certificate material. Therefore the sequence in not logical.	Restructure the Standard and shift section 4 between section 1 and 2
4.1	The quality concept is very poorly defined and should be removed. This is open to auditor interpretation and will lead to inconsistent audit. In discussions with CBs there is already differing interpretations of the section.	
4.1	It would be useful to have more examples to avoid different interpretation of quality. Increases the requirements of companies regarding product groups, unclear what value this will deliver.	
4.1 c)	The variation depends on the specific product, therefore the 10% threshold is not appropriate for some products (e.g. when mixing birch and aspen)	Delete (variation not superior to 10%)

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART I / 4.1	Specifically indicators b. and c. seem to confuse this matter and do not provide additional benefits. I would suggest reverting to the product group requirements as outlined in V2-1 of the CoC standard.	
4.1 Input material E Terms and definitions: Quality	The strict combination of product type and of input material does not represent all processes in reality. On mixed products the replaceability of some components is daily doing (e.g. pine vs. spruce, fresh wood vs. recycling wood). The definition of quality helps to hold up the flexibility.	Please do not change the compromise
4.1	Confuse. Looks like in Transfer system will not be necessary establish product groups	Exclude this point
4.1	Please clarify in the standard which is the intention of the requirement: a) or b) or c) or a) and b) and c)	
4.1	The system of dividing the credit accounts into different product groups will result in significant loss of FSC credits for complex products. It is highly unlikely that organisations will be able to balance the consumption of materials all the time against available credits in sometimes more than 10 different credit accounts. This will result in reluctance to introduce ranges of complex products, as the supplier will be unable to guarantee that they can deliver certified products all the time. This is also partly an effect of the removal of the minor components rule. 9.8 is to limiting the transfer of credits to high quality materials.	Possibilities to explore Loosen up the definitions of the product groups so it is more a question of value than quality or end use. The conversion factor does not need to have an influence if applied properly in the system, e.i. the inputs and outputs in the production of a complex product is calculated in the usual way. Another possibility would be to reintroduce the concept of minor components in this context, too avoid having to create volume accounts for e.g. décor paper and dowels. A third option is to create different rules for different products groups e.g. solid wood and paper. It could be possible to weigh the credits in the account with the value in money so that you are unable to make a monetary gain by swapping low value materials for high value but it would reduce the risk of losing credits in the system.
Part I Section 4 Clause 4.1	The crosswalk specify that requirement 4.1 (draft 2) replaced requirements 2.1.3, 5.1.1 and 5.1.2, however only the requirement 2.1.3 was incorporated. It is necessary to incorporate requirements about conversion factor (5.1.1 and 5.1.2 – actual standard) in the revised standard, because without these specification it is not possible to control volume. Change the term “quality” to “product characteristics”	Add requirements 5.11 and 5.12 from actual standard in requirement 5.1 of draft 2, because without conversion factor there is no volume control. b) Are made of the same input material (e.g. pine lumber) or same set of input materials (e.g. a product group of melamine particle boards, where all products are made of a combination of melamine paper and particle board, but have different dimensions and melamine colors). However, it is acceptable that a particular input material is exchanged by another without the need to establish a separate product group, provided these

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		materials have the same characteristics (see definition of product characteristics).
Part I Section 4 Clause 4.1	The crosswalk specify that requirement 4.1 (draft 2) replaced requirements 2.1.3, 5.1.1 and 5.1.2, however only the requirement 2.1.3 was incorporated. It is necessary to incorporate requirements about conversion factor (5.1.1 and 5.1.2 – actual standard) in the revised standard, because without these specification it is not possible to control volume. Change the term “quality” to “product characteristics”	Add requirements 5.11 and 5.12 from actual standard in requirement 5.1 of draft 2, because without conversion factor there is no volume control. b) Are made of the same input material (e.g. pine lumber) or same set of input materials (e.g. a product group of melamine particle boards, where all products are made of a combination of melamine paper and particle board, but have different dimensions and melamine colors).However, it is acceptable that a particular input material is exchanged by another without the need to establish a separate product group, provided these materials have the same characteristics (see definition of product characteristics).
Part I Section 4 Clause 4.1	The crosswalk specify that requirement 4.1 (draft 2) replaced requirements 2.1.3, 5.1.1 and 5.1.2, however only the requirement 2.1.3 was incorporated. It is necessary to incorporate requirements about conversion factor (5.1.1 and 5.1.2 – actual standard) in the revised standard, because without these specification it is not possible to control volume. Change the term “quality” to “product characteristics”	Add requirements 5.11 and 5.12 from actual standard in requirement 5.1 of draft 2, because without conversion factor there is no volume control. b) Are made of the same input material (e.g. pine lumber) or same set of input materials (e.g. a product group of melamine particle boards, where all products are made of a combination of melamine paper and particle board, but have different dimensions and melamine colors).However, it is acceptable that a particular input material is exchanged by another without the need to establish a separate product group, provided these materials have the same characteristics (see definition of product characteristics).
Part I Section 4 Clause 4.1	The crosswalk specify that requirement 4.1 (draft 2) replaced requirements 2.1.3, 5.1.1 and 5.1.2, however only the requirement 2.1.3 was incorporated. It is necessary to incorporate requirements about conversion factor (5.1.1 and 5.1.2 – actual standard) in the revised standard, because without these specification it is not possible to control volume. Change the term “quality” to “product characteristics”	Add requirements 5.11 and 5.12 from actual standard in requirement 5.1 of draft 2, because without conversion factor there is no volume control. b) Are made of the same input material (e.g. pine lumber) or same set of input materials (e.g. a product group of melamine particle boards, where all products are made of a combination of melamine paper and particle board, but have different dimensions and melamine colors).However, it is acceptable that a particular input material is exchanged by another without the need to establish a separate product group, provided these

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		materials have the same characteristics (see definition of product characteristics).
Part I Section 4 Clause 4.1	The crosswalk specify that requirement 4.1 (draft 2) replaced requirements 2.1.3, 5.1.1 and 5.1.2, however only the requirement 2.1.3 was incorporated. It is necessary to incorporate requirements about conversion factor (5.1.1 and 5.1.2 – actual standard) in the revised standard, because without these specification it is not possible to control volume. Change the term “quality” to “product characteristics”	Add requirements 5.11 and 5.12 from actual standard in requirement 5.1 of draft 2, because without conversion factor there is no volume control. b) Are made of the same input material (e.g. pine lumber) or same set of input materials (e.g. a product group of melamine particle boards, where all products are made of a combination of melamine paper and particle board, but have different dimensions and melamine colors).However, it is acceptable that a particular input material is exchanged by another without the need to establish a separate product group, provided these materials have the same characteristics (see definition of product characteristics).
Part I Section 4 Clause 4.1	The crosswalk specify that requirement 4.1 (draft 2) replaced requirements 2.1.3, 5.1.1 and 5.1.2, however only the requirement 2.1.3 was incorporated. It is necessary to incorporate requirements about conversion factor (5.1.1 and 5.1.2 – actual standard) in the revised standard, because without these specification it is not possible to control volume. Change the term “quality” to “product characteristics”	Add requirements 5.11 and 5.12 from actual standard in requirement 5.1 of draft 2, because without conversion factor there is no volume control. b) Are made of the same input material (e.g. pine lumber) or same set of input materials (e.g. a product group of melamine particle boards, where all products are made of a combination of melamine paper and particle board, but have different dimensions and melamine colors).However, it is acceptable that a particular input material is exchanged by another without the need to establish a separate product group, provided these materials have the same characteristics (see definition of product characteristics).
4.1 Clause	<ul style="list-style-type: none"> • Definition of “Quality” remains unclear and subject to discretionality. Discretionality may apply either at CH, CB, and ASI level. • Uncertainties arose on how different mixes of long/short fibres in pulp paper products should be considered in terms of quality. 	<ul style="list-style-type: none"> • The revised standard should detail in a better way what is meant with “Quality”, also through objective criteria, thresholds and examples to be carefully taken into consideration in which circumstances. • The revised standard should try to avoid discretionality as much as possible.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
4.1 Clause	<ul style="list-style-type: none"> Definition of “Quality” remains unclear and subject to discretionality. Discretionality may apply either at CH, CB, and ASI level. Uncertainties arose on how different mixes of long/short fibres in pulp paper products should be considered in terms of quality. 	<ul style="list-style-type: none"> The revised standard should detail in a better way what is meant with “Quality”, also through objective criteria, thresholds and examples to be carefully taken into consideration in which circumstances. The revised standard should try to avoid discretionality as much as possible.
4.1 Clause	<ul style="list-style-type: none"> Definition of “Quality” remains unclear and subject to discretionality. Discretionality may apply either at CH, CB, and ASI level. Uncertainties arose on how different mixes of long/short fibres in pulp paper products should be considered in terms of quality. 	<ul style="list-style-type: none"> The revised standard should detail in a better way what is meant with “Quality”, also through objective criteria, thresholds and examples to be carefully taken into consideration in which circumstances. The revised standard should try to avoid discretionality as much as possible.
4.1 Clause	<ul style="list-style-type: none"> Definition of “Quality” remains unclear and subject to discretionality. Discretionality may apply either at CH, CB, and ASI level. Uncertainties arose on how different mixes of long/short fibres in pulp paper products should be considered in terms of quality. 	<ul style="list-style-type: none"> The revised standard should detail in a better way what is meant with “Quality”, also through objective criteria, thresholds and examples to be carefully taken into consideration in which circumstances. The revised standard should try to avoid discretionality as much as possible.
Clause 4.1	We support the product group requirements to stay the same as the V2-1 standard	N/A
4.1 (FSC-STD-40-004 V3-0 D2-0)	<p>Wording of 4.1 a) is clear.</p> <p>But wording of 4.1 b) and c) is not comprehensible. Same definition as in old standard (FSC-STD-40-004- V2-1) is desirable.</p> <p>Replace 4.1 b) and c) within comment of 2.1.3 a) and b) of the old standard.</p> <p>2.1.3 from old standard (FSC-STD-40-004- V2-1): 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:</p> <ul style="list-style-type: none"> a) quality of inputs; b) conversion factors. 	<p>Suggest for change:</p> <p>Organizations operating the percentage and credit system shall establish product groups for the purpose of controlling FSC claims. Product groups shall be formed by products that:</p> <ul style="list-style-type: none"> a) fall under the same product type category according to FSC-STD-40-004a; b) share similar specifications in relation to quality of inputs and conversion factors.
4	As 4.1 and 4.2 are in consequence and 4.1 applies mainly to % and credit, it is not clear if 4.2 is applicable only to these methods. On the other hand it seems more logic to invert the sequence of 4.1 and 4.2	Write first 4.1 on the need to create a list of product groups

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
4.1	4.1 Organizations operating the percentage and credit system shall establish product groups for the purpose of controlling FSC claims. Product groups shall be formed by products that: a) Fall under the same product type category according to <i>FSC-STD-40-004a</i> ; NOTE: Organizations operating the Transfer System may also establish product groups for the purpose of controlling FSC claims instead of controlling it at Product Type level. The statements appear to be contradictory. Is there a distinction between product level and product category?	
4.1	Clarify what level of product classification is required per 40-004a (Level 1 or 2 is doable. If the requirement is to go to Level 3, it gets too restrictive). Putting a 10% restriction on conversion factors is unwarranted. Companies that use significant technology or labour to turn a poor quality product into a higher value product should be rewarded, not punished.	Drop the 10% cap on conversion factors.
4.1	It would be useful to have more examples to avoid different interpretation of quality.	
4.1	It would be useful to have more examples to avoid different interpretation of quality.	
4.1	Different conversion factor caused big difference input and output of raw material	Products in same product group shall have similar conversion factor.
4.1	It is not clear enough that "Product groups shall be formed by products that (...)" only refers to sales products (not input materials).	Add the word "output" to "Product groups shall be formed by OUTPUT products that (...)"
4.1	It would be useful to have more examples to avoid different interpretation of quality	
4.1	Product Groups needs to be established for both percentage system and/or credit system	Organisations operating the percentage and/or credit system shall establish product groups for the purpose of controlling FSC claims.
4.1.	In order to avoid "misunderstandings" species must be a part of the definition of input material when purchasing 1.1. I heard rumours that "available" FSC round wood species are bought and moved to other species in sales.	"Same input material (species, material type, e.g. pine lumber) ..."
4.1	The revision to the product group requirements appears to be an attempt to help simplify requirements for those on the transfer system and to clarify elements where needed. However, the revision to the product group clause has created unnecessary confusion and no real benefit to those managing a transfer system. Additionally, there is significant concern around the proposal that similar conversion factors are not greater than 10% as there are many factors that can play into the variation in these conversion factors. Most stakeholders have expressed support for the product group requirements to return to their current format in V2-1 of the COC standard.	Maintain the current V2-1 language

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
4.1.1	As it is the requirement is vague and not clear.	The organization shall 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, using 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; c) Identification of materials.
4.1 a)	What is the “same product type category”? Does it refer to Level 1 in FSC-STD-40-004a? For me this would make sense but is not clear in the formulation and definitions.	Add “Level 1” and delete “category”, so: “a) Fall under the same product type category (Level 1) according to FSC-STD-40-004a”
4.1 a) of FSC-STD-40-004 V3-0 D2-0	Which level of product type category?	Level 1
Clause 4.1 a)	4.1 Organizations operating the percentage and credit system shall establish product groups for the purpose of controlling FSC claims. Product groups shall be formed by products that: a) Fall under the same product type category according to FSC-STD-40-004a;	Please use grammatically correct form: “4.1 Organizations operating the percentage and credit system shall establish product groups for the purpose of controlling FSC claims. Product groups shall be formed by products that: a) Belong to the same product type category in accordance with FSC-STD-40-004a;”
Clause 4.1 a)	4 Establishment of product groups for the control of FSC claims 4.1 Organizations operating the percentage and credit system shall establish product groups for the purpose of controlling FSC claims. Product groups shall be formed by products that: a) Fall under the same product type category according to FSC-STD-40-004a;	It described more clear in the text of the clause, that all products groups shall be formed by products (outputs) following under the group type category. (It should be avoided more strongly that it could happen that someone misinterpret the requirement 4.1 a) in such way that all <u>input materials</u> to one product group should be only from one product type category... Recommendation: add the word “output” somewhere to the requirements in 4.1 a..
4.1 a)	I don’t find a definition for product type category.	It should be changed to: Fall under the same Level 1 according to FSC-STD-40-004a
4.1a	Clarify: type category	It must be allowed to create a product group as Softwood fibre that in example include Softwood pulpwood and soft wood wood chips. Or a product group that include both paper and board

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
4.1 a)	There is no definition for “product type category”	Please change: „Fall under the same Level 1 according to FSC-STD-40-004a”
Part I, No. 4.1 b “Product groups” and “definition of quality” (also relevant for “E Terms and definitions, “Quality”)	In “Report of the first public consultation of FSC-STD-40-004 V3-0 D1-0”, page 5 (topic 6, last sentence) is written: “In the case of fibers, more flexibility is provided since different types of pulp (e.g. short fiber, long fiber) can be classified in the same quality category.” This sentence was not transferred to the current draft!	To avoid different interpretation regarding “product groups” and “quality” by different certification bodies (which would lead to unfair competition): This sentence should unconditional be transferred from the consultation-report to the new standard.
Part I, No. 4.1 b “Product groups” and “definition of quality” (also relevant for “E Terms and definitions, “Quality”)	In “Report of the first public consultation of FSC-STD-40-004 V3-0 D1-0”, page 5 (topic 6, last sentence) is written: “In the case of fibers, more flexibility is provided since different types of pulp (e.g. short fiber, long fiber) can be classified in the same quality category.” To avoid different interpretation regarding “product groups” and “quality” by different certification bodies (which would lead to unfair competition): This sentence should be transferred from the consultation-report to the new standard.	Addition: In the case of fibers, more flexibility is provided since different types of pulp (e.g. short fiber, long fiber) can be classified in the same quality category.”
Part I, No. 4.1 b “Product groups” and “definition of quality” (also relevant for “E Terms and definitions, “Quality”)	In “Report of the first public consultation of FSC-STD-40-004 V3-0 D1-0”, page 5 (topic 6, last sentence) is written: “In the case of fibers, more flexibility is provided since different types of pulp (e.g. short fiber, long fiber) can be classified in the same quality category.” To avoid different interpretation regarding “product groups” and “quality” by different certification bodies (which would lead to unfair competition): This sentence should be transferred from the consultation-report to the new standard.	Addition: In the case of fibers, more flexibility is provided since different types of pulp (e.g. short fiber, long fiber) can be classified in the same quality category.”
Part I, No. 4.1 b “Product groups” and “definition of quality” (also relevant for “E Terms and definitions, “Quality”)	In “Report of the first public consultation of FSC-STD-40-004 V3-0 D1-0”, page 5 (topic 6, last sentence) is written: “In the case of fibers, more flexibility is provided since different types of pulp (e.g. short fiber, long fiber) can be classified in the same quality category.” To avoid different interpretation regarding “product groups” and “quality” by different certification bodies (which would lead to unfair competition): This sentence should be transferred from the consultation-report to the new standard.	Addition: In the case of fibers, more flexibility is provided since different types of pulp (e.g. short fiber, long fiber) can be classified in the same quality category.”
Part I, No. 4.1 b	In “Report of the first public consultation of FSC-STD-40-004 V3-0 D1-0”, page 5 (topic 6, last sentence) is written: “In the case of fibers, more flexibility is provided since different types of pulp (e.g. short fiber, long fiber) can be classified in the same quality category.” To avoid different interpretation regarding “product groups” and “quality” by different certification bodies (which would lead to unfair competition): This sentence should be transferred from the consultation-report to the new standard.	Addition: In the case of fibers, more flexibility is provided since different types of pulp (e.g. short fiber, long fiber) can be classified in the same quality category.”

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
“Product groups” and “definition of quality” (also relevant for “E Terms and definitions, “Quality”)		
4.1.b	This is a welcome clarification of product groups	
Establishment of product groups for the control of FSC claims, Section 4.1 b), p 10	Kimberly-Clark supports the language in Section 4.1 b) that “However, it is acceptable that a particular input material is exchanged by another without the need to establish a separate product group, provided these materials have the same quality see definition of quality.” Kimberly-Clark will comment later on the definition of quality but this proposed language will give the company flexibility in choosing input materials that do not affect the output product function, value and/or physical appearance. Kimberly-Clark does not support mandating that input materials be of the same wood species for paper products.	
4.1b	Within the synopsis of the 1 st round of consultation document, there is a statement based on the intent of the working group and credit systems and quality functions. The intent of the working group with regard to “fiber and products not distinguishable by the naked eye” is that they are the same quality. This is not portrayed anywhere within the CoC normative standard draft..	Align intent of working group to normative framework in regard to fiber based products. This is the basis for a quality interpretation that is consistent for all companies manufacturing a fiber product.
4.1	4.1 b) and c) are confusing and do not provide clarity for companies or CBs applying the standard.	Product groups described in V2-1 are a potential alternative.
4.1	4.1 b) and c) are confusing and do not provide clarity for companies or CBs applying the standard.	Product groups described in V2-1 are a potential alternative.
4.1	4.1 b) and c) are confusing and do not provide clarity for companies or CBs applying the standard. For example the statement in b) “are made of the same input material” could be interpreted to mean virgin fiber cannot be mixed with recycled fiber.	Product groups described in V2-1 should be retained and used in this version of the standard.
4.1c	A product group such as softwood pulpwood include different species of mainly pine and spruce. The difference in conversion factor between pine and spruce are more that 10% A product group such as hardwood pulpwood include different species of mainly birch and aspen. The difference in conversion factor between birch and aspen are more that 20%	Remove 4.1C
4.1c	Conversion factors have been permitted to be streamlined to an industry average in the past for product groups. Companies have used industry average conversion factors for many product groups so that a level playing field was in place and also so that it was clear across the board what conversion was being used within their system. This requirement has no meaning for many of the current certificate holders certified today as they are using an industry average conversion factor for all sites present within a multi site certificate.	Remove conversion factor requirement for product groups as it is meaningless and subject to misinterpretation.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	The process that is used to transform materials is what dictates the actual conversion of materials in most places. The inputs to the product may not change. Two papers manufactured may have two different conversion factors in place, with greater than 10% difference despite the same inputs.	
4.1.c	Need more clarification. Are we allowed to have a conversion factor by Mill, if conversions factors by product vary by 20ish percent from top to bottom grades?	Clarification needed
4.1 c)	The variation depends on the specific product, therefore the 10% threshold is not appropriate for some products (e.g. when mixing birch and aspen).	Delete (variation not superior to 10%).
4.1 c)	The variation depends on the specific product, therefore the 10% threshold is not appropriate for some products (e.g. when mixing birch and aspen).	Delete (variation not superior to 10%).
4.1 Clause point c)	<ul style="list-style-type: none"> Need for consistency among different FSC Control Systems. 	<ul style="list-style-type: none"> The revised standard should extend the requirement on similar conversion factors also to the percentage system too.
4.1 Clause point c)	<ul style="list-style-type: none"> Need for consistency among different FSC Control Systems. 	<ul style="list-style-type: none"> The revised standard should extend the requirement on similar conversion factors also to the percentage system too.
4.1 Clause point c)	<ul style="list-style-type: none"> Need for consistency among different FSC Control Systems. 	<ul style="list-style-type: none"> The revised standard should extend the requirement on similar conversion factors also to the percentage system too.
4.1 Clause point c)	<ul style="list-style-type: none"> Need for consistency among different FSC Control Systems. 	<ul style="list-style-type: none"> The revised standard should extend the requirement on similar conversion factors also to the percentage system too.
4.1 c)	Limiting the variation to 10% is problematic for the recycled paper industry due to bales being varying sizes and densities and effect of rain when stored externally. There is no system in place across industry to weigh individual bales, we weigh lorry loads then visual bale counts are done assuming an average bale weight.	Either exempting the recycled paper industry from this limit, or increasing limit e.g. 30%
4.1c)	.. if <u>credit system</u> is applied... it's no more mentioned the percentage system	Reintroduce it
4.1 c)	Strongly recommend removing the phrase 'superior to'	Replace with 'more than'.
Clause 4.1 c)	Organizations operating the percentage and credit system shall establish product groups for the purpose of controlling FSC claims. Product groups shall be formed by products that: ... c) Have similar conversion factors (variation not superior to 10%), if the credit system is applied to the product group.	Why 10% not 50%? Most the bespoke furniture manufacturers and construction subcontractors (e.g. fit-out companies) using FSC Credit System have conversion factor variation between 20% and 60%, so according to this limitation for each job they need to establish a separate product group? PLUS

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		Please remove the NOTE as there is no need for product groups in FSC Transfer System.
4.1c)	Where did the variation not > 10% come from? Please provide rationale.	Provide rationale for conversion factors not varying by greater than 10%.
4.1 c	Is this applicable for rolling percentage claims? If so, that should be stated. If not, why not?	
4.1 a) - c)	It is unclear whether items a - c should be considered as being connected by <i>and</i> statements or <i>or</i> statements.	Please clarify that all items must be satisfied per product group.
4.1 c)	The variation depends on the specific product, therefore the 10% threshold is not appropriate for some products (e.g. when mixing birch and aspen)	Delete (variation not superior to 10%)
PART I: Universal Requirements, p. 10, Point 4.1. c)	The conversion factors can vary within the same production process and machines with similar raw materials and end products more than 10%. Also, there may be slight variation between the years. For example, one year it may be 9.3% and the next year 10.5%. Therefore, the 10 % threshold is not acceptable as it could require annual changes to product groups and credit accounts. This increases work and costs without any improvement in the system.	Deletion: (variation not superior to 10 %)
PART I: Universal Requirements, p. 10, Point 4.1. c)	The conversion factors can vary within the same production process and machines with similar raw materials and end products more than 10%. Also, there may be slight variation between the years. For example, one year it may be 9.3% and the next year 10.5%. Therefore, the 10 % threshold is not acceptable as it could require annual changes to product groups and credit accounts. This increases work and costs without any improvement in the system.	Deletion: (variation not superior to 10 %)
PART I: Universal Requirements, p. 10, Point 4.1. c)	The conversion factors can vary within the same production process and machines with similar raw materials and end products more than 10%. Also, there may be slight variation between the years. For example, one year it may be 9.3% and the next year 10.5%. Therefore, the 10 % threshold is not acceptable as it could require annual changes to product groups and credit accounts. This increases work and costs without any improvement in the system.	Deletion: (variation not superior to 10 %)
PART I: Universal Requirements, p. 10, Point 4.1. c)	The conversion factors can vary within the same production process and machines with similar raw materials and end products more than 10%. Also, there may be slight variation between the years. We have examples, that one year the difference between factor(s) can be 8% and the other year 13%. Therefore, the 10 % threshold would create real practical problems - requiring annual changes to product groups and credit accounts. This increases workload and costs without any real improvement in the system.	Deletion: (variation not superior to 10 %)
4.1d	variation of conversion factors can be higher than 10%, e.g. for solid wood furniture parts (various legs), tool handles (e.g. from brush handle to axe handles), conversion depends on the shape and all products are within the same product group;	Removal

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
4.1 g)	Individual product groups conversion factors being calculated is not possible when one paper machine shares its stock preparation with another and multiple product groups are produced on the same machine. E.g. we make non FSC, FSC Mix and FSC Recycled on the same machine within a week. Stock checking and mass balance calculations for each product run would be impossibly expensive as it would need to take into account all consistencies, chest levels throughout the whole of the relevant stock preparation plant. In addition if a mill retrospectively decides to remove the FSC claim on invoices and delivered product due to issues with credit balance how would the conversion factor be managed as the inputs would be time based and any sales decision may be weeks or months later?	Provide exemption for paper industry from this requirement, or allow same conversion factor across all products from the same process or linked processes.
4.1.note	I don't actually understand what is being said here. If I don't understand it, there's little chance that companies trying to obtain certification will understand it.	Please edit and reword for clarity, or provide an example
4.1 note	Sorry, I've not understood	
4.1 Note	Recommend including some clarification e.g. an example here. It's a potentially important sentence here, which will affect the majority of COC certificates (transfer systems) so increased clarity is vital.	
4.1 NOTE	It is unclear what this would look like in practice.	Please provide an illustrative example.
4.1 Clause Note	<ul style="list-style-type: none"> Need for better clarity: the proposition is not clearly understandable, also in the light of the following Clause 4.2 (refer to the wording "for each"). 	<ul style="list-style-type: none"> Note 4.1 should be removed, or the revised standard should better detail and clarify it through clear example(s).
4.1 Clause Note	<ul style="list-style-type: none"> Need for better clarity: the proposition is not clearly understandable, also in the light of the following Clause 4.2 (refer to the wording "for each"). 	<ul style="list-style-type: none"> Note 4.1 should be removed, or the revised standard should better detail and clarify it through clear example(s).
4.1 Clause Note	<ul style="list-style-type: none"> Need for better clarity: the proposition is not clearly understandable, also in the light of the following Clause 4.2 (refer to the wording "for each"). 	<ul style="list-style-type: none"> Note 4.1 should be removed, or the revised standard should better detail and clarify it through clear example(s).
4.1 Clause Note	<ul style="list-style-type: none"> Need for better clarity: the proposition is not clearly understandable, also in the light of the following Clause 4.2 (refer to the wording "for each"). 	<ul style="list-style-type: none"> Note 4.1 should be removed, or the revised standard should better detail and clarify it through clear example(s).
Clause 4.1 (note)	KOB: Product groups must be defined by all certificate holders from our point of view. It is not clear what is expected by a "Control on product type level".	Delete this note
NOTE below 4.1	<p>"Organizations operating the Transfer System may also establish product groups for the purpose of controlling FSC claims instead of controlling it at Product Type level."</p> <p>Most CH using the Transfer System control the FSC claims by article (e. g. all traders), order or job order (e. g. all print houses). Therefore this note is confusing.</p>	Delete instead of controlling it at Product Type level
4.1./ 4.2.	Difficult to understand: why 4.1 is only applicable to credit and % system?	For better understanding 4.2. should be put first (applicable to all systems) and then 4.1 as more specific rules

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
4.2/ 4.1	It is very confusing to have 4.2 come after 4.1. In order to accomplish 4.1, it is necessary to meet 4.2. In addition, 4.2 is the clause that introduces the concept of control systems.	Put section 4.2 ahead of 4.1
4.2	Requesting the following seems too burdensome considering that those change frequently and could be covered by a Supplier List: d) The input materials used and the respective material categories;	Remove d)
4.2	Please clearly state whether only outputs, or inputs and outputs, need to be in a product group list. The issue becomes when it comes time to track material via material balance and volume summary and there are multiple inputs into an output. If inputs and outputs are not listed in the product group list, then it can be confusing, in practice, for companies to use product classifications for inputs in the MB/VS documents. Also, please clarify whether level 1,2, or 3 must be used from 40-004a, as there is significant variability in the market right now.	
4.2 Clause	<ul style="list-style-type: none"> Public availability of some information is worth to be recalled, as currently stated at Clause 2.1.1. 	<ul style="list-style-type: none"> Reference to what information is expected to be publicly available (in the FSC Public Certificate Database) should be inserted in the revised standard.
clause 4.2; p.10	<u>4.2 The organization shall maintain an up-to-date list of product groups or product types as specified in Clause 4.1, specifying</u> 4.1 Note – organisations operating the Transfer system ‘may also’ establish product groups – 4.2 not applicable to Transfer system operators if they choose to opt out of establishing product groups? Not currently clear.	Clarification required
Clause 4.2	In the note an exception is made for building contractors	The note is not clear as to what should be documented per project
4.2	Reporting conversion factors by product, product group or total processing can require wildly different levels of administrative burden. I don’t understand why reporting conversion factors in an “up-to-date list” is critical, but I think if processors can show there is less than 10% variation between product groups, then we should be able to report a % range in the list. Otherwise it becomes a significant administrative burden for processors with many different products	Either delete g), or amend to allow a range of conversions factors, no more than 10% in span.
4.2	The term “list of products groups” is an unnecessary detailed requirement. The rest of the standard use the term “records” which provides more flexibility for the organisation. There is e.g. no reason to record and maintain conversion factors in a separate product group list as these data are usually maintained in production records.	Replace “list” with “records”
4.2 Clause	<ul style="list-style-type: none"> Public availability of some information is worth to be recalled, as currently stated at Clause 2.1.1. 	<ul style="list-style-type: none"> Reference to what information is expected to be publicly available (in the FSC Public Certificate Database) should be inserted in the revised standard.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
4.2 Clause	<ul style="list-style-type: none"> Public availability of some information is worth to be recalled, as currently stated at Clause 2.1.1. 	<ul style="list-style-type: none"> Reference to what information is expected to be publicly available (in the FSC Public Certificate Database) should be inserted in the revised standard.
4.2	Loss of 'shall maintain an up-to-date and publically available list' – Is there a reason why this list would no longer need to be publically available?	Amend if appropriate
4.2	Should this list still include a record of the sites involved in management, production, storage, sale etc. (2.1.2 c) previously)	Amend if appropriate
Clause 4.2	KOB: Product groups should be defined by all certificate holders from our point of view. How can we properly register the product groups in the FSC Database otherwise? How about Certificate Holders with transfer system and multiple inputs? The term "product type" is inconsistently used in 4.2. the product type is purely and noting else than one item of STD-40-004a.	Say that all certificate holders must define product groups. 4.2a) to g) is relevant for define product groups and apply to all certificate holders. 4.1 additional requirements, which only apply to CH with Credit and Percentage system. Ex-change the sequence of 4.1 with 4.2
4.2, §1 and a)	§1 and a) are contradictory as in § the impression if an organization chooses product group does not need to specify product type	Clarify
4.2 a)	It is not clear if the product types need to be in the product group list only for output products (scope of certificate) or also for input materials.	Define if 4.2 a) applies only for outputs or for outputs and inputs.
Clause 4.2 c)	KOB: It would be simpler for the definition of the product groups that the FSC material category of the input (d) and the output (c) would be sufficient (and not the FSC Claim)	Rewrite: "[...] c) the applicable material category of the output [...]"
4.2 (d)	Since the input material category is not an option in the 'List of Certified Products' in OCP it should be considered whether the material categories for the input materials shall be mandatory for the list of product groups.	
4.2e)	<ol style="list-style-type: none"> It may be that the organisation can only provide possible species (e.g. for paper products) GRIN Taxonomy Species online Database has been removed as the suggested nomenclature. How can consistent and correct species recording now be ensured? 	<ol style="list-style-type: none"> Clarify that it is acceptable to list possible species Reinstate GRIN as recommended resource or suggest alternative if appropriate
Clause 4.2 e)f):	KOB: The FSC product group definition should not be mixed with aspects of the timber legality regulations. All requirements relating to timber legality should be moved to part 12, and are probably already sufficiently covered.	delete "where required by applicable timber legality legislations " in point e) delete point f)
4.2 e/f	Please specify the meaning of applicable timber legality legislation. It is not clear in which cases it is necessary to have info about species and country of harvest	Remove species and country of harvest

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
4.2 (FSC-STD-40-004 V3-0 D2-0)	4.2 e) and f) lay down the current legislation, due to this it is already effective and FSC certification does not generate an additional benefit.	Delete 4.2 e) and f)
4.2 e) and f) of FSC-STD-40-004 V3-0 D2-0	FSC certification does not generate an additional benefit by copying legislation and at the same time restricting its validity only to the countries, where the copied legislation is already effective. This does only expand costs for FSC-audits in countries where these legislation is effective, because the auditor would have to check on (e.g. EUTR-) documents, which are already checked by competent authorities (in case of EUTR). You would generate an additional benefit by certification if 4.2 widened its validity especially to countries where this legislation is not yet applicable.	Delete 4.2 e) and f)
4.2 e) and f) of FSC-STD-40-004 V3-0 D2-0	FSC certification does not generate an additional benefit by copying legislation and at the same time restricting its validity only to the countries, where the copied legislation is already effective. This does only expand costs for FSC-audits in countries where these legislation is effective, because the auditor would have to check on (e.g. EUTR-) documents, which are already checked by competent authorities (in case of EUTR). You would generate an additional benefit by certification if 4.2 widened its validity especially to countries where this legislation is not yet applicable.	Delete 4.2 e) and f)
4.2 e) and f) of FSC-STD-40-004 V3-0 D2-0	FSC certification does not generate an additional benefit by copying legislation and at the same time restricting its validity only to the countries, where the copied legislation is already effective. This does only expand costs for FSC-audits in countries where these legislation is effective, because the auditor would have to check on (e.g. EUTR-) documents, which are already checked by competent authorities (in case of EUTR). You would generate an additional benefit by certification if 4.2 widened its validity especially to countries where this legislation is not yet applicable.	Delete 4.2 e) and f)
4.2 e) and f) of FSC-STD-40-004 V3-0 D2-0	FSC certification does not generate an additional benefit by copying legislation and at the same time restricting its validity only to the countries, where the copied legislation is already effective. This does only expand costs for FSC-audits in countries where these legislation is effective, because the auditor would have to check on (e.g. EUTR-) documents, which are already checked by competent authorities (in case of EUTR). You would generate an additional benefit by certification if 4.2 widened its validity especially to countries where this legislation is not yet applicable.	Delete 4.2 e) and f)
4.2 e) and f) of FSC-STD-40-004 V3-0 D2-0	FSC certification does not generate an additional benefit by copying legislation and at the same time restricting its validity only to the countries, where the copied legislation is already effective. This does only expand costs for FSC-audits in countries where these legislation is effective, because the auditor would have to check on (e.g. EUTR-) documents, which are already checked by competent authorities (in case of EUTR). You would generate an additional benefit by certification if 4.2 widened its validity especially to countries where this legislation is not yet applicable.	Delete 4.2 e) and f)

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
4.2 e) and f) of FSC-STD-40-004 V3-0 D2-0	FSC certification does not generate an additional benefit by copying legislation and at the same time restricting its validity only to the countries, where the copied legislation is already effective. This does only expand costs for FSC-audits in countries where these legislation is effective, because the auditor would have to check on (e.g. EUTR-) documents, which are already checked by competent authorities (in case of EUTR). You would generate an additional benefit by certification if 4.2 widened its validity especially to countries where this legislation is not yet applicable.	Delete 4.2 e) and f)
4.2 e and f	The clauses (e) and (f) are already covered in clause 12.1b. In addition, 12.1b specifies that the CH only has to know species and country of harvest if a customer requests this information. Therefore, it is much more burdensome to include e and f in 4.2 for all CHs when, in another part of the standard, this information is only required in some circumstances. In addition, 12.1 requires that all FSC products conform to timber legality legislation. Therefore, it is redundant to include e and f in 4.2 as these are just sub-requirements of complying with relevant legislation.	Remove (e) and (f) from 4.2 and just reference it in section 12.1b.
4.2f)	As above re. country of harvest	Clarify that it is acceptable to list possible country species
4.2f)	The country... (maybe there are more than one)	Country/countries..
PART I: Universal Requirements, p. 11, Point 4.2. f	Not needed in this list as it is included in the risk assessment of the Organization, or other documents required by the legality legislations.	Deletion: the whole point f)
PART I: Universal Requirements, p. 11, Point 4.2. f	Not needed in this list as it is included in the risk assessment of the Organization, or other documents required by the legality legislations.	Deletion: the whole point f)
PART I: Universal Requirements, p. 11, Point 4.2. f	Not needed in this list as it is included in the risk assessment of the Organization, or other documents required by the legality legislations.	Deletion: the whole point f)
PART I: Universal Requirements, p. 11, Point 4.2. f	Not needed in this listing as it in any case needs to be included in the risk assessment of the Organization, or other documents required by the legality legislations.	Deletion: the whole point f)
PART I: Universal Requirements, p. 11, Point 4.2. g)	Not needed in this list as this information in any case needs to be checked from material accounts, credit etc. calculations.	Deletion: the whole point g)
PART I: Universal Requirements, p. 11, Point 4.2. g)	Not needed in this list as this information is be checked from material accounts, credit etc. calculations.	Deletion: the whole point g)

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART I: Universal Requirements, p. 11, Point 4.1. g)	Not needed in this list as this information is be checked from material accounts, credit etc. calculations.	Deletion: the whole point g)
PART I: Universal Requirements, p. 11, Point 4.2. g)	Not needed in this list as this information is be checked from material accounts, credit etc. calculations.	Deletion: the whole point g)
4.2 g)	It doesn't make sense to require the up-to-date conversion factor in the product group list. The conversion factor needs to be updated much more often than the product group list.	The conversion factors should be recorded and updated separate from the FSC product group list, together with a proof of their correctness (e. g. calculations, waste volumes).
4.2 g)	Not applicable in every case.	Needs to add "as applicable"
4.2 g)	There is no longer an explanation of Conversion Factors in this draft. They are illustrated in the percentage system diagrams however they are not explained	Reinstate 5.1 from FSC-STD-40-004 V2-1 or an equivalent explanation of conversion factors in section 4 or make bold in body of standard as suggested above.
4.2(g)	"The up-to-date conversion factor for each product group or product type" This can be a variable factor. Variations may depend on volume of product for manufacture and print. Printing variations may include number of colours. Other factors will include number of processes in the manufacturing process. I am not sure what purpose this has in the proposed standard.	I suggest this be deleted. It is a requirement in the current standard for the organisation to demonstrate however the conversion factor is calculated. This should remain as per the standard v2-1
4.2 g)	In many cases conversion factor is different job order per job order (E.g. all printers).	Add a note: conversion factor not required when it is always different case by case
4.2 g)	The concept of conversion factor should be removed for transfer system as transfer system does not require precise calculation of percentage or credit volume. 5.3 covers what is required for transfer system. i.e. Input > output. In order to keep it simple, we should consider removing conversion factor from transfer system. This will reduce huge burden of CoC management from many CHs.	4.2 g) The up-to-date conversion factor for each product group or product type <u>under percentage system or credit system.</u> <u>Note: For transfer system, precise conversion factor does not need to be specified for each product group as long as certification bodies can check traceability to verify that quantities sold with FSC claim are compatible with the quantities of input.</u>
4.2g)	What does "up-to-date" refer to here. Does it need to be updated by claim period? Monthly? Weekly?	Please define "up-to-date".
4.2 g)	The old standard required that product group lists be publicly available, but did not require that conversion factors be listed on the product group list. The new standard requires conversion factors as part of the product group list, but does not appear to require that these product group lists be made publicly available. At least for our segment of the industry, conversion factors are considered a trade secret, as they offer clues into the manufacturing techniques for the product (specifically the amount of coating applied to the sheet).	Allow disclosure of conversion factors only to auditors through one of two strategies: Option 1 – move the requirement for disclosure of conversion factors to another part of the standard, perhaps in Section 5 on Record Keeping and Volume Control.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		Option 2 – explicitly state that product group lists may be protected from public disclosure.
4.2.g)	For a consistent and strict audit level the 5.1.2 of V2-1 (“The organization shall specify the methodology for calculating the conversion factor(s)”) is lacking	Add V2-1,5.1.2 to V3-0,4.2.g
4.2. g)	The relevance of conversion factors actuality must be defined by each CH based on well-founded and verifiable data.	g) The up-to-date conversion factor for each product group or product type.
4.2. g)	The relevance of conversion factors actuality must be defined by each CH based on well-founded and verifiable data.	g) The up-to-date conversion factor for each product group or product type.
4.2.g	Conversion factors can be used by the certified company and auditor to check if there is risk on an unintended input of non-certified material or leakage of certified material. Therefore a conversion factor is very useful for standard product processing of certified products. If products are unique by measures and volume (custom product processing), a conversion factor is less useful and can only be calculated after the product is finished. In that case the conversion factor stands on its own and cannot be used for other (custom made) products. This is unnecessary administrative burden for certified (often small) companies. We suggest to keep conversion factors only for standard product processing and to delete the keeping of up-to-date conversion factors for custom product processing of certified products in a transfer system.	g. The up-to-date conversion factor for each product group or product type except for custom made products in a transfer system.
5.1	“Certification status confirmation of trading partners” is this meant to mean a record that suppliers were verified in accordance with requirement 2.1? If so, it is not clear as written.	“certification status confirmation of all suppliers”
5.1	Words missing	‘At minimum’ ought to be ‘At a minimum’ or ‘As a minimum.’
5.1	Recommend rephrasing due to grammar, missing words and clarity	As a minimum, the organization shall keep records of the following documents, as required to demonstrate conformity with this standard: procedures; training; purchase and sales documents; certification status and confirmation of trading partners; material accounting records and product group lists. Where applicable, the following shall also be kept: records of complaints; outsourcing processes affecting certified products; control of non-conforming products (although <i>could this not be considered compulsory, not as applicable?</i>); verification programmes for reclaimed and controlled wood materials and proof of compliance with timber legality legislations.
5.1	Mandate a record of a supplier list. This is a crucial document auditors use to ensure conformance with standards and a full understanding of the company scope. Even just company and code would be sufficient.	Add a requirement for supplier list naming all suppliers and their CoC code. If the company uses a system such as the OCP this would be exempt.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
5.1	The list of records in sentence two is too busy.	Please list the items using bullet points.
5.1	The trademark license agreement and signed FSC self-declaration should also be listed as required records to maintain since CBs are expected to review these documents during each audit.	Add TLA and self-declaration to the list of required records
5.1	See comments above for clause 2.2. If FSC accepts the proposal to be more flexible and allow delivery documents to be used to identify the status of the material upon receipt, then these documents should be required to be maintained. They are often produced differently than the corresponding invoice (e.g. by hand instead of a carbon or electronic copy), so it is valuable for the auditor to review records of what documents were used to verify incoming products. There are often errors on the delivery document that are not on the supplier's invoice.	Add "supplier's delivery document if used to verify information required in clause 2.2" to the list of required records.
5.1	The phrase "trading partners" is confusing and could be interpreted to mean only partners who are trading (i.e. brokering) products.	Please provide a definition of trading partner or use an alternate term such as "suppliers and/or customers."
5.1	Requiring that records are retained of certification status confirmation is too burdensome. Certification status confirmation can be verified by the auditor via other methods such as interviews or by the CH demonstrating how to verify a supplier on the FSC database during the audit. In addition, because there is no requirement other than annual verification, this doesn't add any value. Most times, CHs are verifying the status of their suppliers right before their audit.	Eliminate the requirement that records are maintained of certification status confirmation
5.1	Is the intention to maintain 5 years of PGL, material accounting records and certification status confirmation? This is very burdensome for the CH and is not necessary for the auditor in almost all cases.	FSC should review the list of required records carefully to ensure that all of those records need to be retained for five years. Perhaps there is a second set of records that merely need to be available for each particular audit? Or perhaps they should be retained only if they have changed?
5.1	"...conformity with all applicable requirements" is an awkward phrase. In addition, it is redundant with the next sentence, which states, "demonstrate conformity with this standard".	Remove "...of conformity with all applicable requirements of this standard..." from the first sentence.
Cause 51	KOB: Why has 5.1 been moved from section 1 to this section as there is only a partly overlapping with 5.2 and 5.3 and record keeping is an important element of the management system requirements?	Restructure and move 5.1 back to section 1
5.1	(last line).. <u>proof</u> of compliance.. what does it mean proof, and what a CB shall verify? Shall we perform a "formal" verification (looking at a piece of paper) or shall we enter in the contents? And "proof" is meant as something general or it is specific to each supply for which timber legality legislations applies?	A "proof", related to a supply, could be the output of the DDS performed by the organization, in which the organization defines the risk as negligible or not
Clause 5.1	5.1 The organization shall maintain complete and up-to-date records of conformity with all applicable requirements...	Please use grammatically correct form: 5.1 The organization shall maintain complete and up-to-date records of conformity to all applicable requirements...

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
5.1.	<p>5.1 The organization shall maintain complete and up-to-date records of conformity with all applicable requirements of this standard for the minimum period of five (5) years. At minimum, the organization shall keep records of the following documents as required to demonstrate conformity with this standard: procedures, training, purchase and sales documents, certification status confirmation of trading partners, material accounting records, product group lists and, where applicable, records of complaints, outsourcing, control of non-conforming products, verification programs for reclaimed and controlled wood materials and proof of compliance with timber legality legislations.</p> <p>What kind of records will be required to demonstrate the requirements highlighted in yellow? This should be clarified.</p>	
FSC-STD-40-004 V3-0 EN-DEU: Record keeping and volume control	<p>in clause 5.1 " certification status confirmation of trading partners " is mentioned</p> <p>We make business with our suppliers and our clients.</p> <p>Question: Does the FSC plan to require that we monitor not only the certification status of our suppliers (What we do today.) but also of our clients?</p>	
5.1 (FSC-STD-40-004 V3-0 D2-0)	<p>The wording "...proof of compliance with timber legality legislations".</p> <p>Documents regarding EUTR are already checked by competent authorities, therefore FSC does not induce an additional benefit.</p>	<p>Delete the following wording: "...proof of compliance with timber legality legislations"</p>
5.1	<p>Records don't contain trademark approvals and health and safety. Records should be required for ALL parts of the standards.</p>	<p>To make it complete records should also be required for trademark approval and health and safety.</p>
5.1	<p>To require "proof of compliance with timber legality legislations" means that the auditor has to audit the compliance with timber legality legislations as well.</p> <p>Is FSC aware of the time, costs and auditor qualification needs to allow this?</p>	<p>"Proof of compliance with timber legality legislations" should be reduced to the scope of the certification.</p>
5.1	<p>We proposed a change in the records retention duration for consistency in management of the CoC system.</p>	<p>We recommend that the records retention period be harmonized in this clause, and throughout the standard, with the final maximum credit accumulation period specified in clause 9.9</p>
5.1.		<p>Include keeping record of outdated procedures</p>
5.1 Clause	<ul style="list-style-type: none"> Need for better clarity/comprehension. 	<ul style="list-style-type: none"> It should be clarified whether only the existence of relevant documentation and proof of compliance with timber legality legislations shall be assessed, or its contents and consistency as well.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
5.1 Clause	<ul style="list-style-type: none"> Need for better clarity/comprehension. 	<ul style="list-style-type: none"> It should be clarified whether only the existence of relevant documentation and proof of compliance with timber legality legislations shall be assessed, or its contents and consistency as well.
5.1 Clause	<ul style="list-style-type: none"> Need for better clarity/comprehension. 	<ul style="list-style-type: none"> It should be clarified whether only the existence of relevant documentation and proof of compliance with timber legality legislations shall be assessed, or its contents and consistency as well.
5.1 Clause	<ul style="list-style-type: none"> Need for better clarity/comprehension. 	<ul style="list-style-type: none"> It should be clarified whether only the existence of relevant documentation and proof of compliance with timber legality legislations shall be assessed, or its contents and consistency as well.
5.1	<ul style="list-style-type: none"> Need for information to be integrated. 	<ul style="list-style-type: none"> Trademark-related documents (e.g. CH requests and CB approvals) should be included in the list of relevant records to be kept for the minimum period of five (5) years.
5.1	<ul style="list-style-type: none"> Need for information to be integrated. 	<ul style="list-style-type: none"> Trademark-related documents (e.g. CH requests and CB approvals) should be included in the list of relevant records to be kept for the minimum period of five (5) years.
5.1	<ul style="list-style-type: none"> Need for information to be integrated. 	<ul style="list-style-type: none"> Trademark-related documents (e.g. CH requests and CB approvals) should be included in the list of relevant records to be kept for the minimum period of five (5) years.
5.1	<ul style="list-style-type: none"> Need for information to be integrated. 	<ul style="list-style-type: none"> Trademark-related documents (e.g. CH requests and CB approvals) should be included in the list of relevant records to be kept for the minimum period of five (5) years.
5.1 of FSC-STD-40-004 V3-0 D2-0	FSC certification does not generate an additional benefit by copying legislation and at the same time restricting its validity only to the countries, where the copied legislation is already effective. This does only expand costs for FSC-audits in countries where these legislations is effective, because the auditor would have to check on (e.g. EUTR-) documents, which are already checked by competent authorities (in case of EUTR).	Delete the last requirement: "...and proof of compliance with timber legality legislations"

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
5.1 of FSC-STD-40-004 V3-0 D2-0	FSC certification does not generate an additional benefit by copying legislation and at the same time restricting its validity only to the countries, where the copied legislation is already effective. This does only expand costs for FSC-audits in countries where these legislations is effective, because the auditor would have to check on (e.g. EUTR-) documents, which are already checked by competent authorities (in case of EUTR).	Delete the last requirement: "...and proof of compliance with timber legality legislations"
5.1 of FSC-STD-40-004 V3-0 D2-0	FSC certification does not generate an additional benefit by copying legislation and at the same time restricting its validity only to the countries, where the copied legislation is already effective. This does only expand costs for FSC-audits in countries where these legislations is effective, because the auditor would have to check on (e.g. EUTR-) documents, which are already checked by competent authorities (in case of EUTR).	Delete the last requirement: "...and proof of compliance with timber legality legislations"
5.1 of FSC-STD-40-004 V3-0 D2-0	FSC certification does not generate an additional benefit by copying legislation and at the same time restricting its validity only to the countries, where the copied legislation is already effective. This does only expand costs for FSC-audits in countries where these legislations is effective, because the auditor would have to check on (e.g. EUTR-) documents, which are already checked by competent authorities (in case of EUTR).	Delete the last requirement: "...and proof of compliance with timber legality legislations"
5.1 of FSC-STD-40-004 V3-0 D2-0	FSC certification does not generate an additional benefit by copying legislation and at the same time restricting its validity only to the countries, where the copied legislation is already effective. This does only expand costs for FSC-audits in countries where these legislations is effective, because the auditor would have to check on (e.g. EUTR-) documents, which are already checked by competent authorities (in case of EUTR).	Delete the last requirement: "...and proof of compliance with timber legality legislations"
5.1	It is not a CH obligation to verify all of its trading partners, so we recommend replacing it by "suppliers".	At minimum, the organization shall keep records of the following documents as required to demonstrate conformity with this standard: procedures, training, purchase and sales documents, certification status confirmation of trading partners suppliers, material accounting records, product group lists and, where applicable, records of complaints, outsourcing, control of non-conforming products, verification programs for reclaimed and controlled wood materials and proof of compliance with timber legality legislations.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
5.1	It is not a CH obligation to verify all of its trading partners, so we recommend replacing it by "suppliers".	At minimum, the organization shall keep records of the following documents as required to demonstrate conformity with this standard: procedures, training, purchase and sales documents, certification status confirmation of trading partners suppliers , material accounting records, product group lists and, where applicable, records of complaints, outsourcing, control of non-conforming products, verification programs for reclaimed and controlled wood materials and proof of compliance with timber legality legislations.
5.1	Clarification needed on whether this mean that trademark approvals and delivery documents are no longer required to be kept for five years? For delivery documents in particular this would be a much welcomed simplification.	If not the case, add both specifically to the list in order to have one collected place in the standard for all required records.
5.1	Clarification needed on whether this mean that trademark approvals and delivery documents are no longer required to be kept for five years? For delivery documents in particular this would be a much welcomed simplification.	If not the case, add both specifically to the list in order to have one collected place in the standard for all required records.
5.1	Clarification needed on whether this mean that trademark approvals and delivery documents are no longer required to be kept for five years? For delivery documents in particular this would be a much welcomed simplification.	If not the case, add both specifically to the list in order to have one collected place in the standard for all required records.
5	Grammatical	At <u>a</u> minimum...
5.1	The list of minimum records used to include TM Approvals. Is there a reason why these are now omitted?	Reinstate if appropriate
5.1	Should this read Product Groups and Product Types?	Amend if appropriate
5.1	Proof or compliance with timber legality legislation should be applicable just under client request (as in ADV 10).	Clarify
5.1.1 g)	There are efficient ways of CH demonstrate input material's species and countries of harvest, other than stating this on product list or material accounting record.	Delete.
5.1 and 5.2	Keep one terminology	Replace 'purchase and sales documents' by legal documents used for the purchase and sales for basic materials and products
5.2	Isn't enough to cover 3.2.1 (v2-1), a Supplier list is welcome to better audits and company control of suppliers.	maintain a list of suppliers as mandatory
5.2	Requiring the metric system will require North American companies to convert all data from their internal systems to metric for the purposes of their FSC audit. This is contrary to normal business practice and therefore can be timely and potentially costly. This is not necessary to achieve the objective of FSC COC certification and causes undue burden for companies located in countries where the metric system is not common place.	Requirements should remain as they are regarding units of measurement.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
5.2	“material accounting records”: SCS likes the change from the singular “record” to multiple “records”. This is more reflective of how records are kept in practice. However, it is now unclear whether this should be a separate type of summary record or whether just a stack of invoices, etc. will suffice. From an auditing perspective, the summary record(s) is a key document from which to choose a representative sample. If a CH does not have a summary record, it is often impossible to choose a representative sample in terms of time, volume, supplier, product, etc. Therefore, our suggestion is to ensure 5.2 is clear that these “material accounting records” are summary records in addition to the actual individual records with more details (e.g. invoices).	Add “records which provide a summary of materials...” or a similar phrase.
Clause 5.2	KOB: It is not clear what exactly is expected to be a “material accounting record”. Is it a spreadsheet/database or is it sufficient to provide a physical folder with a copy of all invoices for certified material? The term “record” has different meanings.	Explain or replace the term “record” in this particular circumstance
5.2	The changes to the volume summaries, only asking for total quantities of input and output and no longer requiring this divided into product groups is considered to be a big simplification and applauded. This especially goes for multi-sites where setup isn’t necessarily the same across units.	
5.2	The changes to the volume summaries, only asking for total quantities of input and output and no longer requiring this divided into product groups is considered to be a big simplification and applauded. This especially goes for multi-sites where setup isn’t necessarily the same across units.	
5.2	The changes to the volume summaries, only asking for total quantities of input and output and no longer requiring this divided into product groups is considered to be a big simplification and applauded. This especially goes for multi-sites where setup isn’t necessarily the same across units.	
5.2	Does the change mean that a negative balance will be accepted in some years if they have been positive the previous years? (Because the company has been using from stocks). If the intention is that primo balances should be added, this should be clarified.	Edit to “Input (including primo balances) and outputs by volume”
5.2	Does the change mean that a negative balance will be accepted in some years if they have been positive the previous years? (Because the company has been using from stocks). If the intention is that primo balances should be added, this should be clarified.	Edit to “Input (including primo balances) and outputs by volume”
5.2	Does the change mean that a negative balance will be accepted in some years if they have been positive the previous years? (Because the company has been using from stocks). If the intention is that primo balances should be added, this should be clarified.	Edit to “Input (including primo balances) and outputs by volume”
5.2	Ensure that the description and amount together will give the information in m ³ of pieces.	Delete m ²

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	If dimensions are given m1 is OK, but only m ² without thickness will increase the risk non-eligible material being used. This is very important, also for building contractors.	
5.2	The requirement to track all products in metric is inconsistent with many industry standards (e.g., lumber in North America is traded in foot-board-measure; panels are in MSF; etc.).	Drop the metric requirements.
5.2	It is not clear what is meant exactly by the metric system. In the Netherlands the metric system contains units by length, square, and kubic (e.g. m1, m2, m3, etc.). Depending on the the type of company other units are used such as pieces etc. The standard should not require companies to choose another unit as they are used to. The units should be accountable for materials with the same unique carateristics.	b. Quantities of inputs and outputs by volume or weight according to the metric system, unless this is not possible necessary for the purpose of accounting records due to the unique product characteristics (e.g. products traded in number of pieces, m2).
Part I Section 5 Clause 5.2	Requirement 5.2, which is related to volume control, replaced requirement 5.2.1 of actual standard, and not 3.2.1, as it is stated in the crosswalk.	Record of suppliers (3.2.1 – actual standard) needs to be incorporated in one requirement of the revised standard.
Part I Section 5 Clause 5.2	Requirement 5.2, which is related to volume control, replaced requirement 5.2.1 of actual standard, and not 3.2.1, as it is stated in the crosswalk.	Record of suppliers (3.2.1 – actual standard) needs to be incorporated in one requirement of the revised standard.
Part I Section 5 Clause 5.2	Requirement 5.2, which is related to volume control, replaced requirement 5.2.1 of actual standard, and not 3.2.1, as it is stated in the crosswalk.	Record of suppliers (3.2.1 – actual standard) needs to be incorporated in one requirement of the revised standard.
Part I Section 5 Clause 5.2	Requirement 5.2, which is related to volume control, replaced requirement 5.2.1 of actual standard, and not 3.2.1, as it is stated in the crosswalk.	Record of suppliers (3.2.1 – actual standard) needs to be incorporated in one requirement of the revised standard.
Part I Section 5 Clause 5.2	Requirement 5.2, which is related to volume control, replaced requirement 5.2.1 of actual standard, and not 3.2.1, as it is stated in the crosswalk.	Record of suppliers (3.2.1 – actual standard) needs to be incorporated in one requirement of the revised standard.
Part I Section 5 Clause 5.2	Requirement 5.2, which is related to volume control, replaced requirement 5.2.1 of actual standard, and not 3.2.1, as it is stated in the crosswalk.	Record of suppliers (3.2.1 – actual standard) needs to be incorporated in one requirement of the revised standard.
5.2	This clause no longer requires information to be provided by either material category or claim. This is a positive change, making the information requirement a little bit less burdensome. Thank you!	No change – the existing change is good.
5.2a	Many organizations do not track supplier invoice number. There is often one number, e.g. the purchase order number, which is used to connect all relevant documents together in their system. This requirement should be made more flexible to allow for any document number(s) to be recorded as long as all relevant documentation can be retrieved.	Reword to “...document number(s) (e.g. invoice numbers or purchase order number)...”
5.2 b)	The metric system is not a global standard for measurement. There are a multitude of accepted units of input/output in the US, varying by region. No benefit is provided by requiring all quantities to be in metric, while it adds complexity and administrative burden to the COC process.	Delete 5.2 b)
5.2b	Requiring that units are recorded using the metric system is too burdensome for the CHs in the U.S. Square feet, board feet, and cubic feet are commonly used regardless of product characteristics. Required units should be those which the auditor will understand.	Eliminate the requirement that metric units are used.
5.2b	M2 is the metric system?	Remove M2

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
5.2b)	... <u>m2</u> .. currently we receive NCs from ASI when accepting this kind of unit	M2 or other kind of units when their use doesn't create doubts related to the volume balance
5.2 b)	In the U.S., metric systems are not used both in the wood and paper industries. Calculations into metric systems are overly burdensome.	It shall be sufficient to provide conversion tables such as, e.g., 1 bf is x meters or 1 sf is x m2.
5.2.b	Draft appears to require the use of the metric system for quantities of inputs and outputs by volume or weight. Units recognized in the country or industry when business is transacted should be allowed.	Eliminate the requirement to use the metric system. Allow volume and weight units which are commonly used in the industry or nation where business is transacted. Requiring the use of the metric system overly complicates CoC tracking system and its monitoring.
5.2 b)	Why impose the metric system which is not in use in all countries and for all products? Totally impracticable and unnecessary.	Quantities of inputs and outputs by volume or weight unless this is not possible due to the product characteristics (e.g. product trades in number of pieces, m ²).
5.2 b)	Please clarify the phrase 'e.g. products traded in numbers of pieces, m2' if this is an example of non-metric units.	
5.2b)	The requirement to maintain everything in material accounting records in the metric system is ridiculous and should only apply to annual reporting requirements.	This feels like an "add-on" to make things easier – but having to maintain two different tracking systems (metric and English) for businesses that do not typically do that adds expense for no added benefit.
5.2 b)	The metric system is not a global standard for measurement. There are a multitude of accepted units of input/output in the US, varying by region. No benefit is provided by requiring all quantities to be in metric, while it adds complexity and administrative burden to the COC process.	Delete 5.2 b)
5.2 b)	The metric system is not a global standard for measurement. There are a multitude of accepted units of input/output in the U.S., varying by region. No benefit is provided by requiring all quantities to be in metric, while it adds complexity and administrative burden to the COC process.	Delete 5.2 b)
5.2 b)	The metric system is not a global standard for measurement. There are a multitude of accepted units of input/output in the US, varying by region. No benefit is provided by requiring all quantities to be in metric, while it adds complexity and administrative burden to the COC process.	Delete 5.2 b)
5.2 b)	The metric system is not a global standard for measurement. There are a multitude of accepted units of input/output in the US, varying by region. No benefit is provided by requiring all quantities to be in metric, while it adds complexity and administrative burden to the COC process.	Delete 5.2 b)
PART I / 5.2	The metric system is not the global standard for measurement. This requirement adds increased complexity and administrative burdens to certificate holders without any added benefit. Certificate holders should have the choice as to what standard of measurement they choose to report.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
5.2 Clause Point b)	<ul style="list-style-type: none"> CB representatives noted that, in the past, use of square metres was controversial 	<ul style="list-style-type: none"> The revised standard may further specify whether square metres should be applied only when metric system cannot apply, or they can be commonly adopted.
5.2 Clause Point b)	<ul style="list-style-type: none"> CB representatives noted that, in the past, use of square metres was controversial 	<ul style="list-style-type: none"> The revised standard may further specify whether square metres should be applied only when metric system cannot apply, or they can be commonly adopted.
5.2 Clause Point b)	<ul style="list-style-type: none"> CB representatives noted that, in the past, use of square metres was controversial 	<ul style="list-style-type: none"> The revised standard may further specify whether square metres should be applied only when metric system cannot apply, or they can be commonly adopted.
5.2 Clause Point b)	<ul style="list-style-type: none"> CB representatives noted that, in the past, use of square metres was controversial 	<ul style="list-style-type: none"> The revised standard may further specify whether square metres should be applied only when metric system cannot apply, or they can be commonly adopted.
5.2 b)	This section has lost the requirement to keep records of FSC Claims, and applicable claim periods or job orders for Outputs.	Reinstate if appropriate
Clause 5.2 b)	<p>5.2 The organization shall maintain up-to-date material accounting records of materials and products in the scope of the FSC certificate, including:</p> <p>...b) Quantities of inputs and outputs by volume or weight according to the metric system, unless this is not possible due to the product characteristics (e.g. products traded in number of pieces, m2).</p>	<p>Please use grammatically correct form:</p> <p>5.2 The organization shall maintain up-to-date material accounting records of materials and products in the scope of the FSC certificate, including:</p> <p>...b) Quantities of inputs and outputs by volume or weight in accordance with the metric system, unless this is not possible due to the product characteristics (e.g. products traded in number of pieces, m2).</p>
5.2b	<p>FSC is a global standard and should allow for accounting systems to be used that have any unit of measure. It is acceptable to have a key to units of measure provided by certification bodies as has currently occurred.</p> <p>Adding a requirement for materials to be converted to metric from another unit adds unnecessary work to certificate holders.</p>	Remove metric unit of measure requirement.
5.2	The metric system? Really? See abandonment comment in 1.7. If Jimmy Carter couldn't do it for the US, what makes you think FSC can?	Delete metric requirement
Clause 5.2	We support the ability to choose our own unit of measurement.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
5.2	Subclause b of 5.2 introduces a new requirement for organizations to maintain material accounting records according to the metric system. While the metric system may be standard for many countries around the world, it is not the global standard for measurement. The vast majority of certificate holders in North America will find this requirement unnecessarily burdensome and this requirement simply adds increased complexity and administrative burdens to certificate holders without any added benefit. Certificate holders should have the choice as to what standard of measurement they choose to report, and FSC should not dictate the metric system for all.	Remove the metric system requirement
Clause 5.2/5.3	KOB: The available stock of material at the time of the audit but also at the beginning and the end of the "Summary-Period" is very important for the auditor for being able to verify the material flows.	Reformulate and clarify what information about volumes on stocked must be provided by the CH.
5.2 and 5.3	I understand the intention to simplify, but this balance and its summary are a acritical control point of the COC system and are relevant to do a good verification. By simplifying too much and giving too much freedom for establishing these summaries, the CB might have problems doing a proper job and will have to argue a lot if they can't check things properly (even with transaction requirements). Worst, it might need to increase audit time and that will not be good for the FSC system either	Reinstate the requirements of FSC STD 40-004 for volume control and annual summaries, specifically the need to put outputs per product type, and inputs per material category
5.2./5.3	Very good to focus on the core of CoC: correct balances! However the new wording is too weak for a consistent and strict audit level (the Standard is also a guidance for the auditors!). Auditors and clients have usually no background/ education in accounting. A clear detail level is needed otherwise FSC is weak for fraud.	Keep the detail of requirements of V2-1 5.2.2 For a complete balance the stock changes MUST be included. Please ask accounting auditors (Wirtschaftsprüfer) for helping phrasing those requirements.
5.2 and 5.3	Point 5.2 seems to be written to be similar to OCP. Unfortunately a list like foreseen by point 5.2 in not able to give an good information about traceability required by 5.3. These two point shall be reviewed in order to make it more coherent. Point 5.2 requires only quantities info for inputs and outputs but not about inputs used for production. This is not in agreement with STD-20-011 Point 5.3, not clear if the comparison of quantities ipunt/outputs shall be done by the CB on annual base or on job order or what?	5.2 The organization shall maintain up-to-date material accounting records of materials and products in the scope of the FSC certificate, including: a) Purchase and sales documents numbers (i.e. invoice numbers) and dates; b) Quantities of inputs, inputs used for production and outputs by volume or weight according to the metric system, unless this is not possible due to the product characteristics (e.g. products traded in number of pieces, m2).
5.3	Material accounting required by product group, could severely over complicate CofC management for large organisations with multiple product groups	Review
PART I / 5.3	This requirement seems to be reasonable and I support the current version. I understand this requirement to be inclusive of the multiple records and systems maintained by an organization.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
5.3	"shall be sufficient to" is not an auditable criterion.	Clarify what has to be done for the audits concerning volume reports.
5.3	This wording is really about the intent of what an auditor should be concentrating on and not actually about what a certificate holder should be required to do. Wording for this requirement should be changed to highlight what a certificate holder has to have in place. Generating annual volume summaries has no value to certification bodies or companies on a credit system as this is additional work when a credit account and monthly sales records are all that is needed.	Highlight intent of new standard so that CB's and auditors can be trained to concentrate on auditing the chain of custody and not just randomly asking for a meaningless annual volume summary.
5.3	A key requirement should be kept as simple as possible to ensure consistent interpretation.	Information...shall be sufficient to allow verification of conformance.
PART I: Universal Requirements, p. 11, Point 5.3.	Too detailed requirement. It is clear that the Organization needs to be able to generate summary reports and verify the quantities, claims and conversion factors. However, this can be done in many ways and not just as a single report from one system.	Deletion: Current text of the point 5.3. Addition: The organization shall be able to generate summary reports of FSC certified products. The certification body must be able to verify the audit trail from input to output quantities, related claims, conversion factors used, including also non-certified products.
5.3	As stated in the draft this clause creates unnecessary confusion for those attempting to interpret the meaning behind its intent. It appears as though the requirement proposes to allow organizations to simply have the necessary controls in place and that their control systems shall be able to generate reports to allow the certification body's verification and traceability of the materials. However, if this is the intent of the revised requirement, there does not appear to be a lot of support for it at this time. Volume summaries are a very important tool for certification bodies during their audit review and they need to remain a requirement as currently written in V2-1 of the COC standard. There is support for the inclusion of the note that allows for flexibility in reporting in the case of building contractors and construction companies.	Maintain the current V2-1 language.
5.3 last paragraph	Might is a possibility, it may not be interpreted as a requirement. On the other hand to leave this requirement at freedom of choice of the CB might create quite a confusion in the market with different levels of difficulty and rigour being imposed	Reinstate the requirements in section 5 of 40 -004, and avoid to leave requirements to be defined later by CBs in a discretionary way
5.3	"Shall be sufficient" is not auditable	
5.3	Conversion factors are not always needed (see also comment on 4.2.g)	... sold with FSC claims are compatible with the quantities of inputs, their associated percentage or credit claims, and (if applicable) the conversion factor(s).
5.3	Rewrite and ensure annual overviews are given to enable the auditor to determine the AAF. If companies are not obliged to do this the AAF is very hard to determine.	
5.3	The requirement for companies to provide reports on non-certified orders seems out of place. What non-conformances could be raised by a CB against non-FSC orders that had issues??	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART I: Universal Requirements, p. 11, Point 5.3.	Too detailed requirement. It is clear that the Organization needs to be able to generate summary reports and verify the quantities, claims and conversion factors. However, this can be done in many ways and not just as a single report from one system.	Deletion: Current text of the point 5.3. Addition: The organization shall be able to generate summary reports of FSC certified products. The certification body must be able to verify the audit trail from input to output quantities, related claims, conversion factors used, including also non-certified products.
PART I: Universal Requirements, p. 11, Point 5.3.	Too detailed requirement. It is clear that the Organization needs to be able to generate summary reports and verify the quantities, claims and conversion factors. However, this can be done in many ways and not just as a single report from one system.	Deletion: Current text of the point 5.3. Addition: The organization shall be able to generate summary reports of FSC certified products. The certification body must be able to verify the audit trail from input to output quantities, related claims, conversion factors used, including also non-certified products.
PART I: Universal Requirements, p. 11, Point 5.3.	Too detailed requirement. It is clear that the Organization needs to be able to generate summary reports and verify the quantities, claims and conversion factors. However, this can be done in many ways and not just as a single report from one system.	Deletion: Current text of the clause 5.3. Addition: The organization shall be able to generate summary reports of FSC certified products. The certification body must be able to verify the audit trail from input to output quantities, related claims, conversion factors used, including also non-certified products.
Clause 5.3	Does it mean that preparation of annual volume summary is not anymore required? We understand it as if it should be possible to generate such a report, but it is up to certification body to request it.	
5.3	.. quantities sold It seems too generic (may be it is already written thinking at OCP, or similar...)	Even though in this requirement the focus is on the summary, here or at req.5.2 insert that the quantities shall be compatible for each product sold with FSC claim
5.3	This requirement covers marginally traceability. It is focused on a "generic" input output reconciliation	The organisation shall have a traceability system that allows: - Any product or batch sold as certified to be traced back from the sales invoice to a certified supplier. - Any products identified as certified upon receipt to be traced forward from point of purchase to point of sale. In case of credit system quantities sold as FSC shall be compatible with quantities of inputs
5.3	IS the same matter of 1.7.	Join with 1.7
5.3	Volume Summaries	Make it clearer that the entire integrity of the FSC system relates to a CH's ability to accurately report wood volume annually by species.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		<p>Roll this data up by CB, by country.</p> <p>Use data mining, forensics together with improved conversion oversight and CB engagement to thoroughly understand and rationalize timber volume movement against that reported by customs as reported to United Nations.</p> <p>Report to GA on the nature of the leakage, counterfeit, etc... the system is estimated to be enduring before suggesting mandatory requirements for transaction tracking.</p> <p>Further Modify the FSC OCP as platform to enable improved certificate management outcomes and ease of use. Folks should come to OCP (call it some thing different...) because it is convenient.</p>
5.3 Record keeping and volume control	<p>"The information registered in the organization's records shall be sufficient to generate summary reports of FSC certified products (...)"</p> <p>It must become clear for the certificate holder, whether and when summary reports have to be generated.</p>	
5.3 Record keeping and volume control	<p><i>"The information registered in the organization's records <u>shall be sufficient to generate</u> summary reports of FSC certified products (...)"</i></p> <p>It must become clear for the certificate holder, whether and when summary reports have to be generated.</p>	
5.3 Record keeping and volume control	<p><i>"The information registered in the organization's records <u>shall be sufficient to generate</u> summary reports of FSC certified products (...)"</i></p> <p>It must become clear for the certificate holder, whether and when summary reports have to be generated.</p>	
5.3 Record keeping and volume control	<p><i>"The information registered in the organization's records <u>shall be sufficient to generate</u> summary reports of FSC certified products (...)"</i></p> <p>It must become clear for the certificate holder, whether and when summary reports have to be generated.</p>	
5.3 Record keeping and volume control	<p><i>"The information registered in the organization's records <u>shall be sufficient to generate</u> summary reports of FSC certified products (...)"</i></p> <p>It must become clear for the certificate holder, whether and when summary reports have to be generated.</p>	
5.3 Record keeping and volume control	<p><i>"The information registered in the organization's records <u>shall be sufficient to generate</u> summary reports of FSC certified products (...)"</i></p> <p>It must become clear for the certificate holder, whether and when summary reports have to be generated.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
5.3 Record keeping and volume control	<p>“The information registered in the organization’s records <u>shall be sufficient to generate</u> summary reports of FSC certified products (...)”</p> <p>It must become clear for the certificate holder, whether and when summary reports have to be generated.</p>	
5.3 Record keeping and volume control	<p>“The information registered in the organization’s records <u>shall be sufficient to generate</u> summary reports of FSC certified products (...)”</p> <p>It must become clear for the certificate holder, whether and when summary reports have to be generated.</p>	
5.3 Clause	<ul style="list-style-type: none"> Need for better clarity/comprehension. 	<ul style="list-style-type: none"> The revised standard should detail whether quantitative compatibility shall be assessed only at the level of total input/output ratio, or also for each product group.
5.3 Clause	<ul style="list-style-type: none"> Need for better clarity/comprehension. 	<ul style="list-style-type: none"> The revised standard should detail whether quantitative compatibility shall be assessed only at the level of total input/output ratio, or also for each product group.
5.3 Clause	<ul style="list-style-type: none"> Need for better clarity/comprehension. 	<ul style="list-style-type: none"> The revised standard should detail whether quantitative compatibility shall be assessed only at the level of total input/output ratio, or also for each product group.
5.3 Clause	<ul style="list-style-type: none"> Need for better clarity/comprehension. 	<ul style="list-style-type: none"> The revised standard should detail whether quantitative compatibility shall be assessed only at the level of total input/output ratio, or also for each product group.
5.3	<p>If the intent of this is to require access to volume information on controlled wood products it should specifically state that. The open statement of “the certification body might also request access to information on non-certified materials and products” is not well defined and left open to interpretation by the CB.</p>	
5.3 Notes	<p>“...an overview of the all projects where FSC certified materials are used instead of by product”: this is not clear.</p>	Clarify “overview of the all projects”
5.3 NOTE	<p>Architectural Millwork companies should be included in the note. These companies are not construction companies or building contractors, they are specialized wood workers who design and build elements of an architectural project.</p>	Note: In the case of architectural millwork companies, building contractors and construction companies the records may be presented as an overview...
5.3 Note	Missing words and unclear	In the case of building contractors and construction companies, the records may be presented as an overview of the all projects where FSC certified materials are used (rather than collated by product).
5.3 Note	This is about the annual overview	Add ‘annual’ between an and overview

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
5.3 Note		NOTE: In the case of building contractors and construction companies, the records may be presented as an overview of the all projects where FSC certified materials are used instead of by product.
5.3.note	Having never run across an instance where this is applicable, the note seems extraneous and therefore confusing. However, I assume there is an instance where this makes sense.	
Clause 5.3 NOTE	NOTE: In the case of building contractors and construction companies, the records may be presented as an overview of the all projects where FSC certified materials are used instead of by product.	Please incorporate the NOTE into the body of the clause.
5.3 Clause Note	<ul style="list-style-type: none"> Need for better clarity/comprehension. 	<ul style="list-style-type: none"> The revised standard should better detail and clarify Note 5.3 through clear example(s).
5.3 Clause Note	<ul style="list-style-type: none"> Need for better clarity/comprehension. 	<ul style="list-style-type: none"> The revised standard should better detail and clarify Note 5.3 through clear example(s).
5.3 Clause Note	<ul style="list-style-type: none"> Need for better clarity/comprehension. 	<ul style="list-style-type: none"> The revised standard should better detail and clarify Note 5.3 through clear example(s).
5.3 Clause Note	<ul style="list-style-type: none"> Need for better clarity/comprehension. 	<ul style="list-style-type: none"> The revised standard should better detail and clarify Note 5.3 through clear example(s).
5 and 6	In the current standard there is an important NOTE. That in practice says: You can also show compliance to 5 and 6 with a IT-system, IT tool, SAP or EDI....	Very important to put the NOTE back in!
6	The wording in the standard should avoid 'input claims' and 'output claims'. These are abbreviations of 'the claim of the basic material I' and 'the claim of the final FSC product we are selling' Also talk about the legal documents used for sales and delivery	Talk about 'using basic materials to produce a final product' and then talk about the FSC claim of the basic material and the FSC claim of the (final) product. Change in several criteria in chapter 6
6	WWF recognises widespread misinterpretation – and in some cases misrepresentation – related to the distinction between certified companies and FSC-certified products, which should be in part addressed through the terms and conditions outlined in this Chain of Custody Standard. We also acknowledge that Motion 36, from last year's General Assembly, calls for FSC to address this situation, which we understand will be carried largely through a revision of the FSC Trademark Standard. Therefore, we urge FSC to ensure that both the Chain of Custody and Trademark processes are fully coordinated and consistent in relation to this issue.	
Chapter 6 or 1.6	In cases where FSC-certificate holders are suspended, disassociated or stopped keeping the certificate, there might be fraud that they still sell FSC further and customers realise it only at next annual check.	A similar cause like 11.4.e

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		In cases where FSC-certificate holders are suspended, disassociated or stopped keeping the certificate, they shall notify all their FSC customers of the previous year and also the CB with a list of customers informed.
6.1	<p>6.1 The organization shall ensure that all sales documents (physical or electronic) issued for products sold with FSC claims include the following information:</p> <p>a) Name and contact details of the organization;</p> <p>b) Name and address of the customer;</p> <p>Does it mean that if I purchase FSC sawn wood for my garden house, I will have to give my address to the FSC sawmill?</p> <p>If a certified seller sells FSC chairs, will they have a CAR if they do not have a list of the purchasers of the FSC products?</p> <p>Shall only uncertified final sellers (e.g. warehouses) be exempt from this demand, and thus be able to keep anonymity of the purchasers?</p>	
6.1 (also 9.12 and 10.1)	<p><u>Food for thought</u> – because the FSC labelling is difficult to understand for consumers:</p> <p>FSC Mix Credit can be compared to green power: 100% renewables input is ensured, but the consumer might receive coal or nuclear power at the socket. No green power provider calls his product “Green MIX”. Why? The input is 100% renewable, even the output is physically not separated.</p>	Shorten FSC Mix Credit to FSC Credit only.
6.1	<p>Organisation may issue more than one sales documents.</p> <p>According to the interpretation made on Friday, 24. July 2015 (regarding clause 1.4.2), it is not required to keep multiple sales documents of the same transaction.</p> <p>Current wording:</p> <p>The organization shall ensure that <u>all</u> sales documents (physical or electronic) issued for products sold with FSC claims include the following information:</p>	<p>New wording:</p> <p>The organization shall ensure that <u>at least one of</u> sales documents (physical or electronic) issued for products sold with FSC claims include the following information:</p>
6.1	<p>In cases of EDI sales information, in most cases the FSC claim is not directly indicated per sales order. Normally the claims are communicated by a separate document for the (standardized) products. These documents are not sent automatically with every EDI-batch. The standard should make it possible for CH’s to check the certified status within a given timeframe or it should require suppliers to inform their customers proactive when a FSC claim changes on their (standard) products.</p>	<p>g) Clear indication of the FSC claim for each product item or the total products. If this information is not communicated with the use of EDI systems, the supplier needs to communicate the applicable FSC claims before the actual sale by a separate document. If the claims change, the supplier needs to communicate these changes proactive and before the actual change.</p>
6.1 & 6.2	<p>The requirement to include all information on the delivery documents is an unnecessary administrative burden. A general exception should be made such that, so long as there is sufficient information to link the invoice with the shipping documents, the shipping documents do not have to contain the claim information.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Part I Section 6 Clause 6.1	To ensure that the client is able to identify if the input comes from small and community producers (requirement 2.2), this information shall be specified in supplier's invoice.	NOTE: If FSC input come from small and community producers, this information shall be specified in the invoice.
PART I, Universal Requirements, p. 12, Point 6.1.	From practical reasons, it has to be possible to provide information also other ways. At least same flexibility is needed as in the existing CoC standard FSC-STD-40-004 V2-1 EN.	Deletion: (physical or electronic) Addition: A footnote "In case where systems of Electronic Data Interchange (EDI) are employed and no written invoices are issued, alternative evidence shall be provided to demonstrate the FSC status of supplied products equivalent to the information as required by 6.1."
PART I, Universal Requirements, p. 12, Point 6.1.	FFIF emphasises that it has to be possible to provide information also other ways. More flexibility is needed as in the existing CoC standard FSC-STD-40-004 V2-1 EN.	Deletion: (physical or electronic) Addition: A footnote "In case where systems of Electronic Data Interchange (EDI) are employed and no written invoices are issued, alternative evidence shall be provided to demonstrate the FSC status of supplied products equivalent to the information as required by 6.1."
PART I, Universal Requirements, p. 12, Point 6.1.	SEWSF emphasises that it has to be possible to provide information also other ways. More flexibility is needed as in the existing CoC standard FSC-STD-40-004 V2-1 EN.	Deletion: (physical or electronic) Addition: A footnote "In case where systems of Electronic Data Interchange (EDI) are employed and no written invoices are issued, alternative evidence shall be provided to demonstrate the FSC status of supplied products equivalent to the information as required by 6.1."
PART I, Universal Requirements, p. 12, Point 6.1.	Metsä Group emphasises that it has to be possible to provide information also other ways. More flexibility is needed as in the existing CoC standard FSC-STD-40-004 V2-1 EN.	Deletion: (physical or electronic) Addition: A footnote "In case where systems of Electronic Data Interchange (EDI) are employed and no written invoices are issued, alternative evidence shall be provided to demonstrate the FSC status of supplied products equivalent to the information as required by 6.1."
6.1, 9.10 & 10.1	It is not clear how products with an on-product FSC label are managed in the sale documentation and in the credit system. In current v2.1 of FSC-STD-40-004, section 6.2.1 specifies that all products that carry an FSC label are always sold with the corresponding FSC claim on sales and delivery documentation, and section 9.4.1 of version 2.1 requires us to deduct the quantity sold and/or labelled from the credit account. Every board of our high quality lumber is stamped with on-product FSC label and the resulting bundle wrapper also gets an on-product label. We also manufacture paper that is labelled with the on-product label at the wrapping line at the manufacturing site.	Add explicit requirements for FSC labelled products as per the current version of the FSC-STD-40-004.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	All of these products that carry FSC on-product labels are sold with the corresponding FSC claim on sales and delivery documents. The credits are deducted from the credit account based on the quantity of labelled products.	
Part I Section 6 Clause 6.1	To ensure that the client is able to identify if the input comes from small and community producers (requirement 2.2), this information shall be specified in supplier's invoice.	NOTE: If FSC input come from small and community producers, this information shall be specified in the invoice.
Part I Section 6 Clause 6.1	To ensure that the client is able to identify if the input comes from small and community producers (requirement 2.2), this information shall be specified in supplier's invoice.	NOTE: If FSC input come from small and community producers, this information shall be specified in the invoice.
Part I Section 6 Clause 6.1	To ensure that the client is able to identify if the input comes from small and community producers (requirement 2.2), this information shall be specified in supplier's invoice.	NOTE: If FSC input come from small and community producers, this information shall be specified in the invoice.
Part I Section 6 Clause 6.1	To ensure that the client is able to identify if the input comes from small and community producers (requirement 2.2), this information shall be specified in supplier's invoice.	NOTE: If FSC input come from small and community producers, this information shall be specified in the invoice.
Part I Section 6 Clause 6.1	To ensure that the client is able to identify if the input comes from small and community producers (requirement 2.2), this information shall be specified in supplier's invoice.	NOTE: If FSC input come from small and community producers, this information shall be specified in the invoice.
6.1 b)	Address of customer is usually (90% of all cases) not included due to Japanese business custom. Flexibilities should be allowed as long as the specific customer can be identified.	New wording: Information to identify the customer such as name and address of the customer;
6.1 f)	"The organization's FSC certificate code and/or FSC Controlled Wood code, associated to FSC certified products and/or to FSC Controlled Wood products respectively" could be formulated better.	Change to "The organization's FSC certificate code associated to FSC certified products and/or FSC Controlled Wood code for FSC Controlled Wood products"
PART I / 6.1. g	There should only be clear indication provided if only a portion of the products referenced in a sales document are certified. Without such an indication, all listed products should be considered certified according to the referenced claim. Inclusion of additional wording on such documents can be very problematic in certain systems. Such a requirement should not be in place unless absolutely needed to eliminate confusion.	g) Clear indication of the FSC claim for each product item if all products carry the same claim.
6.1 g)	The list of FSC Claims allowed used in V2-1 (i-vi) was extremely clear and prescriptive in displaying how claims should be formatted. FSC UK often advise on this clause	Reinstate the list from V2-1 (i-vi) for clarity
6.1 g	"each product item or the total products": allowing the flexibility to include the claim for the total products is a nice addition.	No change
NOTE below 6.1	Important and good.	Don't change the Note below 6.1
6.1 note	Last sentence: "...in this case however, the subsequent organizations in the supply chain are not allowed to use or put the percentage or credit information back to FSC claims." This sentence is unclear and needs to be reworded.	Reword
6.1 note	Last sentence: "...in this case however, the subsequent organizations in the supply chain are not allowed to use or put the percentage or credit information back to FSC claims." This is actually an important point and should be included as a shall statement in the sourcing section of the standard.	Add a new clause to section 2 which explicitly forbids this.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
clause 6.1; Note; p.11	<i>In this case, however, the subsequent organizations in the supply chain are not allowed to use or put the percentage or credit information back to FSC claims.</i> This sentence is confusing and would recommend adding/amending onto the end of this sentence the last sentence of current Chain of Custody Standard FSC-STD-40-004 V2-1 – 6.1.1 NOTE; <u>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.</u>	In this case, however, the subsequent organizations in the supply chain are not allowed to use or put the percentage or credit information back to FSC claims. 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 NOTE	Strange wording	“organizations in the supply chain are not permitted to use or reinstate the percentage or credit information”
6.1 Note	Missing word	back into FSC claims.
6.1 Note	Why does it have to be labelled product? According to V2-1 (current standard), it does not have to be actually labelled as long as it meets the labelling requirements. I believe we should not make any unnecessary changes which affect CHs in a negative way. If it has to be changed, a clear and convincing reason must be provided.	Remove “and labelled” from the text.
6.1.note	Why does this exist as an option? It only serves to confuse certified companies as to what they can list when.	Eliminate note. Make everyone use a full claim.
Clause 6.1 NOTE	NOTE: For supplies of finished and FSC labelled products, the organization may omit the percentage or credit information in sales documentation (e.g. using “FSC Mix” claim only instead of “FSC Mix 70%” or “FSC Mix Credit”). In this case, however, the subsequent organizations in the supply chain are not allowed to use or put the percentage or credit information back to FSC claims.	Please incorporate the NOTE into the body of the clause.
Sales, Identification of sales documents; clause 6.1.1, clause 6.1.2, clause 6.1.3	Retailers often do not have the name or address of their (shop) customer Therefore it is not possible to include this information in sales documents. Furthermore, it is often not possible to include the FSC certification number or a FSC claim in sales documents because of limited space. The customers should be able to identify the responsible supplier or the FSC claim due to the FSC on product label or by contacting the retailer.	Please specify the clauses by adding a note for retailers that if it is not possible, they do not have to put a licence number or certification code or FSC claim on all sales documents for end customers.
6.1-6.3	Make sure that there are no changes in this part. There is much work if companies need to change routines and text in documents.	Make sure the text is the same as in the current standard
PART I, Universal Requirements, p. 12, Point 6.2.	Metsä Group sees this point has greatly improved from a practical point of view.	
PART I, Universal Requirements, p. 12, Point 6.2.	FFIF sees this point has greatly improved from a practical point of view.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART I, Universal Requirements, p. 12, Point 6.2.	SEWSF sees this point has greatly improved from a practical point of view.	
PART I, Universal Requirements, p. 12, Point 6.2.	This point has improved from a practical point of view. UPM welcomes the change.	
Clause 6.2	What if invoice is not sent together with the product physically, but is sent electronically before or at the time of shipment? In our opinion this should be sufficient and waybills does not have to include FSC information.	Specify that waybill needs to include FSC information, if it is received by customer before the invoice.
6.2	Missing words and letters	...or a copy of it...link the sales and related...
6.2	Sometimes delivery documents don't exist or delivery documents can come from another company which is not certified and therefore not allowed to make FSC claims.	It should be clarified that clause 6.2 only applies in the case that the certified organization issues delivery documents.
clause 6.2; p.11	B&Q uses Electronic Data Interchange (EDI) and we would recommend adding footnote as per current standard on EDI otherwise new CoC standard without this content will cause confusion with our suppliers as to where EDI fits into FSC® Sales in the new standard FSC®-40-004 V3-0 EN	Add footnote to page 11 of Draft FSC®-40-004 V3-0 EN: In cases where systems of Electronic Data Interchange (EDI) are employed and no written invoices are issued, alternative evidence shall be provided to demonstrate the FSC status of supplied products equivalent to the information as required by 6.1
6.2	Need to state that there is an exception in order to transition to 6.3	
6.2	If the intent of this requirement is to make an FSC identification document accompanying the product to the customer, I suggest that it is clearly written. There are different approaches among CBs about the need to identify the shipping documents to outsourcing as FSC.	If the invoice does not accompany the product to the customer, at least a document accompanying the product must have the FSC claim and supplier certification code. please clarify whether this requirement also applies to outsourcing.
6.3	SCS likes this change. Historically, invoice claims have been an issue with architectural cabinet makers who sell outputs by project, but this clause can allow for them to use supplementary documents and still conform to the entire standard. However, "inability" is vague and is only one justification for not including the required FSC claim. E.g., space constraints may be construed as "inability" but the fact that outputs are sold as a project instead of a product would not necessarily be construed as an "inability".	Should be reworded to say "justifies the absence of the required FSC claim"
6.3	Will allow companies to sell anything as FSC and CBs will never see checking invoices	there should be a sign on the invoice indicating that there is an additional document
6.3	We support inclusion of the new clause.	Retain as worded.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
6.3	This clause simply functions as an optional interpretation of the term “sales documentation”. It also introduces an undefined requirement to “justify its inability” that is very impractical to apply	Discard or move to an informative annex
6.3	How about CoC/CW code? It is also something not included on ordinary template. Current wording implies that organisation does not have to do anything if they cannot include COC code in sales document.	New wording: If the organization justifies its inability to include the required <u>FSC certificate code and/or FSC Controlled Wood code and/or FSC claim</u> in sales or delivery documents
6.3	This clause is a good development for constructing companies. Now CB’s are requiring certified constructing companies to retype all certified constructing elements from the contracted work descriptions to a supplementary documents and to refer on this document to the applicable invoicenumbers. This is a huge administrative burden for constructing companies and is keeping these companies to get FSC certified. Non-certified constructing companies normally refer on their sales documentation (invoices etc.) to the work description that was contracted during the tender of the project. If in this work description the FSC claim is clearly identified for the applicable constucting elements, it should be sufficient to refer to the work description as contracted. Also this work description should not be provided again together with the sales documentation.	6.3 If the organization justifies its inability or that it is unnecessary to include the required FSC claim in sales or delivery documents, the required information shall be provided to or in possession of the customer through supplementary other documentation (e.g. contracted work descriptions or supplementary letters).
6.3	supplementary <u>documentation</u> (e.g. supplementary letters)	supplementary <u>method</u> (e.g. supplementary letters)
6.3	This is more appropriately a note for 6.2.	
6.3	This exception should be generally-allowed, i.e., not contingent on an organization’s “inability” to comply. It is important for requirements to be applied consistently to all certificate holders and not based on what an organization may or may not chose to have the ability to do. As stated above, the requirement to include claim verbiage on shipping documents is unnecessary and is a burden for all organizations.	
6.3	The new 6.3 “relaxes” the need for inclusion of claim on invoices, which are the most robust sales-related document, and is inconsistent with the recognized need to control erroneous and fraudulent use of claims. It seems to have been written by someone who is unaware of the concerns that led FSC towards the OCP, and throws it away	Eliminate 6.3, for it is contradictory to the whole of requirement 5.
6.3	Making several options available for making certification claims and allowing flexibility for conveyance of claims in alternative documents is important and should be allowed.	Leave wording as is.
6.3	The requirement to make claims on invoices should not be dropped. Pushing claims to letters and supplementary documentation will only serve to introduce complexity and potential errors. Industry has accepted making claims on invoices as a standard practice.	Do not allow supplementary documentation options for claims.
6.3 a)	There is no risk that the customer will misinterpret which products are or are not FSC certified in the supplementary <u>documentation</u>	There is no risk that the customer will misinterpret which products are or are not FSC certified in the supplementary <u>method</u>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
6.3 b)	In cases where the sales documents contain multiple products with different FSC claims, each product is cross-referenced to the associated FSC claim provided in the supplementary <u>documentation</u> .	In cases where the sales documents contain multiple products with different FSC claims, each product is cross-referenced to the associated FSC claim provided in the supplementary <u>method</u> .
6.4	Not important. It must be possible to sell in example FSC CW as a claim with a PEFC label on the product.	Remove 6.4
6.4	Delivery document should be added as 6.2 only covers requirements specified in 6.1.	New wording: The organization shall ensure that products sold with FSC claims on sales <u>and delivery</u> documentation do not carry any labels from other forestry conformity assessment schemes.
6.4	Companies may potentially promote both FSC and other forestry conformity assessment systems. Hindering them is benefiting the FSC, but cripples companies in their business needs.	Remove 6.4 completely.
6.4	The wording could be interpreted to mean that the sales documentation must not carry any labels from other forestry conformity assessment schemes. Many certificate holders are dual certified (FSC / PEFC) and need to supply both types of certified products on a single sales and delivery document. Both schemes must be included on the document, though never for the same product.	Add "sales documentation does not carry any other labels from other forestry conformity assessment schemes ON THE PRODUCT TO WHICH THE CLAIM RELATES".
6.4	It is unreasonable to prevent an organization utilizing the FSC COC process from passing on claims from other forest conformity assessment programs. Organizations operating in the U.S. source from a patchwork of lands that are certified to a number of different programs (some lands are dual certified), allowing those claims to be passed to customers.	Delete 6.4
6.4	It is unreasonable to prevent an organization utilizing the FSC COC process from passing on claims from other forest conformity assessment programs. Organizations operating in the U.S. source from a patchwork of lands that are certified to a number of different programs (some lands are dual certified), allowing those claims to be passed to customers.	Delete 6.4
PART I / 6.4	It is unreasonable to prevent the ability of an organization to utilize other forestry assessment scheme labels if those products meet those requirements.	Delete this requirement.
6.4	Currently there is not sufficient supply of FSC Certified Wood within Australia or demand for Controlled Wood products. As such, we have dual certification for our Virgin paper mill. To provide alternate documentation relating to each scheme is not practical, and Visy may consider eliminating FSC altogether. Excluding the use of any other certification scheme is not supported by Visy.	Suggest section 6.4 be removed.
6.4	"The organization shall ensure that products sold with FSC claims on sales documentation do not carry any labels from other forestry conformity assessment schemes."	Delete completely without substitution.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>This requirement is not acceptable : for example today some product have Ecolabel claim with requirement about forestry conformity and sustainability such as EU-Flower, Blue Angel, PEFC, Nordic Swan, LEED, etc..</p> <p>Does FSC ask to their customer to give up other Environnemental engagement ?</p> <p>Furthermore: The difficulty imposed by FSC in not allowing the association of its label with labels of other certification schemes makes companies that have dual certification opt to put the label of other schemes. As a result, it can render the goal of expanding brand recognition, established by FSC in its Strategic Plan.</p> <p>This is - to say carefully - at least not up to date anymore and far away from FSC customers' wishes and needs.</p>	
6.4	<p>"The organization shall ensure that products sold with FSC claims on sales documentation do not carry any labels from other forestry conformity assessment schemes."</p> <p>This requirement is not acceptable : for example today some product have Ecolabel claim with requirement about forestry conformity and sustainability such as EU-Flower, Blue Angel, PEFC, Nordic Swan, LEED, etc..</p> <p>Does FSC ask to their customer to give up other Environnemental engagement ?</p> <p>Furthermore: The difficulty imposed by FSC in not allowing the association of its label with labels of other certification schemes makes companies that have dual certification opt to put the label of other schemes. As a result, it can render the goal of expanding brand recognition, established by FSC in its Strategic Plan.</p> <p>This is - to say carefully - at least not up to date anymore and far away from FSC customers' wishes and needs.</p>	Delete completely without substitution.
6.4	<p>"The organization shall ensure that products sold with FSC claims on sales documentation do not carry any labels from other forestry conformity assessment schemes."</p> <p>This requirement is not acceptable : for example today some product have Ecolabel claim with requirement about forestry conformity and sustainability such as EU-Flower, Blue Angel, PEFC, Nordic Swan, LEED, etc..</p> <p>Does FSC ask to their customer to give up other Environnemental engagement ?</p> <p>Furthermore: The difficulty imposed by FSC in not allowing the association of its label with labels of other certification schemes makes companies that have dual certification opt to put the label of other schemes. As a result, it can render the goal of expanding brand recognition, established by FSC in its Strategic Plan.</p> <p>This is - to say carefully - at least not up to date anymore and far away from FSC customers' wishes and needs.</p>	Delete completely without substitution.
6.4	<p>"The organization shall ensure that products sold with FSC claims on sales documentation do not carry any labels from other forestry conformity assessment schemes."</p>	Delete completely without substitution.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>This requirement is not acceptable : for example today some product have Ecolabel claim with requirement about forestry conformity and sustainability such as EU-Flower, Blue Angel, PEFC, Nordic Swan, LEED, etc..</p> <p>Does FSC ask to their customer to give up other Environmental engagement ?</p> <p>Furthermore: The difficulty imposed by FSC in not allowing the association of its label with labels of other certification schemes makes companies that have dual certification opt to put the label of other schemes. As a result, it can render the goal of expanding brand recognition, established by FSC in its Strategic Plan.</p> <p>This is - to say carefully - at least not up to date anymore and far away from FSC customers' wishes and needs.</p>	
6.4	Please clarify whether both an FSC and an i.e. PEFC product (for example an FSC table and a PEFC chair) can be sold on the same invoice? If not, whose obligation will it be to issue separate invoices? Plus, separate transport documents as well?	
6.5	The addition of "Products from small or community forest producers" statement is one way to categorize FSC products to good and even better categories, which should not be the goal of FSC. The FSC label alone should tell the quality without any additions.	Delete
6.5	<p>6.5 Organizations selling products exclusively made of input materials from small or community producers may include the following statement on sales documents: Product from small or community forest producers.</p> <p>a) Please make it completely clear whether it means that such small or community producers need to be FSC certified?</p> <p>b) A definition of small or community producers is missing in the STD. Please add to the glossary.</p>	
6.5	<p>"Organizations selling products exclusively made of input materials from small or community producers may include the following statement on sales documents: Product from small or community forest producers."</p> <p>Nice to have but this not more than a note or guidance.</p>	Delete 6.5 or change it to a note or remove it to a guidance document.
PART I, Universal Requirements, Sales, p. 12, Point 6.5	The addition of "Products from small or community forest producers" statement is one way to categorize FSC products to good and even better categories, which should not be the goal of FSC. The FSC label alone should tell the quality without any additions.	Deletion: the whole point 6.5.
PART I, Universal Requirements, Sales, p. 12, Point 6.5	The addition of "Products from small or community forest producers" statement is one way to categorize FSC products to good and even better categories, which should not be the goal of FSC. The FSC label alone should tell the quality without any additions.	Deletion: the whole point 6.5.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART I, Universal Requirements, Sales, p. 12, Point 6.5	The addition of "Products from small or community forest producers" statement is one way to categorize FSC products to good and even better categories, which should not be the goal of FSC. The FSC label alone should tell the quality without any additions.	Deletion: the whole point 6.5.
PART I, Universal Requirements, Sales, p. 12, Point 6.5	The addition of "Products from small or community forest producers" statement is one way to categorize FSC products to good and even better categories, which should not be the goal of FSC. The FSC label alone should tell the quality without any additions.	Deletion: the whole point 6.5.
6.5	The addition of "Products from small or community forest producers" statement is one way to categorize FSC products to good and even better categories, which should not be the goal of FSC. The FSC label alone should tell the quality without any additions.	Delete
6.5	Add it to the trademark standard or make it a note	Delete 6.5
6.5	... selling products.. it seems to me not clear	Selling FINISHED products.... Adding that in transactions BtoB between certified organization shall be specified the correct claim
6.5	Punctuation marks needed	may include the following statement on sales documents: 'Product from small or community forest producers'
6.5	The term "community producer" is unfamiliar in the USA.	Include a definition of "community producer" and "small producer" in Terms and Definitions. Also consider permitting organizations to use the term "local" instead of "community" where input materials are sourced or reclaimed from within x miles/kilometres of the producer.
6.5	Why not promote this better?	Remove the word: exclusively
6.5	This requirement exists to attend the Motion 19, adopted at the General Assembly of 2008, which today remains current because the new FSC Strategic Plan has clear objectives and goals of "creating social value" for Community and smallholders certification through the forest area increased mainly in certified natural forests in the tropics. (see GLOBAL PRIORITY 01 Objective 1.1, indicator 1.1.1). Below the Motion 19: <i>"FSC shall develop a strategy to differentiate community forest products* from other products, that allows a phrase like "COMMUNITY ORIGIN PRODUCT", in the claim on the FSC product. The strategy shall include all relevant aspects of Chain of custody and labeling to guarantee product traceability."</i> In this context, to guarantee a different product, it's necessary to have a different claim.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Considering only a different sales information, the client won't be able to choose a different product (at info.fsc) and contributes with FSC Strategic Plan.	
6.5	A definition of "small or community producers" is not included in the Standard.	Add definition of "small and community producers".
6.6	The controlled wood claim should be permitted to be passed along to non-certified customers. This is a valuable tool for legality verification that certificate holders have to pay for. If this is not permitted certificate holders will use the much simpler, but just as effective PEFC DDS for this and we will further lose opportunity to add value to certificate holders.	
6.6	To restrict the sales of FSC CW to certified companies is an unnecessary limitation with no additional value. It causes efforts and unintended non-compliances.	Do not restrict the sales of FSC CW to certified companies, but clarify that the claim FSC CW can only be made business-to-business and not for finished and/or FSC labelled products.
6.6	There is an opportunity for FSC to offer CW compliance as verification of legal compliance in relation to EUTR and Lacey act. This would mean that companies – including those without FSC CoC – could buy CW with a claim on the invoice and use this as part of its due diligence/due care system. The buyer would not be allowed to re-sell the CW volume without CoC certification. Certificate holders may otherwise use the corresponding system in PEFC.	Rewrite accordingly.
6.6	This clause should explicitly state that the sale of FSC Controlled Wood is only possible when FSC-STD-40-005 is included in the scope of the certificate. This statement has been made in 9.13.	Copy language about including 40-005 from clause 9.13.
6.6	For companies that do not deal with end-use products (e.g. sawn timber), this clause requires significant and unnecessary investment in resources to systematically monitor the certification status of a customer.	Modify to stipulate that this is only relevant for end-use products
6.6	Pointless now, pointless in the future	Delete 6.6
Clause 6.6	6.6 The Organization shall only sell products with an 'FSC Controlled Wood' claim on sales and delivery documents to FSC certified customers that are certified according to FSC-STD-40-004 or to applicant projects according to FSC-STD-40-006.	Please use grammatically correct form: 6.6 The Organization shall only sell products with an 'FSC Controlled Wood' claim on sales and delivery documents to FSC certified customers that are certified in accordance with FSC-STD-40-004 or to applicant projects in accordance with FSC-STD-40-006.
6.6	The Controlled wood Technical Committee unanimously agreed that FSC shall open up for organisations to sell CW with a claim on invoice to organisations that are not certified according to this standard. The reason is that it would increase the value of being involved in the FSC system and controlled wood is a mechanism that helps improve the standards of trade in wood. The invoice with a CW claim can be used as evidence to authorities in countries with demand side legislation on legality of timber harvest and in B2B transactions where there are demand for legality due diligence. The alternative in this case is for organisations to associate with the PEFC, who allow for this option.	Remove

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
6.6 of FSC-STD-40-004 V3-0 D2-0	We consider it as unlogical that FSC mix can be sold to “NON”-FSC-customers but FSC CW is not allowed to be sold. From our point of view this is not supporting to increase the share of FSC wood.	Deletion: the whole point 6.6
6.6	Currently other certifications such as PEFC and SFI offer a controlled claim to be made to non certified companies. This is now being used as a component of legality verification and avoiding material of controversy. Non-certified companies are already asking certificate holders if they have a Controlled Wood certification as they wish to know what universal components are in place to mitigate risk. Not allowing this claim to be made on invoices and to non-certified companies puts the FSC standard at a disadvantage to the other standards.	Allow CW invoice claims to be made to non certified companies.
6.6	The requirement to only sell CW to FSC CoC holders should be dropped. CW has less “value” than certified material, yet there is no restriction on selling FSC certified material to non-CoC buyers.	Drop the CoC requirement for making CW sales.
6.7	The possibility to downgrade FSC Recycled products to FSC controlled wood should continue to exist.	
6.7	The possibility to downgrade FSC Recycled products to FSC controlled wood should continue to exist, this will be beneficial in both promoting the use of recycled fibre plus help to maintain throughput of FSC certified articles whilst the new FSC CW standard is implemented as it is foreseeable that some sources of CW may be impacted by the new standard resulting in loss of FSC certified throughput	Suggest the table showing downgrades in 7.5 table A is referenced here
6.7	FSC Recycled Claims should be allowed to be downgraded to CW. If FSC mix claims can be downgraded when they include FSC recycled inputs there is no reason not to allow FSC recycled claims to be downgraded. This is already happening in many areas within the certification platform. Changing this requirement now will cause unnecessary burden on supply chains where this is occurring.	Allow FSC Recycled claims to be downgraded to FSC CW.
6.7	The possibility to downgrade FSC Recycled products to FSC controlled wood should continue to exist.	
Clause No 6.7	6.7 The organization may opt to downgrade the FSC claims for the outputs as presented in Figure 1, provided the FSC label applied on products always corresponds to the FSC claim made on sales documents. NOTE: FSC Recycled products cannot be downgraded to FSC Controlled Wood since they do not meet FSC Controlled Wood requirements.	Why can I not downgrade FSC Recycled claims to FSC controlled wood? It should be added to the FSC CW standard that visual inspected or verified reclaimed material through second party audits according FSC STd 40-007 V2 meets controlled wood criteria’s! If it will be not possible to add this to the controlled wood standard and new claim “FSC controlled recycled” should be added to the FSC COC standard...
Clause 6.7 TABLE A page 14	I cannot really understand why FSC recycled material can be downgraded to FSC mix material. The two material are different, let us think to a paper made of pre&post consumer reclaimed material that can be sold as FSC mix material. There is not FSC input in the paper but can be sold as FSC mix 100%. Moreover, the claim FSC mix 100% is difficult to understand for CHs and stakeholders.	I suggest to allow downgrading only for FSC 100% → FSC mix x%/FSC mix credit → FSC CW.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART I / 6.7	I support the option of downgrading FSC Recycled to FSC Mix Credit. Additionally, FSC Recycled and FSC Mix should be allowed to downgrade to FSC Controlled Wood. Reclaimed material should be considered as an acceptable controlled source.	
6.7 Clause	<ul style="list-style-type: none"> • Need for better procedural classification 	<ul style="list-style-type: none"> • The revised standard may give procedural information on how/when to manage downgrading options, to the purposes of traceability checks and consistency with volume summaries.
6.7 Clause	<ul style="list-style-type: none"> • Need for better procedural classification 	<ul style="list-style-type: none"> • The revised standard may give procedural information on how/when to manage downgrading options, to the purposes of traceability checks and consistency with volume summaries.
6.7 Clause	<ul style="list-style-type: none"> • Need for better procedural classification 	<ul style="list-style-type: none"> • The revised standard may give procedural information on how/when to manage downgrading options, to the purposes of traceability checks and consistency with volume summaries.
6.7 Clause	<ul style="list-style-type: none"> • Need for better procedural classification 	<ul style="list-style-type: none"> • The revised standard may give procedural information on how/when to manage downgrading options, to the purposes of traceability checks and consistency with volume summaries.
Clause 6.7 Note	<p>FSC Recycled products should be able to be downgraded to FSC Controlled Wood.</p> <p>If FSC Recycled material is mixed with FSC100% / FSC Mix under the transfer system, then the category becomes “FSC Mix” and it can be downgraded to FSC Controlled Wood, even though FSC Recycled material is included as input.</p> <p>If FSC Recycled material is mixed with FSC Controlled Wood material under the transfer system, then the category becomes “FSC Controlled Wood” even though FSC Recycled material is included as input.</p> <p>If FSC Recycled material is mixed with something controlled, then the category can be FSC Controlled Wood, then why only FSC Recycled material that is not mixed with anything cannot become FSC Controlled Wood?</p> <p>That is not logically relevant, and may cause confusion among CHs.</p> <p>In case FSC argues FSC Recycled material should not be downgraded to FSC Controlled Wood because those products do not meet FSC Controlled wood requirements (according to FSC-STD-40-005), then FSC should introduce a new category to indicate that the material is originated in reclaimed material and has been verified.</p>	<p>FSC Recycled products should be able to be downgraded to FSC Controlled Wood.</p> <p>If the category “FSC Controlled Wood” is not suitable to be used, then a new category (e.g. FSC Controlled Reclaimed) should be introduced to indicate that the material is originated in reclaimed material and has been verified.)</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Clause 6.7 note 1	FSC Recycled products cannot be downgraded to FSC Controlled Wood. Why? Mixture of FSC certified and pre-consumer reclaimed materials does not meet FSC Controlled Wood requirement either, but maybe sold with FSC Controlled Wood claim. In our opinion it is not necessary to make it complicated and better to allow downgrading to FSC Controlled Wood, if it anyway allowed to be mixed with FSC certified material.	Remove the note
Clause 6.7 NOTES	NOTE: FSC Recycled products cannot be downgraded to FSC Controlled Wood since they do not meet FSC Controlled Wood requirements. NOTE: The organization may also apply the same logic for the downgrading of FSC input claims.	Please issue NOTES as separate, normative clauses.
6.7 Note	Ok. With the note, but what about FSC Mix % or FSC Mix credit that has also inputs of FSC recycled within?	Clarify
6.7	We support allowing the downgrade of FSC Recycled to FSC Mix.	
6.7	We support allowing the downgrade of FSC Recycled to FSC Mix.	
6.7	Clarification is needed on the handling of recycled fiber. Does the Figure 1 suggest that a facility using 100% recycled fiber (either pre or post-consumer) can sell a FSC Mix claim but not a FSC Controlled Wood claim?	Add a separate figure specific to recycled fiber, the type of recycled fiber and associated claims.
6.7 and Figure 1	The figure indicates that FSC recycled can be downgraded to FSC Mix and that FSC Mix can be downgraded to FSC Controlled Wood. However, the Note states that FSC Recycled products cannot be downgraded to Controlled Wood. How would a company further down the supply chain know that a product sold as FSC Mix was previously downgraded from FSC Recycled? If they are not aware of this, is there not a risk that they downgrade to FSC Controlled Wood? Should there be a line between FSC MIX Credit and MIX 70% to show that MIX credit is the higher claim? Is it not the case that FSC MIX cannot be downgraded to Controlled Wood in as much as you cannot be sure that it's already been downgraded from Recycled and therefore contains material that does not confirm to Controlled Wood Requirements? The Pyramid on the left is incorrect. As FSC Mix x%/FSC Mix Credit cannot be downgraded to FSC Controlled Wood. FSC 100% can be downgraded to Controlled Wood therefore a third pyramid should be introduced with two tiers - FSC 100% to Controlled Wood	Diagram / Text needs to be amended to clarify possible downgrades for FSC Recycled. Revise Revise Remove bottom tier of the pyramid Introduce new pyramid
6.7:fig. 1, 7, 8.5: fig. 5&6,	Graphics and illustrations (while often helpful) cannot be considered normative language.	Move to an informative annex
Chapter 6, Figure 1	It should be allowed to downgrade "FSC Mix Credit" or e.g. "FSC Mix 80%" to "FSC Mix 70%". The figures do not reflect this. It is important e.g. for printing house who don't want to determine the FSC claim for each FSC Mix product.	Change figures to allow downgrading from Credit to percentage and from higher to lower percentage.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
6.7	The fact that recycled claims cannot be down-graded to CW claims seems a little irrational and not in line with promoting the cascading use of wood products	
6.7	<p>There is some support for this approach to graphically depict the options for downgrading FSC claims. However, there are varied perspectives on whether FSC Recycled should be allowed to be downgraded at all to FSC Mix or even FSC Controlled Wood. Until recently, it was unclear whether FSC Recycled could be downgraded at all, and this graphic along with the recent interpretation should help reduce this confusion. FSC's interpretation on this issue is that FSC Recycled products have not undergone a Controlled Wood Risk Assessment and therefore cannot be downgraded to FSC Controlled Wood.</p> <p>However, some questions remain as to whether FSC should allow FSC Recycled to even be downgraded to FSC Mix as there are no virgin inputs into a product with an FSC Recycled claim. Additionally, this proposed clause doesn't necessarily correct the issue as it is simple for one company to downgrade from FSC Recycled to FSC Mix and then their customer to downgrade the FSC Mix to FSC Controlled Wood without any prior knowledge of the product being FSC Recycled. One solution may be to require FSC Recycled to never have the option to be downgraded. Since a product produced with an FSC Recycled claim is nothing more than recycled fibers, FSC Mix could then remain the claim for products produced from a variety of sources including controlled wood, certified, and reclaimed. However, on the other hand, since FSC Mix may contain certified, controlled and reclaimed inputs, and taking into consideration that the reclaimed inputs will still not have gone through a risk assessment, that even FSC Mix should not be eligible for downgrading to FSC Controlled Wood.</p> <p>Ultimately neither of these arguments provides a feasible solution for certificate holders, and therefore the best solution may be to allow downgrading of both FSC Mix and FSC Recycled to FSC Controlled Wood and to acknowledge the limits that FSC Recycled will not have gone through a risk assessment.</p>	Allow FSC Recycled and FSC Mix to be downgraded to FSC Controlled Wood. As described, the argument for why FSC Recycled can't be considered controlled doesn't hold-up.
6.7	<p>Downgrading Recycled products to FSC Mix products FSC will mislead consumers who want to buy a product coming from well managed /controlled forests and will receive a product without origin.</p> <p>System will have less transparency (against Strategic Plan)</p>	Reconsider
6.7	We support inclusion of the new clause.	Retain as worded.
6.7	Given the exchange had between Vanessa Ellis and Dorothee Jung about the difference between downgrading and combining, it would be very helpful to have some of that explanation included in the standard. Briefly, that exchange resulted in the following clarification: "Downgrading is specifically referring to giving a lower claim to an entire product group, even though it is eligible for a higher claim. The difference between "downgrading" and "combining" is that in order to combine you must have a least two distinct claims going into the final product, whereas downgrading can happen even if there is only one claim in the product."	Please provide a definition of 'downgrade'

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
6.7 notes	Whenever a clause has more than one note, it would be much easier to reference if the notes were numbered.	Change notes to Note 1 and Note 2.
6.7 Note	The logic behind the note does not make sense. Recycled products cannot be downgraded because they do not meet controlled wood requirements, however FSC Mix products often include reclaimed components (i.e. paper), that also would not meet the CW requirements. However, Mix can be downgraded to CW. Also, as designed, a company can downgrade FSC Recycled to FSC Mix and then a subsequent company in the chain can downgrade FSC Mix to FSC CW. Additionally, FSC Recycled should not be allowed to be downgraded to Mix. FSC Mix claims imply a component of virgin materials, which FSC Recycled products do not have.	Do not allow downgrading of FSC Recycled products. They are a unique product made of all reclaimed materials.
Figure 1	Shouldn't FSC Mix% and FSC Mix Credit be separate? FSC Mix 100% and FSC Mix Credit are equal, but all other FSC Mix % are less than FSC Mix Credit.	Make a row below FSC Mix Credit for FSC Mix %
Figure 1, blue triangle	It should be made clear that when downgrading an FSC Recycled x% claim to FSC Mix, the mix % claim may not be higher than the recycled % claim; nor may a recycled % claim of less than 100% be downgraded to an FSC Mix Credit claim, since a credit claim is equivalent to 100%.	Include a clarification note. Also, comment above will help alleviate some confusion.
6.8	SCS likes the addition of this flexibility to the standard. It allows for other types of sales arrangements that do not fit the current COC requirements. However, "construction items" in 6.8b is vague and needs more clarification. E.g. can it be one component of an assembled product? This is often the case in the US for projects contributing to LEED buildings – e.g. a wall cabinet will include FSC particleboard and non-certified non-controlled backers.	Provide a definition of "construction item" or further clarification in 6.8.
6.8	Is this clause related to, or intended to supersede the LEED Alternate Pathway that was endorsed by FSC-US? If so, this should be formally communicated to CHs and LEED professionals.	
6.8	This clause should include architectural millwork companies that supply designed materials to a construction site. Currently the LEED system has developed a methodology called "alternative pathways" where they instruct such companies to provide supplemental documentation that is a list of inputs. This allowance is actually at times, partial claims (e.g. if the company is providing custom cabinetry they would not make claim on the output cabinet, but would provide a list of components that are certified and used for the project). This is in conflict with requirement that disallows partial claims (2.4 of this draft).	FSC to harmonize standard requirements with the requirements of LEED alternative pathways.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
6.8	This requirement must be removed from the standard as it will make LEED completely unusable once again. This requirement will simply not work for those architectural millworkers supplying to LEED projects, and it must be removed if FSC wants to continue its success. For many custom architectural woodworkers in the US, producing an FSC certified final product with an FSC claim for a LEED project has proven to be very difficult over the years, especially since the loss of minor components. Since FSC does not allow partial claims to be made, many projects that are done for LEED often contain a majority of FSC certified wood but a small element such as an uncertified laminate or edge-banding can render an entire project ineligible to invoice with an FSC claim per chain of custody requirements. This has resulted in huge losses and frustrations for builders in the US and has been a hurdle we have continually tried to overcome. Two years ago a solution to this was finally provided in LEED, however, this requirement would make the solution non-conformant with the FSC standard. We absolutely cannot allow that and this has to be removed.	Remove this requirement.
6.8	Contractors should not be included in section 6 as contractors do not take legal ownership of product and hence are not eligible for issuing sales documents of certified products to customers. The current wording implies contractors are eligible for issuing sales invoice of FSC certified products. Current wording: FSC certified <u>building contractors or</u> construction companies that do not invoice FSC certified products to their customers may issue supplementary documents to the invoices issued for construction or other related services. The supplementary document shall include the following:	New wording: FSC certified construction companies that do not invoice FSC certified products to their customers may issue supplementary documents to the invoices issued for construction or other related services. The supplementary document shall include the following:
6.8	Requires revision for clarity	FSC certified building contractors or construction companies which do not invoice their customers for FSC certified products may issue supplementary documents to the invoices issued for construction or other related services.
6.8	This matter would be only in FSC-STD_40-006	Remove
6.8	What claims can be made in supplementary documents?. How should they be formatted? Do the same Claim requirements apply? Does the list of items need to be every product or product groups/types? Should a NOTE re: FSC Project Certification be referenced here and/or the distinction between FSC Building Contractor and Project Certification and contractors be highlighted to avoid confusion? Is it the case that supplementary documents can only be issued by contractors who do not invoice? This is currently how the wording reads.	Further clarification needed with example Should a NOTE re: FSC Project Certification be referenced here and/or the distinction between FSC Building Contractor and Project Certification and contractors be highlighted to avoid confusion? Amend wording
6.8	This section should be amended to address the following challenge in the US and Canada that relates to installers of finished products (excerpt from FSC Chain of Custody Standard Revision Webinars Questions & Answers	Add note, e.g., to this Section that explains requirements for installers.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>Last update: 20 January 2015:</p> <p>“2. Building construction projects going for LEED certifications [version 2009] targeting MR credit 6/7 Certified Wood [FSC] - there is still confusion as to who needs to have FSC-COC certification. Is it accurate, in aligning with FSC-COC requirement, that any entity along the construction chain modifies/fabricates the FSC product will need to have the certification?</p> <p>FSC US has worked with the USGBC to align the requirements for chain of custody with the requirements for contributing to LEED credits. Currently, FSC and LEED both require chain of custody certification for all companies in the supply chain that have legal ownership of FSC certified products and wish to pass on the FSC claim to customers through sales documents. This includes all manufacturers, distributors and offsite fabricators such as cabinetmakers and millworkers who sell wood products into a LEED project. However, there is one exception to this, LEED does not require chain of custody certification for companies in the supply chain that do not manufacture products offsite and ONLY install FSC-certified materials onsite (such as flooring and furniture installers).”</p>	
PART I, Universal Requirements, Sales, p 13, Point 6.8.	FFIF sees the point 6.8. very important.	
PART I, Universal Requirements, Sales, p 13, Point 6.8.	SEWSF sees the point 6.8. very important.	
PART I, Universal Requirements, Sales, p 13, Point 6.8.	Metsä Group sees the point 6.8. very important.	
PART I, Universal Requirements, Sales, p 13, Point 6.8.	UPM see this point as very important.	
Part II diagrams	<p>Comments on the diagrammatic boxes that illustrate each control system:</p> <ul style="list-style-type: none"> • the outputs should always be a square shape to show that the inputs have been transformed from a circle to a square. • the font size for the middle explanatory picture with the factory should be increased. 	
Figure 3	The language reads “the two input materials (veneer and MDF) are mixed...” However, the word “mixed” is too close to the claim FSC Mix.	Change “mixed” to “assembled” or “combined”.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
7, Figure 3	In Figure 3 it is described: 'The organization uses the lowest FSC claim per input volume as the FSC claim for the outputs'. This seems not always to be correct since according to section 7.5 Table A the combination of 'FSC Mix Credit' and 'FSC Recycled X%' results in the output material category 'FSC Mix X%'.	
7.0	The graphics are wonderful, but must be moved into the annex. They should not be part of the normative framework.	Move graphics to annex.
7	Loss of intro box to Transfer system is not effective.	Reinstate table at the beginning of Transfer section of V2-1 which highlighted eligible inputs and include Pre and Post Consumer inputs where applicable
Section 7	Recommend removing the word simplified	The transfer system is a FSC control system which provides the simplest approach for the determination
7, 8 and 9	Generally, although the diagrams are helpful, they feel somewhat incomplete and only go some way towards a full and definitive explanation of these control systems. Annexe 1 in V2-1 was very useful in that it showed a comparison across all 3 system and this has now been lost. Also, it showed all outputs and defined which were eligible for labelling which is a more complete picture than the one currently given	Further work on these graphics to show comparison between control systems, full definition of outputs, more examples etc.
7-9	I enjoy the addition of figures. Good idea.	
Chapters 7 to 9	Figures are generally nice but normative documents should contain sufficient formulations to function without pictures.	Move all figures to a separate guidance document or even to an annex. And add more examples there.
7.1	The transfer system should be extended to allow for movement of material directly from the forest gate to primary manufacturing. The requirement for the harvester to be certified causes tremendous leakage in the system with no added benefit to system integrity. These processors should be added to the manufacturing site and audited accordingly. This was previously acceptable for a ten year period and did not harm system integrity.	
7.1	This could be interpreted that the transfer system can only be applied at the level of a single site.	Consider reference to how the transfer system can be applied to a multisite or group situation (ref. multisite STD).
7.1	What is meant by "single site" as regards the scope of application of the transfer system? Is the transfer system applicable to a single site only or also to single sites within a multisite? Would the transfer system be also applicable to a multisite?	A more detailed explanation about the applicability to the different site conditions of customers (single site, multisite) and the implementation of the transfer system within the different company structures would be appropriate.
Clause 7.1	KOB: What are the consequences of this clause? Do not see any.	Delete 7.1
7.2	Increase in regulation and requirements	Simplify
Clause 7.2	KOB: This can be misunderstood as a complete list of all possible activities require a transfer system.	Rewrite: "For following activities no other system than the Transfer System shall be applied: [...]"
7.2	Following clause 7.2. the Transfersystem can only be used in case of FSC 100% claims. This does not make sense in our opinion, especially as the figure 3 on scenario B shows the option with an FSC Mix claim.	Change this clause: 7.2 The transfer system shall be applied to the following activities:

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>Why should it not be possible to use an FSC Mix 70% claim for the description of the output if bought with this claim under the transfer system?</p> <p>What should a company do that uses the transfer system and does not purchase FSC material as FSC 100%?</p>	<p>a) Trading and processing of products carrying the FSC 100% and FSC Mix claim;</p> <p>In accordance with the table below clause 7.5 the transfer of FSC Mix still seem to be possible.</p>
7.2	7.2 reads as if manufacturers could not apply the Transfer System. Only 7.5 later explains so.	Integrate 7.5 into 7.2 so that manufacturers are included and explain so that they are included.
7.2	In which category here (a-e) would scenario B fit? It is critical that it is clear that these are not the only scenarios available or 7.5 and table A are subsequently contradictory.	
7.2	Section (a) 'Trading and processing of products carrying the FSC 100% claim'. This was not a requirement previously, and is not supported by Table A. If a company is purchasing and processing purely FSC Mix Credit products (specific product lines – based on demand), the transfer system should still be applicable.	<p>Clarify the application of the transfer system for processors of FSC Mix or FSC Recycled materials.</p> <p>Suggest to include "Trading and processing of products carrying a verified FSC claim"</p>
7.2	<p>If a processor is purchasing FSC Mix Credit paper reels and is converting them, then they should be able to operate a Transfer system. I do not see the need to exclude other FSC Claims other than FSC 100% from this system. If there is no mixing of the input material, and it is not being transformed to a different quality, a transfer system is the most appropriate method of accounting.</p> <p>By excluding FSC Mix Credit or FSC Mix 70% from the options available, it is adding unnecessary administrative burden to what is typically a small, conversion site. I assume this would apply to the printing industry as well.</p>	Add FSC Mix Credit and FSC Mix % to 7.2.a).
7.2	The way this is phrased, it is not immediately clear that the percentage and credit systems cannot be applied to the activities in 7.2.	State more clearly that only the transfer system is applicable for the following activities.
7.2	The limitation of the FSC claim on products through the transfer system remain unclear between the processed and the traded products	The definition should state clearer what are all the claims applicable to processed products in a transfer system, and what are all the claims applicable to traded products.
Clause 7.2	Will it still be possible to trade products with the FSC MIX 70% and the FSC MIX Credit claim?	
7.2 a)	It is unclear whether this is referring to outputs or inputs. I.e., can an organization purchase FSC 100% and enter it into their credit system along with FSC Mix 70% inputs to produce a FSC Mix Credit product. If 7.2a is limiting all uses of FSC 100% to only the transfer system, this will further push CHs to immediately change or downgrade the claim and we will lose even more FSC 100% than we already have.	Clarify that 7.2a is only limiting the trading and processing of outputs exclusively composed of FSC 100% inputs to the transfer system.
7.2 a)	"7.2 The transfer system shall be applied to the following activities: a) Trading and processing of products carrying the FSC 100% claim" could be misunderstood.	Change to "a) Trading and processing of products carrying the FSC 100% OUTPUT claim"

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
7.2 a)	Other output claims too? Mix, Recycled, CW?	Clarification
clause 7.2 a); p.14	a) <u>Trading and processing of products carrying the 'FSC 100%' claim;</u> FSC® 100% claim implies that no other claim is applicable (FSC® Mix, FSC® Recycled, etc).	a) Trading and processing of products carrying the FSC 100%, FSC Mix x%, FSC Recycled x%, FSC Mix Credit, FSC Recycled Credit and FSC Controlled Wood claim;
7.2a	This implies that only the transfer system may be used for FSC 100% inputs.	Clarify that “products” references “outputs”
7.2 Transfer System a)	It must be clear that FSC 100% refers only to output claims and not to input claims	„a) „Trading and processing of products carrying the FSC 100% output claim”
7.2 Transfer System a)	It must be clear that FSC 100% refers only to output claims and not to input claims	„a) „Trading and processing of products carrying the FSC 100% output claim”
7.2 Transfer System a)	It must be clear that FSC 100% refers only to output claims and not to input claims	„a) „Trading and processing of products carrying the FSC 100% output claim”
7.2 Transfer System a)	It must be clear that FSC 100% refers only to output claims and not to input claims	„a) „Trading and processing of products carrying the FSC 100% output claim”
7.2 Transfer System a)	It must be clear that FSC 100% refers only to output claims and not to input claims	„a) „Trading and processing of products carrying the FSC 100% output claim”
7.2 Transfer System a)	It must be clear that FSC 100% refers only to output claims and not to input claims	a) „Trading and processing of products carrying the FSC 100% output claim”
Part II, 7.2 Page 21	7.2 The transfer system shall be applied to the following activities: a) Trading and processing of products carrying the FSC 100% claim; Comment: Products with FSC Mix % and FSC Mix Credit claim can be traded under the transfer system under the current rules and this should remain in place.	7.2 The transfer system shall be applied to the following activities: a) Trading and processing of products carrying the FSC 100%, FSC Mix % and FSC Mix Credit claim;
7.2 b)	It is not clear why the “paper” is specially separated from “products”. I do not see any need for separating paper from products as paper is a form of product that is no special than others.	Trading, distribution, and retail of finished products or Trading, distribution, and retail of finished <u>wood</u> products and paper
7.2 b)	Why is retail being focused on in particular? This is just a type of distribution, which is already mentioned in the clause. In addition, it is not required that all retail operations hold a COC certificate, so it is confusing to include that here.	Remove “retail”
7.2.d-e	Huh? What is the purpose of this? What about a container of mixed nuts?	delete
7.2e)	Why are food and medicinal listed separately rather than as NTFPs (under 7.2d)	
7.3	The situation of traders is not reflected adequately. The Transfer System should simply be usable for product trading on the basis of articles (not claim periods, not job orders). Product group don't have to be defined when using the Transfer System.	Add “article”: “7.3 The organization shall specify claim periods, job orders OR ARTICLES for each PRODUCT OR product group for which a single FSC claim shall be made.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
7.3	The language used in the criteria is difficult to understand. Perhaps provide an example that this could e.g. be done through order numbers. Or perhaps define the terms “job order” in terms and definitions and define “claim period” better than now.	
7.3	The language used in the criteria is difficult to understand. Perhaps provide an example that this could e.g. be done through order numbers. Or perhaps define the terms “job order” in terms and definitions and define “claim period” better than now.	
7.3	The language used in the criteria is difficult to understand. Perhaps provide an example that this could e.g. be done through order numbers. Or perhaps define the terms “job order” in terms and definitions and define “claim period” better than now.	
7.3	Inconsistency with other clauses where it states that it is possible to use product types within the transfer system instead of product groups.	7.3 The organization shall specify claim periods or job orders for each product group or product type for which a single FSC claim shall be made.
7.4	Why must a CH: “..specify the length of the claim period”?	Please explain the reason for this change in second draft that goes in public consultation
7.5	Note from V2-1 has been lost. This was a much advised on topic.	Reinstate “Inputs with an ‘FSC Mix Credit’ claim or an ‘FSC Recycled Claim shall be considered as having a lower standing than inputs with an ‘FSC 100%’ or an ‘FSC Recycled 100%’ claim respectively” if appropriate.
7.5	Table A should not be half grayed out as it creates confusion with the claims.	Revise Table A
Clause 7.5 Figure 6	We think that there is a mistake in Figure 6. It is written ... “All output products in this claim period (Jan - Mar) are sold with the percentage claim of 74%”, we think that the correct claim period is Mar-May, not from Jan-Mar.	Just correct it
Section 7, table A	Table only works if you chose from the horizontal row first. This should be noted. Also FSC Recycled + FSC Controlled Wood = FSC Controlled Wood. This is against a previous note that Recycled materials cannot be controlled.	Remove previous note under 6.7.
7.5 Table	This table is not accurate or correct Claim of FSC Controlled Wood as a result of combination of FSC Controlled Wood with Pre Consumer reclaimed or Post consumer reclaimed wood/paper is incorrect. Controlled Wood/FSC Recycled Credit should show no Claim Controlled Wood/ Recycled x% should show no claim Controlled Wood/FSC Mix Credit should show no claim as (FSC MIX can contain reclaimed material) Controlled Wood /Mix x% should show no claim (as FSC MIX can contain reclaimed material) <u>The table should not have either the Controlled Wood Column or Controlled Wood Row as this is not allowed under the Transfer System</u>	Correct and complete the table Correct and complete the table Correct and complete the table Correct and complete the table Correct and complete the table Correct and complete the table Correct and complete the table

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
7.5.table A	Excellent addition to the standard	
7.5 table A	<p>Lost of transparency of the system , do not permit consumers to know the composition of the product in terms of origin , transmitting untrue information to customer.</p> <p>This permission is against the FSC Strategic Plan of increasing transparency in the system</p> <p>None normative orientation should be against what strategically the institution has defined as a value</p>	Don't allow transform FSC recycled into FSC Mix
7.5 Clause Table A	<ul style="list-style-type: none"> Need for better clarity/comprehension of the reason why in same cases 2 different output options are outlined, i.e. "FSC Recycled or Mix Credit". <p>As it probably refers to possible downgrading options, it's worth of note that not all the downgrading options are listed. It seems better not to refer here to downgrade here, to keep the Table simple.</p>	<ul style="list-style-type: none"> The revised standard should refer/recall Clause 6.7 (downgrading options) in Clause 7.5, without inserting redundant information in Table A.
7.5 Clause Table A	<ul style="list-style-type: none"> Need for better clarity/comprehension of the reason why in same cases 2 different output options are outlined, i.e. "FSC Recycled or Mix Credit". <p>As it probably refers to possible downgrading options, it's worth of note that not all the downgrading options are listed. It seems better not to refer here to downgrade here, to keep the Table simple.</p>	<ul style="list-style-type: none"> The revised standard should refer/recall Clause 6.7 (downgrading options) in Clause 7.5, without inserting redundant information in Table A.
7.5 Clause Table A	<ul style="list-style-type: none"> Need for better clarity/comprehension of the reason why in same cases 2 different output options are outlined, i.e. "FSC Recycled or Mix Credit". <p>As it probably refers to possible downgrading options, it's worth of note that not all the downgrading options are listed. It seems better not to refer here to downgrade here, to keep the Table simple.</p>	<ul style="list-style-type: none"> The revised standard should refer/recall Clause 6.7 (downgrading options) in Clause 7.5, without inserting redundant information in Table A.
7.5 Clause Table A	<ul style="list-style-type: none"> Need for better clarity/comprehension of the reason why in same cases 2 different output options are outlined, i.e. "FSC Recycled or Mix Credit". <p>As it probably refers to possible downgrading options, it's worth of note that not all the downgrading options are listed. It seems better not to refer here to downgrade here, to keep the Table simple.</p>	<ul style="list-style-type: none"> The revised standard should refer/recall Clause 6.7 (downgrading options) in Clause 7.5, without inserting redundant information in Table A.
7.5 + table A	<p>With the combination of FSC Recycled Credit and FSC Recycled x% the downgrading option to FSC Mix x% is given in the table. Other possible downgrading combination are not always mentioned. Does this mean that FSC 100% + FSC Mix Credit cannot be downgraded to FSC Mix 70%? According clause 6.7 this is a possibility and it should be possible because otherwise a lot of trading companies possibly have to keep triple accounting records or change the FSC claim multiple times for the same unique product, for example:</p> <p>A. Meranti 80*130 FSC 100%</p>	<p>7.5 For claim periods or job orders in which inputs of different material categories or associated percentage claims or credit claims are mixed (Scenario B), the organization shall use at maximum the lowest FSC claim per input volume as the FSC claim for the outputs, as indicated in Table A. Downgrading to a lower claim is always possible using figure 1 at clause 6.7</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>B. Meranti 80*130 FSC Mix Credit</p> <p>C. Meranti 80*130 FSC Mix 70%</p> <p>A + A = FSC 100%</p> <p>A + B = FSC Mix Credit</p> <p>A + B + C = FSC Mix 70%</p> <p>Even without a combination (for example after the first purchase) the downgrading should be possible for these companies: e.g. A + A = FSC mix 70%</p> <p>At the moment most trading companies already automatically downgrade the claim to FSC Mix 70% to keep is manageable.</p>	
Table A	Might want to add a note to this table that according to the note on item 6.1 (at least how I interpreted it) claims can be listed as just FSC mix if the next user does not want to utilize and mix the product again.	Add a note to the table to clarify revised claim requirements per note on item 6.1
7.5 table A	According to this table an organization can receive FSC recycled credit material input and sell it as FSC mix credit. There are several confusions in certified organization on this. It might be a good opportunity to clarify is a product made of only recycled and FSC CW can be FSC mix credit	Clarify
7.5 table A	We question whether it is correct or a mistake that the combination of 'FSC Mix Credit' and 'FSC Recycled X%' results in the output material category 'FSC Mix X%'.	The output material category should be 'FSC Mix Credit'.
7.5	The word "mixed" is too close to the claim FSC Mix.	Change "mixed" to "assembled" or "combined".
8.0	The graphics are wonderful, but must be moved into the annex. They should not be part of the normative framework. Also, some of the requirements are oddly listed in the graphic. Seems like a mistake.	Move graphics to annex.
8.1	A percentage system managed on a rolling average inputs should be allowed to have a shared percentage accounting system, similar to the credit system. Manufacturers that maintain such high rolling averages are highly committed to the FSC mission and shared percentage accounting will be an extremely functional approach for them as well as create environmental benefits.	Add a shared percentage accounting system for multisites that utilize rolling averages for their production.
8.1, 9.2 and Definition "Site"	The application of an FSC control system on the level of a single site is not feasible if the sites are only production sites with no own power of decision. If all sites belong to the same legal entity, have centralised purchase, sales and controlling, ONE material account would be enough. In these cases inter-company material flows are not relevant with regard to the intention of COC certification.	Clarify that for "single certificates with multiple sites" as defined in FSC-STD-40-003 V2-1 chapter 1 the FSC control system can be used by implementing ONE material account for all sites within the scope of the certificate.
Section 8 and 9	<ul style="list-style-type: none"> Though the introduction of relevant innovations (e.g. pre-consumer reclaimed material as claim-contributing), current requirements at Clauses 8.2.1 and 9.3.1 should be recalled (eventually adapted), in order to identify correct claims to be made. <p><i>"8.2.1 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."</i></p>	<ul style="list-style-type: none"> The revised standard should make it clear how FSC claims are generated.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p><i>“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.”</i></p>	
Section 8 and 9	<ul style="list-style-type: none"> Though the introduction of relevant innovations (e.g. pre-consumer reclaimed material as claim-contributing), current requirements at Clauses 8.2.1 and 9.3.1 should be recalled (eventually adapted), in order to identify correct claims to be made. <p><i>“8.2.1 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.”</i></p> <p><i>“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.”</i></p>	<ul style="list-style-type: none"> The revised standard should make it clear how FSC claims are generated.
Section 8 and 9	<ul style="list-style-type: none"> Though the introduction of relevant innovations (e.g. pre-consumer reclaimed material as claim-contributing), current requirements at Clauses 8.2.1 and 9.3.1 should be recalled (eventually adapted), in order to identify correct claims to be made. <p><i>“8.2.1 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.”</i></p> <p><i>“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.”</i></p>	<ul style="list-style-type: none"> The revised standard should make it clear how FSC claims are generated.
Section 8 and 9	<ul style="list-style-type: none"> Though the introduction of relevant innovations (e.g. pre-consumer reclaimed material as claim-contributing), current requirements at Clauses 8.2.1 and 9.3.1 should be recalled (eventually adapted), in order to identify correct claims to be made. <p><i>“8.2.1 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.”</i></p> <p><i>“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.”</i></p>	<ul style="list-style-type: none"> The revised standard should make it clear how FSC claims are generated.
Section 8	<ul style="list-style-type: none"> Though it is implicit, current requirements at Clauses 8.3.2 Note are worth to be recalled. 	<ul style="list-style-type: none"> The revised standard should insert information currently required at 8.3.2 Note.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<i>"8.3.2 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".</i>	
Section 8	<ul style="list-style-type: none"> Though it is implicit, current requirements at Clauses 8.3.2 Note are worth to be recalled. <i>"8.3.2 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".</i>	<ul style="list-style-type: none"> The revised standard should insert information currently required at 8.3.2 Note.
Section 8	<ul style="list-style-type: none"> Though it is implicit, current requirements at Clauses 8.3.2 Note are worth to be recalled. <i>"8.3.2 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".</i>	<ul style="list-style-type: none"> The revised standard should insert information currently required at 8.3.2 Note.
Section 8	<ul style="list-style-type: none"> Though it is implicit, current requirements at Clauses 8.3.2 Note are worth to be recalled. <i>"8.3.2 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".</i>	<ul style="list-style-type: none"> The revised standard should insert information currently required at 8.3.2 Note.
Section 8 and 9 diagrams	The mention of a conversion factor in these calculations AFTER the diagram makes is potentially confusing (the pictures appear not to add up). Recommend considering whether it can be altered to be clearer. We have received discussion on whether the diagrams are correct from experienced auditors, so feel it is not going to be clear for potential certificate holders.	
8	Overall, the percentage system is more clearly stated. Nice work.	
Clause 8.1	8.1 The percentage system shall only be applied on the level of a single, physical manufacturing site and it shall not be applied to activities listed in Clause 7.2.	Please remove this limitation. According to the feedback from our customers the FSC Board rationale for NOT expanding shared credit account to FSC Percentage System is logically flawed. Surely the role of COC Working Group is to notice obvious similarities between cross-site FSC Credit and Percentage System and develop a standard that meet and exceed the expectations of the Certificate Holders.
8.1	Unnecessary comma	single physical manufacturing site
Percentage system, 8.1, p 16	Kimberly-Clark proposes to extend the shared credit accounting model to similar applications used in the percentage system. Credit sharing under the percentage system should be allowed under a multi-site certificate similar to that for the credit system and it is the opinion of the company that the risks to the credibility of the FSC system are similar as they relate to consumer expectations of output claims being made. Requirements for minimum percentage inputs of FSC certified material at each site can also be mandated.	Revised Section 8.1 and new Section 8.2 8.1 The percentage system may be applied at the level of single and multiple sites ("shared percentage quantity accounts"). 8.2 Centralized shared percentage quantity accounts covering multiple sites can only be applied if the following conditions are met:

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>Kimberly-Clark operates three multi-site certificates for its tissue mills with two in North America and one in Europe As an example, in North America, Kimberly-Clark’s six consumer tissue mills operate under a multi-site chain of custody certificate.</p> <p>Kimberly-Clark uses eucalyptus and softwood sourced from Canada to manufacture its tissue products and whereas the growth of FSC-certified eucalyptus market pulp has been significant since 2007 and accounted for 79% of K-C’s FSC-certified virgin fiber purchases in 2014, the availability of FSC-certified softwood continues to be a challenge in Canada.</p> <p>Furthermore, Canada’s largest FSC-certified market pulp supplier lost two and had two other forest management certificates suspended last year further decreasing te availability of FSC-certified softwood in Canada.</p> <p>Despite these challenges, Kimberly-Clark’s average percentage of FSC-certified virgin fiber used in its six consumer tissue mills in North America is 85%, but two of its mills will not meet the 70% threshold for product labeling in 2016, therefore, if the shared credit accounting model was extended to the percentage system, it would give K-C the flexibility it needs to continue current labelling its consumer tissue products at the higher 70% threshold.</p>	<p>a) Percentage quantities are only shared within the same product group;</p> <p>b) All sites are within the scope of a single or multi-site certificate with a common ownership structure;</p> <p>c) All sites are located in the same country or continent;</p> <p>d) Each site participating in a shared percentage quantity account shall contribute at least XX% of the input percentage quantity used by its own site in a twelve (12) months period.</p> <p>Although Kimberly-Clark is not specifying a minimum percentage quantity that must be achieved at each site at this time, it is conceivable that a minimum percentage of 50% percentage quantity input at each site is achievable.</p> <p>For Kimberly-Clark’s operations in Europe and North America, all sites under a multi-site certificate are in several countries but on one continent, are producing the same product type category and source fiber from similar wood baskets. Kimberly-Clark has one multi-site certificate in Europe and two in North America.</p>
8.1, 9.2 and Definition “Site”	The application of an FSC control system on the level of a single site is not feasible if the sites are only production sites with no own power of decision. If all sites belong to the same legal entity, have centralised purchase, sales and controlling, ONE material account would be enough. In these cases inter-company material flows are not relevant with regard to the intention of COC certification.	Clarify that for “single certificates with multiple sites” as defined in FSC-STD-40-003 V2-1 chapter 1 the FSC control system can be used by implementing ONE material account for all sites within the scope of the certificate.
8 Figure 4	The calculations for the percentage system must be based on absolute figure rather than percentages.	
Figure 4	It is confusing to introduce the formula in this diagram without including a legend.	The text should state, “calculated as follows, per clause 8.3”
Figure 4	How is the “calculation of quantity” intended to be used by the CH and the CB? It doesn’t seem to relate to any requirement of the percentage control system.	Delete the calculation of quantity.
8 Figure 4	The calculations for the percentage system must be based on absolute figure rather than percentages.	
8 Figure 4	The calculations for the percentage system must be based on absolute figure rather than percentages.	
8 Figure 4	The calculations for the percentage system must be based on absolute figure rather than percentages.	
8 Figure 4	<p>Suggest starting with an example without a conversion factor for simplicity</p> <p>It would be helpful to have an example for Recycled using Pre and Post Consumer. It would also be helpful to see an example showing which outputs aren’t eligible for labelling</p>	<p>Add simpler example</p> <p>Additional examples needed</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Section 8, Figure 4	Calculation of quantity section is unnecessary. Under the percentage system all outputs from the % calculation of inputs can hold percentage claims and a conversion factor/quality calculation is not necessary.	Remove calculation of quantity section.
8.2 and 8.4	These two requirements seem to contradict. 8.2 indicates that a maximum of 3 month claim periods are permitted but 8.4 indicates that input percentages can be calculated up to 12 months.	Change language of 8.2 to Claim periods shall not exceed a period of three (3) months unless otherwise warranted by nature of the business and approved by the organization's certification body. 8.4 to The time period over which rolling averages can be made shall not exceed twelve (12) months.
8.2	In most cases when percentage system is used, a company is making a standardized articles with fixed specification. So once the specification is fixed, the percentage does not change until the specification is changed. So concept of calculating the percentage only once for a standardized articles with fixed specification should be included here too. As long as the specification stays the same, the company does not need to record unnecessary calculations.	New wording: The organization shall specify claim periods or job orders for each product group for which a single FSC percentage claim shall be made. Claim periods shall not exceed a period of three (3) months. <u>Note: When a product group has fixed specification over number of production batches, the same FSC percentage claim can be used for all batches as long as the specification remains the same.</u>
8.2	It is not clear that CHs have to wait for the first claim period to pass before making claims. (And perhaps this is not the correct interpretation?)	Add clarifying statement regarding whether or not the first claim period must pass while receiving inputs before claims can be made.
8.2	3 months seems too short when in some circumstances orders for product are placed 6-9 months in advance	Change to 6 months.
8.3	Should include conversion factor. A furniture made with 1 ton of FSC 100% logs plus 1 ton of furniture components CW shouldn't be FSC Mix 50%.	The calculation must make it clear that each input conversion factors should be considered (the 2-1 version is also wrong);
8.3	Formula needs reformatting	
Clause 8.3	KOB: QC: see proposed new definition in under "terms and definitions"	
N/A	Please provide an example for Transfer/Percentage and Credit both with and without a conversion factor or, show all examples without and have a separate graphic/diagram section devoted to explanation conversion factors	
Section 8, Figure 5	These figures seem to indicate that 12 months of percentage calculations are required in order to calculate the rolling average. The previous standard version was clear that only 3 claim periods were required to calculate the rolling average.	Maintain NOTE: 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.
8 Figure 5	Clauses 8.4.2, 8.4.3 and 8.5 are no longer included here – are they still applicable?	Amend if appropriate

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Also, NOTE from 8.3.2 V 2-1 'FSC Claims based on rolling average calculations can only be made once the specified number or previous claim period has been completed since the setup of the product group under percentage system' has been lost – is this still needed or superseded?	
Figures 5 & 6	The font is very small	Increase the font size
Page 16, Picture 5 and 6	The picture show percentage, but is not possible to add percentage since the numerator and the denominator are not the same each month.	Replace percentage with volume and only the output (the calculated result) as percentage
Section 8 Figure 5 and 6	<ul style="list-style-type: none"> Need for better clarity/comprehension: figures do not clearly explain what a rolling average is, as only the first 1 year rolling average is shown –and not the subsequent, actually rolling ones. 	<ul style="list-style-type: none"> The revised standard should provide a new version of Figures 5 and 6, eventually splitting and stressing the difference between single percentage calculation (either on a job order basis, or on a claim period basis) and the rolling average calculation.
Section 8 Figure 5 and 6	<ul style="list-style-type: none"> Need for better clarity/comprehension: figures do not clearly explain what a rolling average is, as only the first 1 year rolling average is shown –and not the subsequent, actually rolling ones. 	<ul style="list-style-type: none"> The revised standard should provide a new version of Figures 5 and 6, eventually splitting and stressing the difference between single percentage calculation (either on a job order basis, or on a claim period basis) and the rolling average calculation.
Section 8 Figure 5 and 6	<ul style="list-style-type: none"> Need for better clarity/comprehension: figures do not clearly explain what a rolling average is, as only the first 1 year rolling average is shown –and not the subsequent, actually rolling ones. 	<ul style="list-style-type: none"> The revised standard should provide a new version of Figures 5 and 6, eventually splitting and stressing the difference between single percentage calculation (either on a job order basis, or on a claim period basis) and the rolling average calculation.
Section 8 Figure 5 and 6	<ul style="list-style-type: none"> Need for better clarity/comprehension: figures do not clearly explain what a rolling average is, as only the first 1 year rolling average is shown –and not the subsequent, actually rolling ones. 	<ul style="list-style-type: none"> The revised standard should provide a new version of Figures 5 and 6, eventually splitting and stressing the difference between single percentage calculation (either on a job order basis, or on a claim period basis) and the rolling average calculation.
Figure 6	The note on how to calculate March % is inconsistent with the illustration.	Change to “All output products in this claim period (Mar - May)...”
8.5 figure 6	The correct period is Mar-May	All output products in this claim period (Jan Mar Mar-May) are sold with the percentage claim of 74% (e.g. FSC Mix 74%)
Figure 6	There must be a mistake in Figure 6 page 16, as the arrow goes from “Mar” (1 month) to the description of a 3 month claim period. In general the two calculation methods are not understood by FSC stakeholders.	Please do a more industry specific calculation in order to make it understandable.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Figure 6	There must be a mistake in Figure 6 page 16, as the arrow goes from “Mar” (1 month) to the description of a 3 month claim period. In general the two calculation methods are not understood by FSC stakeholders.	Please do a more industry specific calculation in order to make it understandable.
Figure 6	There must be a mistake in Figure 6 page 16, as the arrow goes from “Mar” (1 month) to the description of a 3 month claim period. In general the two calculation methods are not understood by FSC stakeholders.	Please do a more industry specific calculation in order to make it understandable.
Figure 6	While the added figures of the systems are a big help, figure 5-7 does not provide enough explanation of how to build and maintain a credit system. Specially Figure 6 is confusing	Redo the figures and add a table of a credit account showing balances moving in and out.
Figure 6	While the added figures of the systems are a big help, figure 5-7 does not provide enough explanation of how to build and maintain a credit system. Specially Figure 6 is confusing	Redo the figures and add a table of a credit account showing balances moving in and out.
Figure 6	While the added figures of the systems are a big help, figure 5-7 does not provide enough explanation of how to build and maintain a credit system. Specially Figure 6 is confusing	Redo the figures and add a table of a credit account showing balances moving in and out.
Figure 6	Text below graph “claim period (Jan-Mar)” is not in compliance with the months in the graph.	Check Figure 6 incl. text.
Clause 8.4	KOB: The “Time Period” is only relevant for the calculation of the rolling average. This should be explicitly said. It would make sense to change the sequence of 8.4 and 8.5. Is the “Rolling Average Period” of figure 5 and 6 not the same as the “Time Period” in clause 8.4? In that case the same terms should be used.	Clarify Terminology of “Time Period” (8.4) and “Rolling Average Period” (figure 5. And 6). Is it not the same? Exchange sequence of 8.4 and 8.5.
8.4	How does this relate to a claim period? The language is confusing. Perhaps a new term should be introduced – “input period” – instead of “time period”. Time period is very general and can apply to many things. Input period can be more specific and can be defined in the Definitions section. Then, it can be made clear that there is a preceding input period to each corresponding claim period.	Change “time period” to “input period” and provide a definition. Add a statement that connects the input period to the claim period. A diagram would be very helpful.
8.4	Once again too discretionary for the CB to define the nature of the business. It might put too much pressure on the CB to accept any argumentation possible and the result is not transparent On the other hand the requirement for 12 months in % is unbalanced with the possibility for credit system and there is no apparent reason for these two different criteria	a) If we are allowing flexibility, and we should, it should be transparent and not within each CB. Create a knowledge base of acceptable situations, and CB or organization should request approval of different situations not included; or b) c) Allow for 24 months as in credit accounts
8.5	Calculation of the FSC percentage using the rolling average, may be used to significantly boost the amount of FSC output, if a company has big fluctuations in the input volumes and concentrates its FSC certified input to specific months. If a company in January has a total input of 10 units of which 100% are FSC certified, this 100% FSC percentage may be transferred using the rolling average (which could be based on one single month) to the February batch, consisting of 1.000 units of uncertified material. The standard doesn't appear to prohibit this scenario at the moment.	-


Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
8.5	Calculation of the FSC percentage using the rolling average may be used to significantly boost the amount of FSC output, if a company has large fluctuations in the input volumes and FSC certified materials are concentrated in specific months. If a company in January has a total input of 10 units of which 100% are FSC certified, this 100% FSC percentage may be transferred using the rolling average (which could be based on one single month) to the February batch, consisting of 1.000 units of uncertified material. The standard doesn't appear to prohibit this scenario at the moment.	Suggest FSC develops language to close this loophole.
8.5	Calculation of the FSC percentage using the rolling average may be used to significantly boost the amount of FSC output, if a company has large fluctuations in the input volumes and FSC certified materials are concentrated in specific months. If a company in January has a total input of 10 units of which 100% are FSC certified, this 100% FSC percentage may be transferred using the rolling average (which could be based on one single month) to the February batch, consisting of 1.000 units of uncertified material. The standard doesn't appear to prohibit this scenario at the moment.	Suggest FSC develops language to close this loophole.
8.5	Calculation of the FSC percentage using the rolling average may be used to significantly boost the amount of FSC output, if a company has large fluctuations in the input volumes and FSC certified materials are concentrated in specific months. If a company in January has a total input of 10 units of which 100% are FSC certified, this 100% FSC percentage may be transferred using the rolling average (which could be based on one single month) to the February batch, consisting of 1.000 units of uncertified material. The standard doesn't appear to prohibit this scenario at the moment.	Suggest FSC develops language to close this loophole.
8.5	figure 5 - calculating of rolling average from particular month percent give different results than based on volumes of inputs (as defined in the Note) – it can be misused;	only volume of inputs can be used for calculation
8.5 figure and note	I don't understand what write in the notecalculation <u>can also</u> be based on volumes instead of percentages With this way of calculating the percentage you could purchase in a month 1000 tons with percentage of 10%, and the other 11 months 1 ton with percentage of 100%, and you will have a percentage of 92,5%	Changing can also with shall
8.6	As this does not specify that claims less than 70% cannot be made, does this mean that they can be made? Should this be the case?	Further through and clarification needed
8.7, 10.3	We recommend not contaminating the FSC Smallholder label by allowing products containing controlled wood to carry it, as we find that this undermines the value of products carrying the Smallholder label.	Delete 8.7 10.3 Products exclusively made of FSC certified input materials from small and/or community producers are eligible to carry the FSC Small or Community Producer label.
PART II, Universal Requirements, 8: Percentage system p. 17, Point 8.7.	See comment to 6.5.	Deletion: the whole point 8.7.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART II, Universal Requirements, 8: Percentage system p. 17, Point 8.7.	See comment to 6.5.	Deletion: the whole point 8.7.
PART II, Universal Requirements, 8: Percentage system p. 17, Point 8.7.	See comment to 6.5.	Deletion: the whole point 8.7.
PART II, Universal Requirements, 8: Percentage system p. 17, Point 8.7.	See comment to 6.5.	Deletion: the whole point 8.7.
9	Minor grammatical suggestion.	“The credit system is an FSC control system...”
9	Personally I don't agree with the possibility of using high quality components only FSC Controlled Wood without a credit account also for them, because they give the main characteristic to the product, and would be meant as certified. What about when the high quality visible component (FSC Controlled Wood) is made with species for which there are no certified forests in this world?	Adding that when the high quality visible component is FSC Controlled Wood shall be specified that this component is not certified but only controlled
9, p 17, fig. 7	Figure 7 and 8 show variances of a credit system. Although they represent examples, it could be clarified that also other input claims may be used in a credit system, when further down the supply chain (input of FSC Mix Credit and FSC Controlled Wood – output of FSC Mix Credit).	Input: “FSC 100% or FSC Mix Credit and FSC Controlled Wood”
Section 9	Strongly support the credit system to not be applicable to trading activities that includes distribution.	Add types of trading activities that the credit system is not allowed: distribution, merchants, wholesale, etc.
9	Inclusion of example would aid interpretation of standard	Inclusion of paper & corrugating Industry examples – we can combine different FSC materials in one finished product
9	Some companies with dual FSC and PEFC certification are complaining about different actions of CBs on the possibility of having credit in double. This weakens the system.	Please include some orientation about companies with credit account to double certification (PEFC and FSC) for the same inputs. A interpretative note isn't enough to create a standard to CBs action.
9.0	The graphics are wonderful, but must be moved into the annex. Also, there should not be an FSC hangtag on FSC Controlled Wood	Move graphics to Annex. Remove hangtag from FSC Controlled Wood.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART II: Universal Requirements, 9 Credit system:, p 19, Point 9	SEWSF supports the introduction of shared credit accounts.	
PART II: Universal Requirements, 9 Credit system:, p 19, Point 9	FFIF supports the introduction of shared credit accounts.	
PART II: Universal Requirements, 9 Credit system:, p 19, Point 9	Metsä Group supports the introduction of shared credit accounts.	
9.1	We are happy to see it specified that the credit system can not be applied to printing and trading activities. We suggest rephrasing the criterion though, as the wording currently appears to make products that carry the smallholder label ineligible as claim contributing input. We assume that this is not the intention, but rather that products will loose their eligibility to carry the smallholder label if they are processed under the credit system.	The credit system shall not be applied to trading activities, printing activities and to the activities listed in Clause 7.2.
9.1	We support the decision to prohibit the use of the credit system in printing and trading activities. However, the current phrasing suggests that products that carry the smallholder label ineligible as claim contributing input. We assume that this is not the intention, but rather that products will loose their eligibility to carry the smallholder label if they are processed under the credit system.	
9.1	The Credit system cannot be applied to trading activities at all? In the previous version, traders may apply the credit system for trading of unfinished products, as specified in FSC interpretation dated 01 DEC 2011. Based on the product types, trading of unfinished products may require the credit system to be applied in order to ensure constant output of FSC products into the market.	Traders should be able to apply the credit system for trading of unfinished products, as specified in FSC interpretation dated 01 DEC 2011.
9.1	We support the decision to prohibit the use of the credit system in printing and trading activities. However, the current phrasing suggests that products that carry the smallholder label ineligible as claim contributing input. We assume that this is not the intention, but rather that products will loose their eligibility to carry the smallholder label if they are processed under the credit system.	
9.1	We support the decision to prohibit the use of the credit system in printing and trading activities. However, the current phrasing suggests that products that carry the smallholder label ineligible as claim contributing input. We assume that this is not the intention, but rather that products will loose their eligibility to carry the smallholder label if they are processed under the credit system.	
PART II, Universal Requirements, 9 Credit system:, p 19, Point 9.1.	See comment to 6.5.	Deletion: the whole point 9.1.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART II, Universal Requirements, 9 Credit system:, p 19, Point 9.1.	See comment to 6.5.	Deletion: the whole point 9.1.
PART II, Universal Requirements, 9 Credit system:, p 19, Point 9.1.	See comment to 6.5.	Deletion: the whole point 9.1.
PART II, Universal Requirements, 9 Credit system:, p 19, Point 9.1.	See comment to 6.5.	Deletion: the whole point 9.1.
9.1	Incorrect word	Community Producers label and <u>or</u> to the activities
Clause 9.1	Credit system may not be applied for trading activities. Many round wood and wood chip traders are using credit system in their inland and harbour terminals. Also wood pellet traders. Using transfer system is not possible as it makes segregation extremely costly. What is the justification for such a drastical change? In our opinion only trading of finished products shall not be allowed using credit system.	The credit system shall not be applied to trading with finished products, printing activities, processing of products carrying the FSC Small and Community Producers label and to the activities listed in Clause 7.2.
Section 9.1	Re: credit system use in trading activities	We propose removing this as it effects our distribution companies that use the credit system in instances where they remanufacture products or remove credits to sell products as non-FSC. This greatly impacts our companies who heavily use the credit system in their trading activity.
9.1 credit system	There shall be no substitution of certified products with non-certified products. Unfortunately the credit system for not assembled wood products is the way for achieving this substitution.	9.1: the credit system shall not be applied to trading activities, printing activities, not assembled wood products, not assembled paper products
9.1	it is essential that the trader unfinished products can continue to use the credit system. We received feedback from some customers in the pulp sector who work or intend to work with the credit system in their traders indicating that if you can not use the credit system will be a very large cost increase for maintenance of physical segregation in warehouses The current version of the standard (2-1) allows traders unfinished products using the credit system. There is no damage to the integrity of the FSC certification. It is not necessary that these traders participate in the cross credit, but it is vital that they continue to work with the credit system.	The credit system shall not be applied to trading activities of finished products , printing activities, processing of products carrying the FSC Small and Community Producers label and to the activities listed in Clause 7.2.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.1	The standard now clearly states who is allowed to be on a credit system under 9.1 and meets the intent of motion 43 asking for clarification on this system. The standard also highlights quality wording and component manufacturing wording under the definitions to adequately do this.	Leave wording as is. Current new wording meets intent of motion 43.
9.1	Clarify what organizations can use what control systems. For example, clarify what organizations can use the credit system (e.g., Remanufacturers), and which cannot (e.g., Traders). Restrictions on the credit system should not be applied to an order basis (except for FSC 100%), regardless of whether the company takes physical possession.	
9.1 & 9.7	We are satisfied to see it specified that the credit system may not be applied to printing and trading activities and that 'credit accounts' may not be set up in a way that allows credits from low quality input to be transferred to high quality input.	
9.1 & 9.7	We are happy to see it specified that the credit system may not be applied to printing and trading activities and that credit accounts may not be set up in a way that allows credits from low quality input to be transferred to high quality input.	-
9.1 & 9.7	We are happy to see it specified that the credit system may not be applied to printing and trading activities and that credit accounts may not be set up in a way that allows credits from low quality input to be transferred to high quality input.	
9.1 & 9.7	We are happy to see it specified that the credit system may not be applied to printing and trading activities and that credit accounts may not be set up in a way that allows credits from low quality input to be transferred to high quality input.	
9.1 & 9.7	We are happy to see it specified that the credit system may not be applied to printing and trading activities and that credit accounts may not be set up in a way that allows credits from low quality input to be transferred to high quality input.	
9.1.2	Cross credit system will ensure more feasible processes within an organization. It'll enhance the interdependency between two units of an organization. Also it'll give strength to credit system. Cross credit system will be of great advantage in terms documentation and in maintenance of records. As a consultant, it was brought up by variety of stakeholders to include such system. And since FSC welcomes the suggestions given by stakeholders from all over the world , it should come into implementation.	Implementation of this new clause as it is.
9 (figure 7)	The output of 3 green circles ? Why are they not 6 as the input?	Add 3 extra green circles
9 Figures 7 and 8	<ol style="list-style-type: none"> 1. More diagrams with different conversion factors would be helpful 2. Also diagrams showing inputs of less than 70%, and with Post and Pre Consumer would be helpful. 3. Please show all outputs and define which are eligible for labelling i.e. CW Chairs would result? 4. Should the Non-FSC input be shown for completeness 5. Could an example with more than two inputs be shown 6. Graphics and calculations need to be consistent in showing units. 	<p>Please show simpler/more examples</p> <p>Show all outputs and define which are eligible for labelling</p> <p>Examples with more than two inputs</p> <p>Please show units in the graphics as well as in the calculations</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>7. Weights?</p> <p>8. Need a Recycled example in here too</p> <p>9. Is the calculation even correct – is Figure 8 actually the transfer system with a conversion factor</p>	<p>Please show an example using a different unit such as weight.</p>
Section 9 Fig 7 and Fig 8	<p>The picture should clearly show what the other products are. E.g. 80 chairs FSC Mix Credit – must there be 20 chairs of the same quality of CW or without a claim.</p>	
Section 9 Fig 8	<p>Recommend moving a word, as proposed.</p> <p>This section is potentially confusing. Recommend adding a statement to the definition of ‘quality’ on page 27 to explain that <u>quality</u> is not the same as <u>claim</u> (i.e. in this example, the controlled wood is the highest quality component, but it has the lowest claim).</p> <p>The definition of Quality is still awkwardly vague. It depends on the company which of the many possible approaches between the two extremes they choose to use. E.g. veneer – can Pinus radiata pine veneer be the same category as Pinus silvestris pine veneer? Both yes and no, depending on the CH. Please provide clarification.</p>	<p>This products group combines high quality (hardwood veneer) and low quality inputs <u>inputs</u> (softwood timber) <u>inputs</u> for the manufacturing of an assembled wood product, where the high quality input is FSC Controlled Wood and represents less than 30% of the product composition .</p>
9 figure 8	<p>Declaring hardwood to be high quality and softwood to be low quality is “disturbing”.</p> <p>Generally the term quality even if defined in the terms and definitions is very unlucky.</p>	<p>Please rephrase.</p>
9 figure 8	<p>Declaring hardwood to be high quality and softwood to be low quality is “disturbing”.</p> <p>Generally the term quality even if defined in the terms and definitions is very unlucky.</p>	<p>Please rephrase.</p>
9 figure 8	<p>Declaring hardwood to be high quality and softwood to be low quality is “disturbing”.</p> <p>Generally the term quality even if defined in the terms and definitions is very unlucky.</p>	<p>Please rephrase.</p>
9 figure 8	<p>Declaring hardwood to be high quality and softwood to be low quality is “disturbing”.</p> <p>Generally the term quality even if defined in the terms and definitions is very unlucky.</p>	<p>Please rephrase.</p>
9. Figure 8	<p>In Figure 8, an input of FSC Controlled Wood is illustrated with a label.</p> <p>This is a bad example, as FSC Controlled Wood materials can not carry labels of this type.</p> 	<p>Correct Figure 8 and remove the FSC label from the input of FSC Controlled Wood material.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Figure 8	according to the requirements of clause <u>9.6</u>	according to the requirements of clause <u>9.8</u> seems to better fit.
Figure 8	Typo: Produvts	Products
Figure 8	Typo: ofproducts	of products
Section 9 Fig 8	Missing/incorrect letters	The amount of products that can be sold with <u>an</u> FSC mix credit claim s
Section 9 Fig 8	Requires revision for clarity.	10 m3 of FSC Mix 80% input = 8 m3 of claim contributing inputs. Note: FSC Controlled Wood does not count as claim contributing input.
9.1.3	We strongly support the introduction of cross/site credit system. We agree with safeguard a).	
9.1.3 b)	As it is stated, it narrows quite strongly the possibility of a shared credit account with operations in Europe, as an example.	All sites located in a group of countries with common characteristics as sharing the same type of geographical and environmental traits, political and/or monetary system (e.g. European Union).

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
c)	<p>The inclusion of the possibility to cross-credits on the CoC standard creates an opportunity to generate a wide range of positive direct and indirect impacts that deserve to be identified: 1. Economic benefits: - Optimization of the logistics and reduction of transportation costs, with transportation of raw-materials and products. Multi-site certified companies do perform sub-optimal raw material transport operations. In reality, in order to fulfil customer demand for certified products, normal supply stream has to be handled, increasing in a substantial manner the average kilometre per unit of product, particularly in areas where procurement for certified raw material is more difficult (as, for instance, in regions with highly fragmented ownership). This situation, from one end, leads to a loss of competitiveness while consuming considerable financial resources that could be made available in capacity building initiatives to increase the area under certified forest management.- Not being able to cross credits and optimize logistics contributes to put at risk the efforts to encourage micro and small landowners towards FSC certification, especially in cases where and in situations when, competitiveness of manufacturing companies is under global market pressure. 2. Environmental benefits: - Reduction of the carbon footprint (less emissions of fossil carbon) due to elimination of unnecessary wood and final product “travelling”: efforts made to reduce such unnecessary transportations will reduce CO2 emissions and the global environmental footprint of forest products, production and manufacturing. 3. Social benefits: - Increased health & safety is expected from reduced transportation of materials due to lower accident risk.- Road conservation and general safety conditions are, as widely recognized, inversely relate with traffic intensity therefore effort in optimal raw material flow is an important aspect for sustainable operations. 4. Benefits for the FSC system: - The credits sharing system leads to an optimization and best use of available credits (sometimes credits are wasted in a site because of the logistics needs for optimization) and increased control of credits. - It should be emphasized that credits shared within such a system always involve certified wood or other forest products, thus having no negative impact on the credibility of the FSC system. On the contrary, it brings all the added benefits explained above. - Reduction of transportation costs could generate additional financial resources for the promotion of responsible forest management in the ground, particularly where it is most needed, as for example, in areas managed by micro and small landowners</p>	Delete.
9.1.3 c)	The country level narrows quite strongly the possibility of a shared credit account with operations in Europe, as an example and the continent option is, probably, to wide.	All sites located in a group of countries with common characteristics as sharing the same type of geographical and environmental traits, political and/or monetary system (e.g. European Union).
9.1.3 c)	The country level narrows quite strongly the possibility of a shared credit account with operations in Europe, as an example and the continent option is, probably, to wide.	All sites located in a group of countries with common characteristics as sharing the same type of geographical and environmental traits, political and/or monetary system (e.g. European Union).

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.2	<p>‘Shared credit accounts’</p> <p>Risks regarding the controls/audits. Reputational risk (total disconnection between real input and output). Significant obstacle to FSC certification development in some countries and especially for smallholders in countries where certification costs are higher (ie France). SHs are a high priority for FSC and no measure that would hinder their uptake of FSC certification should be taken.</p>	Do not allow share credit accounts.
9.2	We are support adoption of shared credit accounts. This is a potentially important modification that will increase FSC adoption and will allow certificate holders operational flexibility to support commercialization of their investment in the FSC system.	Retain as worded.
PART II: Universal Requirements, 9 Credit system:, p 19, Point 9.2	UPM welcomes the possibility to implement shared credit accounts. However, there are some preconditions that would make the use of them impractical, without any real benefits from the integrity point of view.	
Credit System, Section 9.2, p 19	Kimberly-Clark supports that the credit system may be applied at the level of single and multiple sites (“shared credit accounts”).	
9.2 and 9.3	We are strongly against introducing the concept of “shared credit accounts”. So far, the credit system has been a source of serious abuse of the CoC system and we would like to see the FSC focussing on fixing the gaps and enforcing the current rules, rather than adding further flexibility, as this simply makes room for further abuse and new unforeseen side effects.	Delete these clauses
9.2 & 9.3	We believe that the “shared credit accounts” concept further weakens CoC requirements, and therefore undermines the purpose of the current revision process. The current revision of the CoC system was initiated in part because of known and deliberate abuse of the credit system. We strongly urge FSC to focus on making changes that will alleviate these problems instead of making changes that could contribute further to misuse of the CoC system.	Delete provisions related to shared credit accounts
9.2 & 9.3	We believe that the “shared credit accounts” concept further weakens CoC requirements, and therefore undermines the purpose of the current revision process. The current revision of the CoC system was initiated in part because of known and deliberate abuse of the credit system. We strongly urge FSC to focus on making changes that will alleviate these problems instead of making changes that could contribute further to misuse of the CoC system.	Delete provisions related to shared credit accounts
9.2 & 9.3	We are against the introducing of “shared credit accounts” as we see it as a further loosening of the CoC requirements. The current revision of the CoC system was amongst other things initiated because of serious and deliberate abuse of the credit system, which allowed credits to be transferred from low to high quality input material. Added to that, the FSC has identified many cases of fraudulent FSC claims being made in the CoC system. We would therefore like to see the CoC working group focussing on fixing the gaps and restoring the integrity of the CoC system rather than adding further flexibility that could lead to abuse and new unforeseen side effects.	Delete these clauses

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.2 & 9.3	We believe that the “shared credit accounts” concept further weakens CoC requirements, and therefore undermines the purpose of the current revision process. The current revision of the CoC system was initiated in part because of known and deliberate abuse of the credit system. We strongly urge FSC to focus on making changes that will alleviate these problems instead of making changes that could contribute further to misuse of the CoC system.	Delete provisions related to shared credit accounts
9.2 and 9.3	We feel that a credit share will allow clear benefits with regards to sourcing certified material and transferring that certification claim to market. Allowing a credit share gives the opportunity to support certification at any mill where a current product demand may not exist and transfer that credit to a mill where demand is present. Clear environmental benefits connected to reduced transport of material.	We support the credit share model.
9.2 & 9.3.	We consider the introduction of “shared credit accounts” totally unacceptable it is a further weakening of the CoC requirements. The current revision of the CoC system was amongst other issues initiated because of the serious and deliberate abuse of the credit system, which allowed credits to be transferred from low to high quality input material. Added to that, the FSC has identified many cases of fraudulent FSC claims being made in the CoC system. We would therefore like to see the CoC working group focussing on fixing gaps and restoring the integrity of the CoC system rather than adding further flexibility that could lead to abuse and new unforeseen side effects.	
9.2 & 9.3	We are against the introducing of “shared credit accounts” as we see it as a further loosening of the CoC requirements. The current revision of the CoC system was amongst other things initiated because of serious and deliberate abuse of the credit system, which allowed credits to be transferred from low to high quality input material. Added to that, the FSC has identified many cases of fraudulent FSC claims being made in the CoC system. We would therefore like to see the CoC working group focussing on fixing the gaps and restoring the integrity of the CoC system rather than adding further flexibility that could lead to abuse and new unforeseen side effects.	
9.2 and 9.3	We are strongly against introducing the concept of “shared credit accounts”. So far, the credit system has been a source of serious abuse of the CoC system and we would like to see the FSC focussing on fixing the gaps and enforcing the current rules, rather than adding further flexibility, as this simply makes room for further abuse and new unforeseen side effects.	Delete these clauses
9.2 & 9.3	I do not support the introducing of “shared credit accounts” as it as a further loosening of the CoC requirements. The current revision of the CoC system was amongst other things initiated because of serious and deliberate abuse of the credit system, which allowed credits to be transferred from low to high quality input material. Added to that, the FSC has identified many cases of fraudulent FSC claims being made in the CoC system. We would therefore like to see the CoC working group focussing on fixing the gaps and restoring the integrity of the CoC system rather than adding further flexibility that could lead to abuse and new unforeseen side effects.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.2 & 9.3	I do not support the introducing of “shared credit accounts” as it as a further loosening of the CoC requirements. The current revision of the CoC system was amongst other things initiated because of serious and deliberate abuse of the credit system, which allowed credits to be transferred from low to high quality input material. Added to that, the FSC has identified many cases of fraudulent FSC claims being made in the CoC system. We would therefore like to see the CoC working group focussing on fixing the gaps and restoring the integrity of the CoC system rather than adding further flexibility that could lead to abuse and new unforeseen side effects.	
9.2-9.3	We support the concept of shared credit accounts, which can enable higher volume of FSC labelled products in the market and logistical/cost efficiencies; drive more mills to achieve at minimum CW certification, and to avoid the unfortunate situation of expiring credits, provided that safeguards are in place. Risk of abuse of the credit system should be managed by 9.1 and 9.7 and fraudulent FSC claims should be addressed by 1.7 and not here. We also support the concept of shared percentage system accounts provided again the appropriate safeguards are in place to ensure credibility of the material and FSC system, and encourage FSC to allow a percentage system pilot study for percentage system certificate holders.	
9.2 an 9.3 Shared credit accounts	General this theme is a step forward to develop FSC in areas with low FSC-wood availability and saves resources by prohibition of long transport distances. It is an ecological and in the same side an economical benefit. The new draft is in comparison with the draft before a better solution and near to practice. The Focus on the same Country od continent is a practicable solution. The control by annual audits ensures the correct balance. The minimum of 10 % FSC push the regional development of FSC and has the function of an “ice breaker”. Optional you can start with 0% and must increase within 2 years on 10 % quote.	Ad option to start with 0% under precondition to reach 10% after two years
9.2 & 9.3	We strongly support the allowance of shared credit accounts.	
Credit system diagram	There are several typos in the assembled wood example. For example, it should say “according to the requirements of clause 9.8”	Have this section copy edited.
9.3	Sites must not be required to use the OCP for access to credit trading. If our trading partners do not use it then we cannot either. This does nothing to address the stranding of credits in geographies that have an abundance of certified forests and removes incentives to continue to grow in those regions.	
9.3	Confor supports the introduction of shared credit accounts. The way they are introduced provide in this draft provide the basis for careful scrutiny. Any failures in any site of the shared credit account shared account must have consequences for the entire COC certificate.	
9.3	Cross site sharing will bear the risk to virtually trade credits and could weaken FSC’s credibility. For lot of reasons we only support cross site sharing in the above version if a mandatory transaction verification system (like OCP) will be implemented.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.3	<p>The introduction of shared credits is a positive step forward by FSC and achieved many goals towards our FSC objective of promoting certified forests.</p> <p>The presence of FSC has grown significantly since the introduction of FSC Credit and Controlled wood. FSC Cross credit is the opportunity to take this market penetration to the maximum as it allows all FSC material purchased an opportunity to get to the market – it should not be missed!</p> <p>Shared credits allow the following to take place:</p> <ul style="list-style-type: none"> • Every Kg of FSC certified material counts – no longer will forest owners that have implemented FSC be penalised because the majority of forest around them is not FSC (Companies will no purchase FSC unless they can get enough to sell in the market, hence the forest owner is penalised) • Every Kg of FSC certified material counts – organisations will seek out FSC certified material as every little piece they collect will add upto enough credit to be able to sell into the open market. • The credit system will allow organisations to use every piece of credit to enter a market, including markets where FSC is currently not present or has little FSC forestry, in Europe Spain and Germany are examples – further afield we are struggling to eneter markets such as China (where PEFC is taking a large hold) – Through cross credit we can get FSC labelled articles onto the market, this in turn will demonstrate the need for FSC wood to the local forest owners, therefore promoting FSC forestry, local companies will demand more FSC certified wood from the local foresters as they see more demand for FSC coming from their customers. 	
9.3	We strongly support the inclusion of shared credit accounts in the FSC CoC and the conditions identified to share credits between sites	We strongly support the inclusion of shared credit accounts in the FSC CoC and the conditions identified to share credits between sites
9.3	<p>We are in agreement with the Credit Sharing requirements with suggested changes.</p> <p>Requiring the CB to perform an entire audit of the sites sharing credits seems overkill. If site(s) sharing credits are not part of the Annual Audit, the Credit Tracking Accounts (inputs/outputs) should rather become the subject of an abbreviated audit, which is really the critical area of focus.</p>	<p>c) All sites are located in the same country or continent; (remove redundant reference to 'country')</p> <p>d) All sites sharing credits shall be physically subject to a records audit of the Credit Tracking Accounts and related records by the organization's certification body during surveillance audits (even if these sites were not included in the annual audit sampling of the multisite).</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Clause 9.3	We support the ability to use a shared credit account nationwide as our company owns sites in other ecoregions in the south. We do <u>not</u> support a mandatory use of the OCP as qualifier in using the shared credit system (as this would be an added clerical burden), although we can understand having to audit a few more sites based on a risk assessment and use of the credits. This could be based on the discretion of the CB and the amount of credits being transferred between particular sites.	See Comments
9.3	<p>The word contribute are confusing.</p> <p>On a general note regarding shared credits: There are significant opportunities for FSC in the implementation of shared credit accounts.</p> <ul style="list-style-type: none"> • Cross credit will increase the presence of FSC into the “None” FSC countries, initially through the need to supply FSC CW and then, as FSC logo articles appear in on the market, the local demand for FSC will increase. No matter how small the FSC certified contribution is it will actually count in the cross credit system. • Every Kg of FSC purchased will count, at the moment there is no incentive for a site that is in a country with no FSC forestry to purchase FSC when they can, because they simply cannot get enough to sell into the market, through cross credit every kg of FSC purchased counts and can be sold. <p>This approach would be of particular importance in areas where FSC has problems to establish market presence, e.g. Germany, China, South Asia, and may allow FSC to compete with PEFC on these markets.</p>	Replace with “have”
9.3	The introduction of cross-site credit sharing - credit system may be applied at the level of single and multiple sites (“shared credit accounts”) – shall be supported strongly since a lot of companies are producing in multiple sites.	
9.3	The introduction of cross-site credit sharing - credit system may be applied at the level of single and multiple sites (“shared credit accounts”) – shall be supported strongly since a lot of companies are producing in multiple sites.	
9.3	The introduction of cross-site credit sharing - credit system may be applied at the level of single and multiple sites (“shared credit accounts”) – shall be supported strongly since a lot of companies are producing in multiple sites.	
9.3 (FSC-STD-40-004 V3-0 D2-0)	<p>“Cross-site Credit System”- MM appreciate the shared credit accounts.</p> <p>Wording of 9.3 a), b), c) and e) is fine.</p> <p>BUT due to 9.3 d) further audit costs will be approached for multi-site certification holders. There should not be more audits at the end.</p> <p>The central organization of multi-site certification holders should be audited instead of more physically audits at the different sites.</p>	Delete 9.3 d)

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.3 of FSC-STD-40-004 V3-0 D2-0	We appreciate the introduction of a “Cross-site Credit System”. The “Cross-Site Credit Pilot Project” was successful and the results of that project show many ecologic and economic advantages. Furthermore Cross-site Credit would lead to a larger market penetration of FSC.	None. Proposed change in the second draft is great and enhances the market penetration of FSC.
9.3 of FSC-STD-40-004 V3-0 D2-0	We appreciate the introduction of a “Cross-site Credit System”. The “Cross-Site Credit Pilot Project” was successful and the results of that project show many ecologic and economic advantages. Furthermore Cross-site Credit would lead to a larger market penetration of FSC.	None. Proposed change in the second draft is great and enhances the market penetration of FSC.
9.3 of FSC-STD-40-004 V3-0 D2-0	We appreciate the introduction of a “Cross-site Credit System”. The “Cross-Site Credit Pilot Project” was successful and the results of that project show many ecologic and economic advantages. Furthermore Cross-site Credit would lead to a larger market penetration of FSC.	None. Proposed change in the second draft is great and enhances the market penetration of FSC.
9.3 of FSC-STD-40-004 V3-0 D2-0	We appreciate the introduction of a “Cross-site Credit System”. The “Cross-Site Credit Pilot Project” was successful and the results of that project show many ecologic and economic advantages. Furthermore Cross-site Credit would lead to a larger market penetration of FSC.	None. Proposed change in the second draft is great and enhances the market penetration of FSC.
9.3	CEPI supports the introduction of shared credit accounts. The way they are introduced provide in this draft provide the basis for careful scrutiny. Major failures in any site of the shared credit account shared account must have consequences for the entire COC certificate.	
9.3	The introduction of cross-site credit sharing - credit system may be applied at the level of single and multiple sites (“shared credit accounts”) – shall be supported strongly since a lot of companies are producing in multiple sites.	
9.3	We strongly support the introduction of shared credit accounts because we all realize that there is a deficit of certified fibre offer vis-a-vis demand.	
9.3	We strongly support the introduction of shared credit accounts because we all realize that there is a deficit of certified fibre offer vis-a-vis demand.	
9.3	The inclusion of Credit Pooling is a definite need in FSC CoC standard	None
Part 2, Clause 9.3, Page 19	This is a good idea and organizations could benefit and not lose credits. One plant may be in a location where they can buy certified wood but not use all of the credits. The credits could be shared with a plant that is in an area with no certified forests, or the plant may could make more sales of certified product if they could share credits. This would make more finished product available for the end consumer.	
9.3 of FSC-STD-40-004 V3-0 D2-0	We appreciate the introduction of a “Cross-site Credit System”. The “Cross-Site Credit Pilot Project” was successful and the results of that project show many ecologic and economic advantages. Furthermore Cross-site Credit would lead to a larger market penetration of FSC.	None. Proposed change in the second draft is great and enhances the market penetration of FSC.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.3	Cross site sharing will bear the risk to virtually trade credits and could weaken FSC's credibility. For lot of reasons we only support cross site sharing in the above version if a mandatory transaction verification system will be implemented.	
9.3	Cross site sharing will bear the risk to virtually trade credits and could weaken FSC's credibility. For lot of reasons we only support cross site sharing in the above version if a mandatory transaction verification system (like OCP) will be implemented.	
Clause 9.3	NEPCon does not support the concept of shared credit account. In our opinion this will further slow down the forest certification development. This proposed flexibility will allow company to certify forest where it is more simple to do and will further delay the forest certification in regions with many private forest owners and other challenges.	
9.3	I miss an important pre-condition for allowing shared credit-accounts: A centralized material management system.	Add "centralized material management system for all sites involved" to the list of conditions for shared credit-accounts.
9.3	The ability to share credits between facilities within a country is a positive change vs. previous restriction to ecoregions. Requiring the use of the OCP as a precondition for shared credit accounts between facilities <u>should not</u> be a requirement of the standard.	
9.3	<i>All sites are located in the same country or continent.</i> Please provide a definition of 'continent.' Europa and Asia are technically the same continent, and is South America the same continent as North America? Can a company in Egypt claim sites in Africa and Asia, and how would we classify Papua New Guinea...? Also, will the EU be considered as being the same country?	
9.3	There is still a lot of discussion amongst members and certificate holders around the proposed preconditions for the shared credit accounting system. A target group should be formed with a new variety of chamber balanced members who can discuss and develop new options that meet the needs of all involved.	Develop a target group to review the preconditions in a chamber balanced approach. Conduct a follow-up 30 day consultation which includes specific targeted outreach on the revised preconditions and final proposal.
9.3, p 18	There should be a possibility to evaluate the need for on-site audits and 10% contribution, depending on the certificate holder's structure. In a multi-site certificate with common ownership and purchase, and only one or two suppliers supplying to all the sites included, we suggest to skip requirements c, d and e. The current suggestion will make the cost and administration of a shared credit account higher than the benefit of it.	9.3 Centralized shared credit accounts covering multiple sites can only be applied if the following conditions are met*: a).. *: If all sites have common purchasing by a central Headquarter, and all sites receive products from the same supplier (s), requirements c), d) and e) may be disregarded.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.3	We welcome the possibility of using shared credit accounts within all sites of a multi-site certification in the same continent. But we don't agree with the requirement of physically audits in all sites sharing credits. In this case a multi site certification makes no sense.	Delete 9.3 d
9.3	Just a comment: we really welcome this new option that a centralised shared credit system (within a multisite COC) would bring as this could really enormously increase the options we could have in offering FSC certified wooden panels to the market in a more flexible and realistic way. Our comment below is	/
9.3	We support FSC's proposal to allow credit sharing within a multi-site COC certificate.	
9.3a	FSC should also allow credit sharing within intermediate products (i.e., pulp) between similar sites (i.e., pulp mills) in a multi-site certificate in addition to credit sharing on a product group level. Only allowing credit sharing based on the product group limits flexibility and increases complexity for companies that make multiple product groups out of the same intermediate product.	Add "intermediate product or" before "same product group" to 9.3.a.
9.3 a)	Through the Cross Site Credit method the risk of mixing FSC certified components with not certified components will increase. Besides, also if FSC certified wood is mixed through different sites it should be as similar as possible. Virtually FSC certified products could be on the markets from not certified timber which is practically impossible to produce from FSC certified timber, because the amount of timber and/or the exact species is not available as FSC certified timber.	Credits are only shared within the same product group and wood quality according to Annex A.
9.3 a)	Through the Cross Site Credit method the risk of mixing FSC certified components with not certified components will increase. Besides, also if FSC certified wood is mixed through different sites it should be as similar as possible. Virtually FSC certified products could be on the markets from not certified timber which is practically impossible to produce from FSC certified timber, because the amount of timber and/or the exact species is not available as FSC certified timber.	Credits are only shared within the same product group and wood quality according to Annex A.
9.3 a)	Through the Cross Site Credit method the risk of mixing FSC certified components with not certified components will increase. Besides, also if FSC certified wood is mixed through different sites it should be as similar as possible. Virtually FSC certified products could be on the markets from not certified timber which is practically impossible to produce from FSC certified timber, because the amount of timber and/or the exact species is not available as FSC certified timber.	Credits are only shared within the same product group and wood quality according to Annex A.
9.3 c)	In our understanding, Europe and Asia are two continents.	
9.3c	sharing of the credit account in the same country or continent – is cross-border sharing allowed if it is within the continent? How is it understood? (e.g. the paper mill and tissue production with the same owner and sites in two neighboring countries within the European Union, OCP is not applicable because they source post-consumer materials; input post-consumer materials can be exported cross-border);	Sharing allowed within EU (or CPI equal or above 50)
Credit System 9.3c	Allowing credit sharing between sites located across a continent poses a risk of credibility to the FSC program. Credit sharing should be limited to sites located within a single country.	All sites sharing credits should be located within the same country.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.3 c)	<p>9.3.c) has not been defined well enough for certificate holders in Asaleo Care’s region and we will unfairly disadvantaged by this lack of access to the credit account provision.</p> <p>Asaleo Care operates in Australia, New Zealand and Fiji. As a minimum, we should be allowed to share credits between Australia and New Zealand. However, Australia is considered a continent in its own right. Under these proposed rules, Australia and New Zealand can’t share, even though our sites on the east coast of Australia are closer to our sites in New Zealand than to Perth, Western Australia.</p> <p>There needs to be a definition of an acceptable region for the Australasian / Pacific Island under this proposal.</p>	ADD “or defined region. An acceptable defined region is Australia / New Zealand / Fiji.”
9.3.C	<p>All sites are located in the same country or <i>continent</i></p> <p>-</p> <p>There is a variation of definitions for “continent”</p> <p>This is not precise enough and would give way to wide interpretations by CBs: What are the limits of the European continent? Is Russia part of Europe? What about Canada and Brazil?</p>	If the Board decides to allow share credits accounts, the scope needs to be reduced to the country only.
9.3 Credit System c)	We strongly appreciate the new suggestion that all sites located in the same country or continent can participate in the centralized multi site shared credit account system.	
9.3 Credit System c)	We strongly appreciate the new suggestion that all sites located in the same country or continent can participate in the centralized multi site shared credit account system.	
9.3 Credit System c)	We strongly appreciate the new suggestion that all sites located in the same country or continent can participate in the centralized multi site shared credit account system.	
9.3 Credit System c)	We strongly appreciate the new suggestion that all sites located in the same country or continent can participate in the centralized multi site shared credit account system.	
9.3 Credit System c)	We strongly appreciate the new suggestion that all sites located in the same country or continent can participate in the centralized multi site shared credit account system.	
9.3 Credit System c)	We strongly appreciate the new suggestion that all sites located in the same country or continent can participate in the centralized multi site shared credit account system.	
9.3 Clause Point c)	<ul style="list-style-type: none"> • “Country” is a geographical scope included in the broader “Continent” one. • The understanding of “Continent” may vary. 	<ul style="list-style-type: none"> • The “Continent” definition should be added, clarifying any doubt that might possibly arise (North/South America, and/or specific Countries and Regions such as Turkey, Russia, Balkans, etc.).
9.3 Clause Point c)	<ul style="list-style-type: none"> • “Country” is a geographical scope included in the broader “Continent” one. • The understanding of “Continent” may vary. 	<ul style="list-style-type: none"> • The “Continent” definition should be added, clarifying any doubt that might possibly arise (North/South America, and/or specific Countries and Regions such as Turkey, Russia, Balkans, etc.).

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.3 Clause Point c)	<ul style="list-style-type: none"> “Country” is a geographical scope included in the broader “Continent” one. The understanding of “Continent” may vary. 	<ul style="list-style-type: none"> The “Continent” definition should be added, clarifying any doubt that might possibly arise (North/South America, and/or specific Countries and Regions such as Turkey, Russia, Balkans, etc.).
9.3 Clause Point c)	<ul style="list-style-type: none"> “Country” is a geographical scope included in the broader “Continent” one. The understanding of “Continent” may vary. 	<ul style="list-style-type: none"> The “Continent” definition should be added, clarifying any doubt that might possibly arise (North/South America, and/or specific Countries and Regions such as Turkey, Russia, Balkans, etc.).
Clause 9.3 c)	New wording of geographic precondition (=All sites are located in the same country or continent;) for multi-site is a improve from the last draft.	
PART II / 9.3 c)	I support the regional precondition of the same country or continent.	
9.3 c)	In our understanding, Europe and Asia are two continents.	
9.3c)	The requirement requests all sites of shared credit accounts to be in the same country or continent. This would leave space for multinational companies to produce in countries with good FSC raw material supplies and cheap production costs but poor legislations concerning workers rights and environmental issues and sell the products produced in countries with higher production costs and poor raw material supply. This could lead to situations were clients (e.g. in Germany) buy FSC materials produced in Germany but carrying the credit claims produced in another country (e.g. Ukraine or Belarus). This could be seen as critical in terms of the credibility of the FSC System.	Delete the option "or continent".
Credit system, Section 9.3 c), p 19	Kimberly-Clark supports the revised language that all sites within the scope of a multi-site certificate are located in the same country or continent. For Kimberly-Clark’s operations in Europe and North America, all sites under a multi-site certificate are in several countries but on one continent, are producing the same product type category and source fiber from similar wood baskets. Kimberly-Clark has one multi-site certificate in Europe and two in North America.	
9.3 c)	For clarification it is our understanding that Europe and Asia are two separate continents.	
9.3	Please provide a diagram of how a credit account shared between multiple sites would function.	
9.3 c)	Why recognize any geographical or political boundaries at all? How does geographical contiguity guarantee less risk to the credit sharing system than international/ intercontinental sharing?	Permit multi-site organizations operating under the credit control system to share their credit accounts amongst all of their sites without regard to their locations, as long as the risk of corruption is low and risks to HCVF are low or mitigated.
9.3 d)	For centralized shared credit accounts a head office must be defined, where physical audits by the organisation’s CB take place.	Delete: the whole point 9.3. d)
9.3.d)	full support of that point	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Clause 9.3.d)	KOB: 1.) This is not a requirement of the certification standard and should be included in STD-20-011 or advice note. 2.) This seems to be not an adequate solution and would require much more sampling for sites with shared accounts than for others.	Delete from the STD-40-004 and create an advice note. Rewrite the Advice note: "In case one site of a Multisite System with shared credits falls in the annual sample, a sub-sample of sites which are sharing the credits must be physically audited."
9.3 d)	This is very impractical to implement with large multi-site operations. In addition, it is not clear what the value is of a site visit versus a desk review of the credit account and a sample of associated documents. This is especially true because many organizations do not keep their inputs physically segregated once they implement a credit system.	Scope of the audit should be limited to assessment of credit accounts and not require site audits of every site sharing credits. If the intention is to limit the number of sites that can share credits, then d) should be re-written to state this explicitly.
9.3 d)	FSC-STD-20-011 needs to be amended if this requirement is going to be enforced.	
9.3 d)	We must ensure full control of the shared credit account, as such it should be the responsibility of the Multi-site Central Office to ensure the account is being managed correctly. The central account must be part of the annual central office audit. At this point the CB auditor can check if internal audits on behalf of the central office have been carried out, these audits should include the percentage contribution to the cross credit account. In this way the cross credit account becomes centrally managed and therefore a major non-conformance found will impact on all sites under the Multi-site CoC	For sites under a Multi-site certificate the Cross Credit account system must be under the control of the central office, as such this will be audited annually together with a check of the internal audits undertaken by the head office to ensure the percentage contribution from the other sites is above the minimum requirements. (See 9.3e below)
Credit system, Section 9.3 d), p 19	Kimberly-Clark does not agree that all sites sharing credits shall be physically audited by the organization's certification body during surveillance audits. This requirement results in additional and unnecessary audit costs which is one of the primary reasons companies opted to get multi-site certificates for their operations making the same product type category initially. The company proposes that the current system for specifying how many sites within a multi-site certificate shall have surveillance audits conducted be maintained.	
9.3d)	The inclusion of all sites of shared credit accounts into the annual audit is a very important requirement to enable an effective audit of shared credit accounts.	This requirement shall remain in the standard
9.3 d)	It should not be necessary to physically audit during every surveillance audit 100% of the sites sharing credits, as this will add significant unnecessary costs. It should be sufficient to audit their "credit accounts."	"All sites sharing credits shall have their credit accounts audited by the organization's certification body during surveillance audits (even if these sites were not included in the annual audit sampling of the multi-sites.)"
9.3.d	Rather than require a physical audit by the certification body of all sites sharing credits during each surveillance audit, all sites should be initially visited and physically audited to qualify them for credit sharing. <i>Strongly disagree with the suggestion that use of OCP be a precondition for shared credit accounts.</i>	Require an initial audit of all sites participating in credit sharing, and then use the standard audit sampling system.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.3 d)	For centralized shared credit accounts a head office must be defined, where physical audits by the organisation's CB take place. Audits in individual sites are not necessary as they don't have own accounts.	Delete: the whole point 9.3. d)
Part II Section 9 Clause 9.3d	The physical audit in all sites sharing credits shall be released in cases where the organization can give access to entry and exit of the shared credit accounts remotely. Physical audits in all sites sharing credits could significantly raise the costs, making the sharing of credits infeasible. This cost would be associated to the need of more audit days and logistics issues to access the sites.	d) All sites sharing credits shall be physically audited by the organization's certification body during surveillance audits (even if these sites were not included in the annual audit sampling of the multi-site COC certificate); The physical audit of all sites can be released in cases where the organization can give access to entry and exit of the shared credit accounts remotely.
Part II Section 9 Clause 9.3d	The physical audit in all sites sharing credits shall be released in cases where the organization can give access to entry and exit of the shared credit accounts remotely. Physical audits in all sites sharing credits could significantly raise the costs, making the sharing of credits infeasible. This cost would be associated to the need of more audit days and logistics issues to access the sites.	d) All sites sharing credits shall be physically audited by the organization's certification body during surveillance audits (even if these sites were not included in the annual audit sampling of the multi-site COC certificate); The physical audit of all sites can be released in cases where the organization can give access to entry and exit of the shared credit accounts remotely.
Part II Section 9 Clause 9.3d	The physical audit in all sites sharing credits shall be released in cases where the organization can give access to entry and exit of the shared credit accounts remotely. Physical audits in all sites sharing credits could significantly raise the costs, making the sharing of credits infeasible. This cost would be associated to the need of more audit days and logistics issues to access the sites.	d) All sites sharing credits shall be physically audited by the organization's certification body during surveillance audits (even if these sites were not included in the annual audit sampling of the multi-site COC certificate); The physical audit of all sites can be released in cases where the organization can give access to entry and exit of the shared credit accounts remotely.
Part II Section 9 Clause 9.3d	The physical audit in all sites sharing credits shall be released in cases where the organization can give access to entry and exit of the shared credit accounts remotely. Physical audits in all sites sharing credits could significantly raise the costs, making the sharing of credits infeasible. This cost would be associated to the need of more audit days and logistics issues to access the sites.	d) All sites sharing credits shall be physically audited by the organization's certification body during surveillance audits (even if these sites were not included in the annual audit sampling of the multi-site COC certificate); The physical audit of all sites can be released in cases where the organization can give access to entry and exit of the shared credit accounts remotely.
Part II Section 9 Clause 9.3d	The physical audit in all sites sharing credits shall be released in cases where the organization can give access to entry and exit of the shared credit accounts remotely. Physical audits in all sites sharing credits could significantly raise the costs, making the sharing of credits infeasible. This cost would be associated to the need of more audit days and logistics issues to access the sites.	d) All sites sharing credits shall be physically audited by the organization's certification body during surveillance audits (even if these sites were not included in the annual audit sampling of the multi-site COC certificate); The physical audit of all sites can be released in cases where the organization can give access to entry and exit of the shared credit accounts remotely.
Part II Section 9 Clause 9.3d	The physical audit in all sites sharing credits shall be released in cases where the organization can give access to entry and exit of the shared credit accounts remotely. Physical audits in all sites sharing credits could significantly raise the costs, making the sharing of	d) All sites sharing credits shall be physically audited by the organization's certification body during surveillance audits (even if these sites were not included in the annual audit sampling of the multi-site COC

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	credits infeasible. This cost would be associated to the need of more audit days and logistics issues to access the sites.	certificate); The physical audit of all sites can be released in cases where the organization can give access to entry and exit of the shared credit accounts remotely.
9.3 d) of FSC-STD-40-004 V3-0 D2-0	The multi-site certification requires that a head office is physically audited annually. The credit accounts can be checked on head office level as it needs to administer all the credit accounts for the sites. It could be a requirement that in case of multisite having shared credit accounts, at least one of the sites sharing credits is included in annual sample.	Deletion: the whole point 9.3. d). Addition: At least one site sharing credits shall be included in annual sample of surveillance audits.
9.3.d)	full support of that point	
PART II / 9.3 d	It is unreasonable to require on-site audits for each site that participates in a shared credit account. This would result in significant additional audit costs and would not result in further benefit to the credibility of the shared credit account. An appropriate desk audit of the active sites of a shared account would be more appropriate.	d) All sites sharing credits shall provide appropriate documentation to be reviewed by the organization's certification body during surveillance audits to ensure adequate conformance and performance of the shared credit account;
9.3 d)	All sites sharing credits <u>shall be</u> physically audited by the organization's certification body during surveillance audits	All sites sharing credits <u>are</u> physically audited by the organization's certification body during surveillance audits
9.3 d	Share the credits is not a good idea according to me because it let the companies to accumulate credit in a site (e.g.: thanks to reclaim input that are cheap) and sale FSC products in a different site that for example use mostly FSC CW input. Anyway it doesn't make sense to audit all site if the credit account is managed by the central office	remove point d
Clause 9.3 Point d)	It is a non-sense to physically audit all the sites of a multisite when credits are shared. Often when credits are shared the system is centralized; if the CB can verify all the credits during the audit of the central office why force it to PHYSICALLY audit ALL the sites?	d) <u>IF IT IS NOT POSSIBLE TO VERIFY THE SHARED CREDITS DURING THE CENTRAL OFFICE AUDIT</u> all sites sharing credits will be physically audited by the organization's CB during surveillance audits
9.3 d	There is no need to audit all units in a cross credit system annually. It is enough to audit the centre annually and a sample of the "satellites" to ensure consistency. Use the same approach as for multi-site CoC for the sampling of units. This is unnecessarily burdensome.	Remove
9.3 Clause Point d)	<ul style="list-style-type: none"> Need for better consistency It's not clear why all sites sharing credits shall be physically audited by the organization's certification body, provided that cross-credits management is performed at Central Office level. 	<ul style="list-style-type: none"> Please, consider whether the requirement is strictly necessary (certification costs would arise), or not. If unnecessary, the requirement should be removed. If necessary, please provide an explanation.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.3 Clause Point d)	<ul style="list-style-type: none"> • Need for better consistency • It's not clear why all sites sharing credits shall be physically audited by the organization's certification body, provided that cross-credits management is performed at Central Office level. 	<ul style="list-style-type: none"> • Please, consider whether the requirement is strictly necessary (certification costs would arise), or not. • If unnecessary, the requirement should be removed. • If necessary, please provide an explanation.
9.3 Clause Point d)	<ul style="list-style-type: none"> • Need for better consistency • It's not clear why all sites sharing credits shall be physically audited by the organization's certification body, provided that cross-credits management is performed at Central Office level. 	<ul style="list-style-type: none"> • Please, consider whether the requirement is strictly necessary (certification costs would arise), or not. • If unnecessary, the requirement should be removed. • If necessary, please provide an explanation.
9.3.D	Rationale is needed behind why all sites must be physically audited every year, when they do not propose a greater risk than if they had separate accounts.	
9.3 Clause Point d)	<ul style="list-style-type: none"> • Need for better consistency • It's not clear why all sites sharing credits shall be physically audited by the organization's certification body, provided that cross-credits management is performed at Central Office level. 	<ul style="list-style-type: none"> • Please, consider whether the requirement is strictly necessary (certification costs would arise), or not. • If unnecessary, the requirement should be removed. • If necessary, please provide an explanation.
9.3 d)	Requiring all sites that participate in a shared credit account to be audited would significantly increase the burden on organizations using the cross site credit sharing program with no added benefit.	d) All sites sharing credits shall <u>provide appropriate documentation to be physically audited by the organization's certification body during surveillance audits (even if these sites were not included in the annual audit sampling of the multi-site COC certificate) to ensure adequate conformance to the shared credit account;</u>
9.3 d)	Requiring all sites that participate in a shared credit account to be audited would significantly increase the burden on organizations using the cross site credit sharing program with no added benefit.	d) All sites sharing credits shall <u>provide appropriate documentation to be physically audited by the organization's certification body during surveillance audits (even if these sites were not included in the annual audit sampling of the multi-site COC certificate) to ensure adequate conformance to the shared credit account;</u>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.3 d)	Requiring all sites that participate in a shared credit account to be audited would significantly increase the burden on organizations using the cross site credit sharing program with no added benefit.	d) All sites sharing credits shall <u>provide appropriate documentation to be physically audited</u> by the organization's certification body during surveillance audits (even if these sites were not included in the annual audit sampling of the multi-site COC certificate) <u>to ensure adequate conformance to the shared credit account;</u>
9.3 d)	Item d) states that sites sharing credit shall be physically audited by the organization's CB. Clarity needs to be provided on the frequency of these requires audits. If the expectation is for annual audits for all sites sharing credits we feel that is excessive.	Recommendation is to simply state that all sites sharing credits regardless of sales be included in the audit sampling plan and be audited at least once during the 5 year audit cycle.
9.3d	When a company share a credit account there is no need to visit any of the included sites. The reason is that they no longer have an own account. Important to avoid extra cost that do not add any extra credibility to the FSC system.	Remove 9.3d (Should this point even be discussed here? Or in the accreditation standard?)
9.3 d)	For centralized shared credit accounts a head office must be defined, where physical audits by the organisation's CB take place.	Delete.
9.3 d)	For centralized shared credit accounts a head office must be defined, where physical audits by the organisation's CB take place.	Delete.
9.3d	FSC should allow the Certification Body to determine if all sites participating in credit sharing should be physically audited during a surveillance audit using current sampling procedures. The proposed requirement to physically audit all sites participating in credit sharing would add significant auditing costs and may not provide additional benefit to FSC or the certificate holder. FSC should only require physical audits of sites participating in credit sharing only during recertification audits.	Change "surveillance" to "recertification"
9.3.D	Rationale is needed behind why all sites must be physically audited every year, when they do not propose a greater risk than if they had separate accounts.	
9.3.D	Rationale is needed behind why all sites must be physically audited every year, when they do not propose a greater risk than if they had separate accounts.	
PART II: Universal Requirements, 9 Credit system:, p 19, Point 9.3 d)	The multi-site certification requires that a head office is physically audited annually. The credit accounts can be checked on head office level as it needs to administer all the credit accounts for the sites. It could be a requirement that in case of multisite having shared credit accounts, at least one of the sites sharing credits is included in annual sample.	Deletion: the whole point 9.3. d). Addition: At least one site sharing credits shall be included in annual sample of surveillance audits.
PART II: Universal Requirements, 9 Credit system:, p 19, Point 9.3 d)	The multi-site certification requires that a head office is physically audited annually. The credit accounts can be checked on head office level as it needs to administer all the credit accounts for the sites. It could be a requirement that in case of multisite having shared credit accounts, at least one of the sites sharing credits is included in annual sample.	Deletion: the whole point 9.3. d). Addition: At least one site sharing credits shall be included in annual sample of surveillance audits.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART II: Universal Requirements, 9 Credit system; p 19, Point 9.3 d)	The multi-site certification requires that a head office is physically audited annually. The credit accounts can be checked on head office level as it needs to administer all the credit accounts for the sites. It could be a requirement that in case of multisite having shared credit accounts, at least one of the sites sharing credits is included in annual sample.	Deletion: the whole point 9.3. d). Addition: At least one site sharing credits shall be included in annual sample of surveillance audits.
PART II: Universal Requirements, 9 Credit system; p 19, Point 9.3 d)	The multi-site certification requires that a head office is physically audited annually. The credit accounts can be checked on head office level as it needs to administer all the credit accounts for the sites. It could be a requirement that in case of multisite having shared credit accounts, at least one of the sites sharing credits is included in annual sample.	Deletion: the whole point 9.3. d). Addition: At least one site sharing credits shall be included in annual sample of surveillance audits. In each surveillance audit the head office shall provide evidence for credit management of the multiple sites.
9.3.d	We do not support the proposed requirement. Existing surveillance audit requirements for the Central Office Manager and certification body are sufficient to ensure conformity with the CoC standard. Annual auditing of all sites will add unnecessary complexity effort and costs.	Eliminate clause.
9.3.d	There seems to be no logical explanation why all sites must be physically audited each year. The arguments for sites sharing credits are proposing a greater risk than sites with single credit accounts are missing.	
9.3. d)	The current standard says that all sites included in a shared credit account need to be audited each year, which seems cost-prohibitive. The option of annual audit sampling seems more feasible. Furthermore, if the central CoC system is robust enough mandatory audits of all sites each year seems redundant.	
9.3.d)	full support of that point	
9.3 d)	This requirement only serves to increase audit complexity, time and cost. In all likelihood, it would negate any gains in sharing credit accounts.	
9.3 e)	There should be exceptions for countries with no or low FSC coverage. For these circumstances, an appropriate threshold and a timeline for its increase should be agreed by the FSC National Initiative.	Delete: The threshold will be increased from 10 % to 15 % by 31 December 2021.
9.3 e)	At our opinion 10% is not enough input by the own site. The environmental impact through FSC certification on forest close to these sites would be insignificant.	Each site participating in a shared credit account shall contribute at least 25% of the input credits used by its own site in a twelve (12) months period. The threshold will be increased from 25% to 45% by 31 December 2021.
9.3 e)	Again, the complexity required likely outweighs any gains.	
9.3. e)	If a facility source virgin material, the 10% threshold should be of FSC 100% input as a way to avoid the misuse of the credit system by just relying on reclaimed input, which now includes pre-consumer materials.	
9.3 e)	At our opinion 10% is not enough input by the own site. The environmental impact	Each site participating in a shared credit account shall contribute at least 25% of the input credits used by its own site in a twelve

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	through FSC certification on forest close to these sites would be insignificant.	(12) months period. The threshold will be increased from 25% to 45% by 31 December 2021.
9.3.e	The requirement that; <i>“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.”</i> is according to the FSC guidance on implementation of cross-site credits pilot tests only applicable to the sites that have physical possession and/or transform products, through manufacturing, mixing or changing the composition of the products. The company’s sites that do not have physical possession and/or trade or distribute finished products are exempt to comply with this requirement.	It is essential for the applicability of the cross-site credit set-up to pass on the exceptions applied in the FSC guidance on the implementation of the cross-site credit pilot to the revised CoC standard.
9.3 e)	A fixed 10% minimum of input credits in each site is currently very difficult due to shortage in locally available FSC certified timber (limited FSC certified forest cover in the surroundings of our plants). If however, this required input would be asked ‘on average’ for each of the participating sites in a centralised shared credit system it would be more realistic for us. Please note that the result of ‘FSC input/outputs’ would remain similar. It is only that a bit more flexibility is given. (Clearly we hope to see the local FSC certified forest cover grow and we try to push this from our side where we can).	Each site participating in a shared credit account shall contribute at least on average 10% of the input credits used by its own site in a twelve (12) months period. The 9.threshold will be increased from 10% to 15% by 31 December 2021
9.3.e	Sites should be able to participate even if zero inputs credits are used at that site. This would allow for efficiencies to be created. A company could focus labelling and packaging at fewer sites. This would reduce errors as less people would be involved. Having a site required to package and label 10% percent of the claimed products is as or more expensive than a large percentage (people are not used to the process as it does not occur often). Also companies could focus labelling and packaging at sites that are closer to customers that require FSC claims, reducing transportation and carbon footprint. There is no risk here because the CB would also audit sites that are not using input credits.	Remove 9.3.e for the standard

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.3.e	<p>We do not support the proposed requirement.</p> <p>Participating sites that conform to all other applicable CoC requirements, and have demonstrated conformity with the central office documented control system and have been audited to conform to their site specific procedures should be eligible for participation the shared credit account.</p> <p>The need to monitor and manage against a rolling 12 month period of eligibility based on minimum contributions creates unnecessary recordkeeping requirements and creates challenges in production planning and sales which can be and are decoupled.</p>	Eliminate clause.
PART II: Universal Requirements, 9 Credit system:, p 19, Point 9.3 e)	Metsä Group sees that the 10 % share of the input credits used can be accepted. However, we do not see real basis for that and for increasing the share after the year 2021. Therefore, Metsä Group emphasises that more information of the reasons to choose those percentages is needed. They should be clearly explained to the certificate holders.	Deletion: The threshold will be increased from 10 % to 15 % by 31 December 2021.
PART II: Universal Requirements, 9 Credit system:, p 19, Point 9.3 e)	FFIF sees that the 10 % share of the input credits used can be accepted. However, we do not see real basis for that and for increasing the share after the year 2021. Therefore, FFIF emphasises that more information of the reasons to choose those percentages is needed. They should be clearly explained to the certificate holders.	Deletion: The threshold will be increased from 10 % to 15 % by 31 December 2021.
PART II: Universal Requirements, 9 Credit system:, p 19, Point 9.3 e)	<p>SEWSF sees that shared credit accounts is of key importance in the CoC std. This will make FSC more effective and helps to save e.g. emissions when there is no need to physically transport FSC certified wood to a certain mill (only mills participating to the shared account)</p> <p>However, we do not see real basis for that and for increasing the share of 10 % after the year 2021. Therefore, SEWSF emphasises that more information of the reasons to choose those percentages is needed. They should be clearly explained to the certificate holders.</p>	Deletion: The threshold will be increased from 10 % to 15 % by 31 December 2021.
PART II: Universal Requirements, 9 Credit system:, p 19, Point 9.3 e)	UPM sees that the threshold requirement for 10 % share of the input credits used can be accepted. However, we do not see good reasoning for increasing it to 15% after the year 2021. UPM would like to see the reasoning for choosing the percentages. It should be clearly explained to the certificate holders.	Deletion: The threshold will be increased from 10 % to 15 % by 31 December 2021.
Credit System, Section 9.3 e), p 19	Kimberly-Clark supports the additional requirement that 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) months period.	
Section 9.3 e	<p>Now that pre-consumer inputs are claim contributing for chip and fibre products, consider having two percentage thresholds, one for chip and fibre and another for solid wood.</p> <p>Alternatively, the % can be lowered and required to be FSC 100% inputs only within the calendar year.</p> <p>Both of these measures are steps to ensure the demand for local certified forests is maintained.</p>	Adjust percentage thresholds to accommodate the new allowance for pre-consumer materials being claim contributing.
9.3 e)	Incorrect word	twelve (12) months period

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.3 e)	<p>The inclusion of the possibility to cross-credits on the CoC standard creates an opportunity to generate a wide range of positive direct and indirect impacts that deserve to be identified: 1. Economic benefits: - Optimization of the logistics and reduction of transportation costs, with transportation of raw-materials and products. Multi-site certified companies do perform sub-optimal raw material transport operations. In reality, in order to fulfil customer demand for certified products, normal supply stream has to be handled, increasing in a substantial manner the average kilometre per unit of product, particularly in areas where procurement for certified raw material is more difficult (as, for instance, in regions with highly fragmented ownership). This situation, from one end, leads to a loss of competitiveness while consuming considerable financial resources that could be made available in capacity building initiatives to increase the area under certified forest management.- Not being able to cross credits and optimize logistics contributes to put at risk the efforts to encourage micro and small landowners towards FSC certification, especially in cases where and in situations when, competitiveness of manufacturing companies is under global market pressure. 2. Environmental benefits: - Reduction of the carbon footprint (less emissions of fossil carbon) due to elimination of unnecessary wood and final product “travelling”: efforts made to reduce such unnecessary transportations will reduce CO2 emissions and the global environmental footprint of forest products, production and manufacturing. 3. Social benefits: - Increased health & safety is expected from reduced transportation of materials due to lower accident risk.- Road conservation and general safety conditions are, as widely recognized, inversely relate with traffic intensity therefore effort in optimal raw material flow is an important aspect for sustainable operations. 4. Benefits for the FSC system: - The credits sharing system leads to an optimization and best use of available credits (sometimes credits are wasted in a site because of the logistics needs for optimization) and increased control of credits. - It should be emphasized that credits shared within such a system always involve certified wood or other forest products, thus having no negative impact on the credibility of the FSC system. On the contrary, it brings all the added benefits explained above. - Reduction of transportation costs could generate additional financial resources for the promotion of responsible forest management in the ground, particularly where it is most needed, as for example, in areas managed by micro and small landowners</p>	Delete.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.3 e)	<p>The inclusion of the possibility to cross-credits on the CoC standard creates an opportunity to generate a wide range of positive direct and indirect impacts that deserve to be identified: 1. Economic benefits: - Optimization of the logistics and reduction of transportation costs, with transportation of raw-materials and products. Multi-site certified companies do perform sub-optimal raw material transport operations. In reality, in order to fulfil customer demand for certified products, normal supply stream has to be handled, increasing in a substantial manner the average kilometre per unit of product, particularly in areas where procurement for certified raw material is more difficult (as, for instance, in regions with highly fragmented ownership). This situation, from one end, leads to a loss of competitiveness while consuming considerable financial resources that could be made available in capacity building initiatives to increase the area under certified forest management.- Not being able to cross credits and optimize logistics contributes to put at risk the efforts to encourage micro and small landowners towards FSC certification, especially in cases where and in situations when, competitiveness of manufacturing companies is under global market pressure. 2. Environmental benefits: - Reduction of the carbon footprint (less emissions of fossil carbon) due to elimination of unnecessary wood and final product “travelling”: efforts made to reduce such unnecessary transportations will reduce CO2 emissions and the global environmental footprint of forest products, production and manufacturing. 3. Social benefits: - Increased health & safety is expected from reduced transportation of materials due to lower accident risk.- Road conservation and general safety conditions are, as widely recognized, inversely relate with traffic intensity therefore effort in optimal raw material flow is an important aspect for sustainable operations. 4. Benefits for the FSC system: - The credits sharing system leads to an optimization and best use of available credits (sometimes credits are wasted in a site because of the logistics needs for optimization) and increased control of credits. - It should be emphasized that credits shared within such a system always involve certified wood or other forest products, thus having no negative impact on the credibility of the FSC system. On the contrary, it brings all the added benefits explained above. - Reduction of transportation costs could generate additional financial resources for the promotion of responsible forest management in the ground, particularly where it is most needed, as for example, in areas managed by micro and small landowners</p>	Delete.
9.3 e)	There should be exceptions for countries with no or low FSC coverage. For these circumstances, an appropriate threshold and a timeline for its increase should be agreed by the FSC National Initiative.	Delete: The threshold will be increased from 10 % to 15 % by 31 December 2021.
9.3 e)	Remove reference to percentage change in 2021. Any increase in percentage should be completed through a standard revision process after use and evaluation of the current version of the standard.	e) 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) months period. The threshold will be increased from 10% to 15% by 31 December 2021.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.3 e)	Some regions currently have limited supply of FSC managed forests and fiber availability from those lands. Placing a percentage limit such as this discourages landowners from certifying to FSC and facilities from participating in the FSC system if they must meet a minimum threshold, particularly in wood baskets with a multitude of small family forest landowners that.	Delete 9.3 e)
9.3 e)	Requiring 10% for each site in a shared credit account could have a negative impact on small holder adoption of FSC. The requirement will also limit the amount of locations that manufacture a similar or the same product from being able to participate in the FSC program which would reduce FSC adoption in the marketplace. Remove reference to percentage change in 2021. Any increase in percentage should be completed through a standard revision process after use and evaluation of the current version of the standard.	e) The total of input credits from sites in a shared credit account shall be at least 10% when assessed over a 12 month period. The threshold will be increased from 10% to 15% by 31 December 2021.
9.3 e)	If this section is retained, remove reference to percentage change in 2021. Any increase in percentage should be completed through a standard revision process after use and evaluation of the current version of the standard.	e) 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) months period. The threshold will be increased from 10% to 15% by 31 December 2021.
9.3 e)	Clarification is needed to determine if certified recycled fiber is included in a mills annual contribution to the shared credit account.contribute at least 10% of the input credits (virgin and/or recycled) used by its own site.....
9.3 e)	At our opinion 10% is not enough input by the own site. The environmental impact through FSC certification on forest close to these sites would be insignificant.	Each site participating in a shared credit account shall contribute at least 25% of the input credits used by its own site in a twelve (12) months period. The threshold will be increased from 25% to 45% by 31 December 2021.
Clause 9.3 e)	d) All sites sharing credits shall be physically audited by the organization's certification body during surveillance audits (even if these sites were not included in the annual audit sampling of the multi-site COC certificate); e) 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) months period. The threshold will be increased from 10% to 15% by 31 December 2021.	Please remove these limitations as it is against the idea of the organisations that started the Pilot Project. Also please do not propose OCP as an additional condition.
9.3 Clause Point e)	<ul style="list-style-type: none"> Currently, the "shared credit accounts" do not apply, therefore single sites contribute for 100% of their own FSC credit outputs. 10% is a considerably low threshold, even if referred to such a new credit system approach. 	<ul style="list-style-type: none"> Please, consider to rise the threshold, up to 50%. Please, consider to revise the proposed timeline on a shorter term basis, e.g. 2018-2019.
9.3 Clause Point e)	<ul style="list-style-type: none"> Currently, the "shared credit accounts" do not apply, therefore single sites contribute for 100% of their own FSC credit outputs. 10% is a considerably low threshold, even if referred to such a new credit system approach. 	<ul style="list-style-type: none"> Please, consider to rise the threshold, up to 50%. Please, consider to revise the proposed timeline on a shorter term basis, e.g. 2018-2019.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.3 Clause Point e)	<ul style="list-style-type: none"> Currently, the “shared credit accounts” do not apply, therefore single sites contribute for 100% of their own FSC credit outputs. 10% is a considerably low threshold, even if referred to such a new credit system approach. 	<ul style="list-style-type: none"> Please, consider to rise the threshold, up to 50%. Please, consider to revise the proposed timeline on a shorter term basis, e.g. 2018-2019.
9.3	A centralised shared credit system (within a multisite COC) will increase the options for companies in offering FSC certified wood products and help them in meeting demands from the market	/
9.3 e)	<p>Some of our member companies face difficulties in supplying FSC certified material from certain plants due to the non-availability of sufficient volumes of FSC certified timber in the specific region, whereas other plants do not have this problem.</p> <p>In order for the centralised shared credit system to work, therefore, it would be preferable if the required 10% input would be asked ‘on average’ for each of the participating sites. The overall result of FSC inputs and outputs would remain the same.</p>	The requirement for 10% of the input credits for each site in a shared credit system should be changed to “on average 10%”.
9.3 e)	Input Thresholds are a Barrier to FSC Forest Certification uptake on the ground	<p>If a firm is willing to be audited annually as the provisions dictate, whatever certified fiber they have should be able to flow freely to market with no input thresholds.</p> <p>FSC strategy calls for simplification, removing impediments which allow FSC production to be available as FSC IC gears up its branding and market communications at point of sale with the Forest Forever Campaign.</p> <p>The bias here should be product on the shelves. Can always tighten later if abuses are identified.</p> <p>Otherwise, FSC will drive customers to a frustrating experience at retail. We do not want to frustrate consumers.</p>
9.3 e) of FSC-STD-40-004 V3-0 D2-0	The 10 % share of the input credits used can be accepted. However, we do not see real basis for that and for increasing the share after the year 2021.	Deletion: The threshold will be increased from 10 % to 15 % by 31 December 2021.
PART II / 9.3 e)	This requirement should be simplified to keep the threshold at 10% only and not specify an increase. Such an action should be evaluated upon the next revision.	e) 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) months period.
9.3 Clause Point e)	<ul style="list-style-type: none"> Currently, the “shared credit accounts” do not apply, therefore single sites contribute for 100% of their own FSC credit outputs. 10% is a considerably low threshold, even if referred to such a new credit system approach. 	<ul style="list-style-type: none"> Please, consider to rise the threshold, up to 50%. Please, consider to revise the proposed timeline on a shorter term basis, e.g. 2018-2019.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)										
9.3. e)	<p>The requirement does generate a difficult situation to convince forest owners in places with some level of FSC certified forests, as the requirement that 10% of the credits used for output claims in each participating site seems to be low. For example in Germany we are now in the situation that 10% of the forest is FSC-certified, so by average the 10% threshold does not generate a lot of more market demand.</p> <p>The stepwise increase of the threshold is welcomed.</p>	Change to 20% from the start, while still maintaining an increase in future.										
9.3.e	<p>10% used by its own site.</p> <p>This is a very small % to begin with.</p>	Each site shall contribute 30% of the input credit used by its own site in a 12 months period.										
9.3 e)	<p>Smurfit Kappa Navarra is FSC mix certified for Wrapping and Packaging Paper (Certificate Number CU-COC-816413)</p> <p>As part of Smurfit Kappa Group, we should be allowed to take advantage of the benefits of being part of an integrated Company, and therefore participate in a shared credit account with the rest of Smurfit Kappa mills with no restrictions with regard to the contribution of each mill in the total input because, as a whole, we are assuring the maintenance of the Chain of Custody through the Supply Chain.</p> <p>A new Paper Machine will be installed in 2016, investment that will lead us to the number 1 position in our market of 100% MG Kraft Paper, but:</p> <ul style="list-style-type: none"> - No recycled fibres will be used anymore. - There are almost no FSC certified forests in South Europe and, although we are working with the forest owners and Governments to promote the FSC certification, this process will take years. <p>Rationale for Change:</p> <table border="1" data-bbox="284 1272 885 1870"> <tr> <td data-bbox="284 1272 582 1344">If the 10% Restriction is maintained</td> <td data-bbox="582 1272 885 1344">0% Restriction</td> </tr> <tr> <td data-bbox="284 1344 582 1444">Smurfit Kappa Navarra out of FSC Mix Certification</td> <td data-bbox="582 1344 885 1444">Smurfit Kappa Navarra will keep the FSC Mix Certification</td> </tr> <tr> <td data-bbox="284 1444 582 1579">Before YES and now NO: Bad image not only for us but also for the FSC Organization</td> <td data-bbox="582 1444 885 1579">Our image will improved.</td> </tr> <tr> <td data-bbox="284 1579 582 1780">Demand of FSC Mix Kraft MG paper in Europe not satisfied anymore: The Chain of Custody could be broken.</td> <td data-bbox="582 1579 885 1780">As market leaders in our sector, we will continue to defend and spread the FSC principles.</td> </tr> <tr> <td data-bbox="284 1780 582 1870">No need to promote the FSC forest certification.</td> <td data-bbox="582 1780 885 1870">We will work for the FSC certification of the forests in Spain.</td> </tr> </table>	If the 10% Restriction is maintained	0% Restriction	Smurfit Kappa Navarra out of FSC Mix Certification	Smurfit Kappa Navarra will keep the FSC Mix Certification	Before YES and now NO: Bad image not only for us but also for the FSC Organization	Our image will improved.	Demand of FSC Mix Kraft MG paper in Europe not satisfied anymore: The Chain of Custody could be broken.	As market leaders in our sector, we will continue to defend and spread the FSC principles.	No need to promote the FSC forest certification.	We will work for the FSC certification of the forests in Spain.	Deletion of the complete paragraph e).
If the 10% Restriction is maintained	0% Restriction											
Smurfit Kappa Navarra out of FSC Mix Certification	Smurfit Kappa Navarra will keep the FSC Mix Certification											
Before YES and now NO: Bad image not only for us but also for the FSC Organization	Our image will improved.											
Demand of FSC Mix Kraft MG paper in Europe not satisfied anymore: The Chain of Custody could be broken.	As market leaders in our sector, we will continue to defend and spread the FSC principles.											
No need to promote the FSC forest certification.	We will work for the FSC certification of the forests in Spain.											
9.3 e)	There should be exceptions for countries with no or low FSC coverage. For these circumstances, an appropriate threshold and a timeline for its increase should be agreed by the FSC National Initiative.	Delete: The threshold will be increased from 10 % to 15 % by 31 December 2021.										

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Note for stakeholders	The use of the OCP should not become a precondition for the use of shared credit accounts.	
Part II, No. 9.3, Note for Stake-holders regarding shared credit accounts	NOTE FOR STAKEHOLDERS: Clause 9.3 responds to the FSC Board's decision ... During the first public consultation of this standard, some stakeholders recommended FSC to include the use of the OCP in the list of preconditions for shared credit accounts. ...	From our point of view this is not necessary because of 9.3 b: "All sites are within the scope of a single or multi-site certificate ..." = Inputs and outputs of "virtual credits" are already under observation of <u>one</u> certification body. (Intention of OCP or alternative system was verification of claims between different certificate holders with different certification bodies.)
9.3 – Note for Stakeholders of FSC-STD-40-004 V3-0 D2-0	After months of constructive dialogue an introduction of the OCP "through the back door" or threatening with OCP as a precondition would damage FSC's reputation again. There is no comprehensible technical connection between a Cross-site Credit System and the necessity of participating in the OCP.	Delete that note (by the way – to be consistent within the standard – if anything, the precondition should be "method in place" – including the different options presented in FSC-DIS-40-009 EN).
9.3 – Note for Stakeholders of FSC-STD-40-004 V3-0 D2-0	After months of constructive dialogue an introduction of the OCP "through the back door" or threatening with OCP as a precondition would damage FSC's reputation again. There is no comprehensible technical connection between a Cross-site Credit System and the necessity of participating in the OCP.	Delete that note (by the way – to be consistent within the standard – if anything, the precondition should be "method in place" – including the different options presented in FSC-DIS-40-009 EN).
9.3 – Note for Stakeholders of FSC-STD-40-004 V3-0 D2-0	After months of constructive dialogue an introduction of the OCP "through the back door" or threatening with OCP as a precondition would damage FSC's reputation again. There is no comprehensible technical connection between a Cross-site Credit System and the necessity of participating in the OCP.	Delete that note (by the way – to be consistent within the standard – if anything, the precondition should be "method in place" – including the different options presented in FSC-DIS-40-009 EN).
9.3 – Note for Stakeholders of FSC-STD-40-004 V3-0 D2-0	After months of constructive dialogue an introduction of the OCP "through the back door" or threatening with OCP as a precondition would damage FSC's reputation again. There is no comprehensible technical connection between a Cross-site Credit System and the necessity of participating in the OCP.	Delete that note (by the way – to be consistent within the standard – if anything, the precondition should be "method in place" – including the different options presented in FSC-DIS-40-009 EN).
9.3 – Note for Stakeholders of FSC-STD-40-004 V3-0 D2-0	After months of constructive dialogue an introduction of the OCP "through the back door" or threatening with OCP as a precondition would damage FSC's reputation again. There is no comprehensible technical connection between a Cross-site Credit System and the necessity of participating in the OCP.	Delete that note (by the way – to be consistent within the standard – if anything, the precondition should be "method in place" – including the different options presented in FSC-DIS-40-009 EN).
PART II: Universal Requirements, 9 Credit system:, p 19, NOTE FOR STAKEHOLDER S	OCP or other systems mentioned in the discussion paper on transaction verification may not be a precondition to shared credit system. It has to be possible to demonstrate transactions in credit systems with existing methods of the Organization.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART II: Universal Requirements, 9 Credit system:, p 19, NOTE FOR STAKEHOLDER S	OCP or other systems mentioned in the discussion paper on transaction verification may not be a precondition to shared credit system. It has to be possible to demonstrate transactions in credit systems with existing methods of the Organization.	
PART II: Universal Requirements, 9 Credit system:, p 19, NOTE FOR STAKEHOLDER S	OCP or other systems mentioned in the discussion paper on transaction verification may not be a precondition to shared credit system. It has to be possible to demonstrate transactions in credit systems with existing methods of the Organization.	
PART II: Universal Requirements, 9 Credit system:, p 19, NOTE FOR STAKEHOLDER S	OCP or other systems mentioned in the discussion paper on transaction verification may not be a precondition to shared credit system. It has to be possible to demonstrate transactions in credit systems with existing methods of the Organization.	
Note for stakeholders	The use of the OCP should not become a precondition for the use of shared credit accounts, as has been stated already organisations can show compliance in other ways	Delete 9,3e OCP requirement statement
Note to Stakeholders after 9.3.e	Shared credit accounts are a big improvement for FSC Chain of Custody. Requiring OCP as a precondition undermines this improvement. If other alternative options to OCP are acceptable for FSC Chain of Custody in general, why would they not be acceptable for shared credit accounts? FSC needs to rely on CBs to be sure standard requirement are met, not add more constraints. Having this as a precondition will cause some companies to not use shared accounts and not benefit from this improvement to the standard.	Do not add OCP as a precondition for shared accounts
9.3 (FSC-STD-40-004 V3-0 D2-0) Note for Stakeholders!	There is no reasonable connection between the “Cross-site Credit System” and the participation of the OCP given!	Delete the note.
9.3 Note for stakeholders	In a shared credit account there are no changes in ownership and no transactions or invoices are involved. So, what is the supposed purposed of using OCP in shared credit accounts?	Delete the sentence as the use of the OCP cannot become a precondition for the use of shared credit accounts.
9.3 Note for stakeholders	In a shared credit account there are no changes in ownership and no transactions or invoices are involved. So, what is the supposed purposed of using OCP in shared credit accounts?	Delete the sentence as the use of the OCP cannot become a precondition for the use of shared credit accounts.
Clause 9.3 Note for Stakeholders	We consider that Multi-site certification and OCP shall be treated totally separated and not be used as a precondition of the other.	
Note for stakeholders	The use of the OCP should not become a precondition for the use of shared credit accounts.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.4	Incorrect wording	reconciled monthly
9.4	Incorrect wording	are exchanged <u>for</u> high quality
9.4	Continue to allow present practice of allowing specified claim periods of up to 3 months. Considering low # of employees, vacations, etc. There could be times when Monthly claim periods are too short.	Continue to allow specified claim periods of up to 3 months.
9.4	<p>“For each product group, the organization shall ensure that additions and deductions of credits are monthly reconciled.”</p> <p>As worded, it is not clear if this is specifically referring to the “Claim Period” and what the maximum claim period will be under the new standard. Please clearly indicate what the claim period requirements are for Credit based systems, and keep the maximum claim period at three months.</p> <p>The actual period for making claims should be maintained at three months, allowing reasonably flexible order file and materials management.</p>	<p>Suggested wording:</p> <p>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.</p>
9.4/9.10	No more mention to labelled products (to deduct credits); that fact could lead to “involuntary” misuses	Reinsert that when a product is labelled correspondent credits shall be deducted
9.4	We recommend that language in this finding is revised to make language more flexible to allow for additions and deductions into the credit account more frequently than monthly.	Change finding to read: “For each product group, the organization shall ensure that additions and deductions of credits are at minimum reconciled monthly.”
9.4	It is not written that the monthly reconciliation shall result in a positive or at maximum null number of credits	Add which is the maximum period, if any, in which credits can be negative
9.4	The clause defines that “the organization shall ensure that additions and deductions of credits are monthly reconciled”. Strictly speaking this means that companies are not allowed to control and maintain the account more often.	Replace with: “the organization shall ensure that additions and deductions of credits are reconciled at least monthly”
9.4	Grammar	‘are reconciled on a monthly basis’
9.4	Why under the credit system credits have to be reconciled monthly while under the percentage system, claim period could be up to 3 months (see section 8.2). The 1-month requirement will add to administrative burden for no good reason.	Adopt the three month period for both percentage and credit system. (maximum)
9.4	This is by far my greatest concern with the new standard. We are currently on a 3 month reconciliation of additions and deductions of credits, and going to one month will triple our accounting costs for zero increased value. We have a computerized administration system that tracks all inputs and outputs daily, with monthly reconciliations. Every three months our accountants balance our volume credit accounts using this data. All records are maintained in our system. Our CB has never found an issue with our system. Please reconsider this change or modify it to leave the option of one or three months. This is a serious concern for our company.	Change monthly to every 3 months
9.4	<p>Not sure what this change...</p> <p>For each product group, the organization shall ensure that additions and deductions of credits are monthly reconciled.</p> <p>From</p> <p>9.1.1 For each product group, the organization shall set up and maintain an FSC credit account with specified claim periods of up</p>	Make clear in new standard that the period after which FSC “goes off” is longer than 3 months. We suggest this changing to at a minimum 6 months.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>to 3 months according to which additions and deductions of FSC credits shall be recorded.</p> <p>...actually means for TTF members? Does it mean that the period gets shortened from 3 months to 1 month- If so this is not acceptable as many of our members that run credit accounts loose FSC material within a 3 months period.</p> <p>For example I had this example from a member....</p> <p>We operate a mix credit system with our softwood and currently we struggle because it “goes off” after 3 months and is no longer treated as FSC.</p>	
9.4.	<p>We strongly support this because we all realize that there is a deficit of certified fibre offer vis-a-vis demand. Once the wood is coming from a certified forest, it is not understandable that it “loses” its certification status after 12 months, when entering a mill that works according to the volume credit system and has a credit control system perfectly implemented. Maintaining the initial status of FSC certified raw-materials would bring more offer of certified fibre to the market (and more FSC products) and would pay justice to its origin.</p>	
9.4	<p>Why is this limited to monthly reconciliation? Organizations should be able to reconcile daily or weekly if they want to.</p>	<p>Rephrase to “...at most monthly reconciled.”</p>
9.4	<p>Monthly reconciliation of credits allows for the possibility of overselling credits</p>	<p>Require up to date, or daily, credit reconciliation</p>
9.4	<p>It is not clear that the company needs to maintain a credit account. This is important to enable the verification of compliance.</p>	<p>For each product group , the organization must maintain a credit account and ensure that additions and deductions credits are reconciled monthly</p>
9.5	<p>the calculation to generate credit should consider the FSC claim of inputs</p>	<p>The output credit quantities shall be achieved mutiplying the imputsquantities by the applicable conversion fator and FSC Claim for each...</p>
9.5	<p>Confusing. See also comments in section 4.2 about input vs outputs in product group lists.</p>	<p>Change language to simply state that “Input credits must match output credits through the application of input to output conversion factors”</p>
Part II FSC control systems; clause 9.5; p.18	<ul style="list-style-type: none"> • FSC-STD-40-004 version 2-1 <ul style="list-style-type: none"> ○ Part II systems for controlling FSC claims; clause 9.3.1; p.22 states conversion factors specified for each component of the product group • FSC-STD-40-004 version 3-0 <ul style="list-style-type: none"> ○ Part I: Universal requirements; clause 4.1; p.10 Conversion factors not superior to 10% ○ E Term and definitions; Conversion factor; p.25 In the definition of conversion factor is stated output divided by input applied to whole product group or individual component of the product. 	<p>Wherever conversion factor is mentioned it should state: Applied to the whole product group or individual component of the product.</p> <p>OR</p> <p>The exception applicable to the transfer system should also apply to reclaimed paper: “may also establish product groups for the purpose of controlling FSC claims instead of controlling it at Product type level ”</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<ul style="list-style-type: none"> ○ Part II FSC control systems; clause 9.5; p.18 states The determination of output credit quantities shall be achieved by multiplying the input quantities by the applicable conversion factors specified for each product group. The words each component are removed. <p><u>Rational for change:</u> Our company buys reclaimed paper based on availability in the market and rough schedule of expected sales. On forehand it is not known what reclaimed paper is going into which end product.</p> <p><u>Implementation of the current standard in our company:</u></p> <ul style="list-style-type: none"> ○ 2 product groups FSC recycled and FSC mix. ○ credit input is based on the conversion factor of component (the reclaimed paper type) and credit output is based on sale of the product groups and percentage of this reclaimed paper type in that product group. With this system credit is known before sales, can be checked and all credit can be sold with claim. <p><u>Implementation of this Draft in our company:</u></p> <ul style="list-style-type: none"> ○ Create more product groups due to the demand of maximal 10% variation. ○ Credit input needs to be based on conversion factor of product group. To know the credit before sales we would have to divide the reclaimed paper over different product groups without knowing which product group is actually produced/sold with it. This would lead to: <ul style="list-style-type: none"> ● more administration for the companies without achieving a better controlled system with regard to sustainable fibre (reclaimed paper is reclaimed paper) ● Sale of paper without FSC claim just because the raw material has been assigned to a product group where no actual sales were. <p>Has this sharpening of product groups and conversion factor to do with wood? If so: Is this necessary for reclaimed paper? I feel on the one hand FSC makes an illogical rule for waste paper simpler by making pre- consumer reclaimed paper eligible input On the other hand FSC makes it illogical again by allowing credit only through product groups and the extra demand on product groups.</p>	
9.5, p 18	<p>We do not see a reason why the quantity shall be converted to output only. In some cases, it may make more sense to use the input quantity in the credit account calculations.</p> <ol style="list-style-type: none"> 1. If the input quantity is in a more manageable figure, such as tons paperboard, while the output material is in number of a finished product, for example a carton. 	The organization shall use the relevant conversion factors for each product group to correctly keep track of the input material vs the output material.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>2. If there are different conversion factors for different output products (for example small or large cartons). At the point of purchase of the input material, it is impossible to calculate to the output quantity, since it has not yet been decided which finished product to produce from the input material.</p> <p>To Elopak, it is crucial to keep the option of having the credit account calculated in input quantities. Both options could be possible, depending on what fits for each certificate holder.</p>	
9.5	<p>Individual product groups conversion factors being calculated is not possible when one paper machine shares its stock preparation with another and multiple product groups are produced on the same machine. E.g. we make non FSC, FSC Mix and FSC Recycled on the same machine within a week. Stock checking and mass balance calculations for each product run would be impossibly expensive as it would need to take into account all consistencies, chest levels throughout the whole of the relevant stock preparation plant.</p> <p>In addition if a mill retrospectively decides to remove the FSC claim on invoices and delivered product due to issues with credit balance how would the conversion factor be managed as the inputs would be time based and any sales decision may be weeks or months later?</p>	Exemption for paper industry or agreement to use single conversion factor.
9 Credit system 9.6	In order to keep and strengthen the credibility of the credit system it must be made clear that credits may not be transferred between different product types derived from forest operations	9.6 When input material yields a range of output product types (i.e. the same input material generates different output products, such as <i>sawlogs, pulpwood and fuel wood or sawn timber, bark and sawdust</i>), the organization shall establish separate <i>credit accounts</i> for each output product and shall not sell more of a particular product <i>type</i> than is covered by the material inputs and its respective conversion factors.
9.6	Great	
9.6	Difficult to understand.	Example is useful.
9.6	This requirement is confusing and does not provide the necessary clarity to ensure consistency by Certification Bodies in application	Delete 9.6
9.6	If I have understood well... if a input material feeds more product groups, beyond the reconciliation of quantities for a particular group, there should be also a general reconciliation	Add the requirement
Part II Section 9 Clause 9.6	We suggest a better wording, because it is confuse.	9.6 The organization shall establish separate product groups for each output, in cases where the same input material generates different output products (i.e.: sawn timber, bark and sawdust). In addition, the organization shall not sell more of a product group than is accounted of material input and its respective conversion factors.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Part II Section 9 Clause 9.6	We suggest a better wording, because it is confuse.	9.6 The organization shall establish separate product groups for each output, in cases where the same input material generates different output products (i.e.: sawn timber, bark and sawdust). In addition, the organization shall not sell more of a product group than is accounted of material input and its respective conversion factors.
Part II Section 9 Clause 9.6	We suggest a better wording, because it is confuse.	9.6 The organization shall establish separate product groups for each output, in cases where the same input material generates different output products (i.e.: sawn timber, bark and sawdust). In addition, the organization shall not sell more of a product group than is accounted of material input and its respective conversion factors.
Part II Section 9 Clause 9.6	We suggest a better wording, because it is confuse.	9.6 The organization shall establish separate product groups for each output, in cases where the same input material generates different output products (i.e.: sawn timber, bark and sawdust). In addition, the organization shall not sell more of a product group than is accounted of material input and its respective conversion factors.
Part II Section 9 Clause 9.6	We suggest a better wording, because it is confuse.	9.6 The organization shall establish separate product groups for each output, in cases where the same input material generates different output products (i.e.: sawn timber, bark and sawdust). In addition, the organization shall not sell more of a product group than is accounted of material input and its respective conversion factors.
Part II Section 9 Clause 9.6	We suggest a better wording, because it is confuse.	9.6 The organization shall establish separate product groups for each output, in cases where the same input material generates different output products (i.e.: sawn timber, bark and sawdust). In addition, the organization shall not sell more of a product group than is accounted of material input and its respective conversion factors.
9.6	This requirement is confusing and does not provide the necessary clarity to ensure consistency by Certification Bodies in application	Delete 9.6
9.6	This new requirement adds additional complexity and confusion to how organizations should establish their credit accounts. It would be difficult for certificate holders and auditors to remain consistent with its application due to subjective interpretations.	Delete this requirement.
9.6	Redundant wording. Creates confusion with respect to 9.5 which is pretty straightforward.	Eliminate this draft clause from the standard.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.6	There are some concerns with this new requirement as it continues to add additional complexity to how organizations should establish their credit accounts. While the clause appears to be improved from the original proposed clause in the first draft, it will continue to be very difficult for auditors and certificate holders to remain consistent with its application which is an ongoing issue throughout FSC certification today. This requirement only adds further opportunities for reduced consistency in auditing and FSC must not introduce more clauses with this amount of subjective interpretation. The best solution here may be for the clause to be removed as opposed to further requirements being created that may add additional complexity.	
9.6	If markets do not exist for all of the distinct output products, (lumber, bark and sawdust in the example given), then requiring assignment of a portion of the certified input group to each output product group could reduce the amount of certified product available for sale. Credits from input product should not be wasted. Credits from input product should be applicable to any output product.	Eliminate new clause
Clause 9.6	We support less complexity when it pertains to the separate product groups per output, as it reduces the amount of added work and does not have a clear and measurable benefit in FSC.	Remove this clause from consideration.
9.6	Requirement is redundant and not necessary. If the company is applying an accurate conversion factors, then theoretically they cannot sell more of a particular product group than is covered by the material inputs.	Remove requirement.
Clause 9.6 and 9.7	KOB: Would it not be better to say clearly that one credit account for each product group must be maintained? Under the assumption that the product groups are correctly defined as required by section 4 of this standard, the clauses 9.6 and 9.7 are not necessary anymore	Say e.g. under 9.4 "one credit account for each product group must be maintained." Delete 9.6 and 9.7
9.7	We are happy to see it emphasised in the standard that credit accounts shall not be established in a way that credits from low quality input materials are exchanged with high quality input materials.	-
9.7	We support the decision to not allow credit accounts to exchange low quality input materials for high quality input materials.	
9.7	We support the decision to not allow credit accounts to exchange low quality input materials for high quality input materials.	
9.7	We support the decision to not allow credit accounts to exchange low quality input materials for high quality input materials.	
9.7	Unclear on what or how to manage this requirement.	Add example of what is meant by this requirement.
9.7	FSC should make an appendix that defines high quality input materials.	Addition of an appendix that outlines high quality input materials for reference.
Clause 9.7	Most of our material inputs are of the highest quality, and are most often downgraded, so having separate accounts or keeping material separate is an added and unnecessary step and creates extra work.	Remove this clause from consideration.
9.7	This clause is not auditable in a consistent manner as 'low quality' and 'high quality' are not easily defined and are subject to interpretation.	Remove clause, it will only create more confusion and inconsistent interpretation.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.7	<p>No Credits from “Low quality input” materials exchanged with “high quality” input materials is too vague.</p> <p>Create a definition that accommodates modern solid wood and paper making methodologies...but see where this leads? Into a rabbit hole. Again, buttressing an observation already made, <u>why make certification so much more complex with an analysis of quality?</u></p> <p>FSC is an organization dedicated to responsible forestry applied on a global scale to global standards with a COC standard that can reliably connect FSC trees with markets interested in third party verified, responsible forestry. Time spent by IC and CBs trying to divine pricing and “value” is fruitless, they should instead become experts in <u>conversion, volume and sensible accounting forensics.</u></p> <p>Where FSC IC should focus its effort and energy is to create a standard that tracks solid wood (cubic meters) by species (sp.) Cubic meter in, cubic meter out (FSC MIX, CW “all in” processing with no batching.)</p> <p>And once this concept of species tracking is firmly established, then begin Roundwood conversion studies around the globe to arrive at an academic understanding of wood conversion fundamentals from weight and other scaling methods, standards (of which in the US alone, there are many).</p> <p>This keeps the cost of certification down on the plant floor and reduces irritation to certificate holders. Also allows certification bodies to just get their heads around volume alone which is challenging enough as it is. This allow allows more time to confirm transactions.</p>	Eliminate this draft clause from the standard.
9.7	This requirement is confusing and does not provide the necessary clarity to ensure consistency by Certification Bodies in application	Delete 9.7
9.7	This requirement is confusing and does not provide the necessary clarity to ensure consistency by Certification Bodies in application	Delete 9.7
9.7	This item is confusing and provides no value to the standard. What is the definition and criteria to determine a low quality input vs high quality input. Does the standard consider certified recycled fiber as low or high quality fiber vs. certified virgin fiber?	Delete 9.7
PART II / 9.7	This new requirement adds additional complexity and confusion to how organizations should establish their credit accounts. It would be difficult for certificate holders and auditors to remain consistent with its application due to subjective interpretations.	Delete this requirement.
9.7	High and Low Quality – requires greater definition than given on page 27 as still seems to be rather subjective.	Please give examples or an annexe?
9.7	Please make a better connection to the next clause	Please add: Exceptional regulation can be used in relation to clause 9.8
9.7	Please set a link between 9.7 and 9.8.	Please add: „[...] input materials are exchanged with high quality input materials. Exceptional Regulation can be used in relation to clause 9.8. ”

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.7	<p>Conversion factors are in place to address the issue of quality. Conversion factors are in place for a products group/ credit account. This accounts for taking low quality inputs and making higher quality outputs. If a company chooses to use higher quality inputs in the same credit account, they “penalize” themselves by virtue of the conversion factor.</p> <p>FSC consistently misunderstand “quality” in terms of inputs and how they relate to credit accounts. This should be reviewed.</p> <p>Credit accounts should be specific to site; species; and product type. Conversion factors address quality issues.</p> <p>“Quality” is far too vague and open to interpretation to be useful.</p>	
Part II Section 9 Clause 9.7	The definition of what are low and high quality materials is subjective and do not correct the problem. Suggest change the wording, maintaining the idea of separated credit accounts for inputs with different characteristics.	Change the wording of item 9.7, as stated below: 9.7 The organization shall stablish separate credit accounts to inputs with different characteristics.
Part II Section 9 Clause 9.7	The definition of what are low and high quality materials is subjective and do not correct the problem. Suggest change the wording, maintaining the idea of separated credit accounts for inputs with different characteristics.	Change the wording of item 9.7, as stated below: 9.7 The organization shall stablish separate credit accounts to inputs with different characteristics.
Part II Section 9 Clause 9.7	The definition of what are low and high quality materials is subjective and do not correct the problem. Suggest change the wording, maintaining the idea of separated credit accounts for inputs with different characteristics.	Change the wording of item 9.7, as stated below: 9.7 The organization shall stablish separate credit accounts to inputs with different characteristics.
Part II Section 9 Clause 9.7	The definition of what are low and high quality materials is subjective and do not correct the problem. Suggest change the wording, maintaining the idea of separated credit accounts for inputs with different characteristics.	Change the wording of item 9.7, as stated below: 9.7 The organization shall stablish separate credit accounts to inputs with different characteristics.
Part II Section 9 Clause 9.7	The definition of what are low and high quality materials is subjective and do not correct the problem. Suggest change the wording, maintaining the idea of separated credit accounts for inputs with different characteristics.	Change the wording of item 9.7, as stated below: 9.7 The organization shall stablish separate credit accounts to inputs with different characteristics.
Part II Section 9 Clause 9.7	The definition of what are low and high quality materials is subjective and do not correct the problem. Suggest change the wording, maintaining the idea of separated credit accounts for inputs with different characteristics.	Change the wording of item 9.7, as stated below: 9.7 The organization shall stablish separate credit accounts to inputs with different characteristics.
Part II Section 9 Clause 9.7	The definition of what are low and high quality materials is subjective and do not correct the problem. Suggest change the wording, maintaining the idea of separated credit accounts for inputs with different characteristics.	Change the wording of item 9.7, as stated below: 9.7 The organization shall stablish separate credit accounts to inputs with different characteristics.
9.7-9.8	If an organization (9.7) can not shift credit from low quality input to high quality input, how can the standard allow accounts made only of controlled wood input (9.8), that means using credits (see fig, 8) from low quality inputs?	
9.7-9.8	“low quality” and “high quality” are not auditable terms	
9.7 and 9.8	These two sections are not clear, need additional information and/or an intent box.	Add additional explanation or an intent box.
9.8	This will limit growth of FSC in the solid wood markets with no credibility benefit to the system Availability of raw materials is still a critical system issue and this further compounds it.	Delete 9.8

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.8.	This wording implied the risk, that especially the wood parts which come more likely from suspicious sources (i.e. tropical timber) would be just FSC CW certified instead of the high standard of FSC 100%. The parts which are anyway easy to procure as FSC timber, i.e. softwood, would probably contribute to the safe 70%. These problems will certainly occur with decking and all kind of veneer furniture	For assembled wood product groups made of inputs of different quality, the high quality and most visible components and the product characterizing parts must be FSC certified.
Parte II Sessão 9 Cláusula 9.8	Change the term “quality” to “product characteristics”. And exclude the part related to low and high quality does not affect the intention of this requirement.	9.8 For assembled wood product groups made of inputs of different characteristics, and where the high quality components are FSC Controlled Wood , the organization shall ensure that the FSC Controlled Wood material does not represent more than 30% of the product composition.
Parte II Sessão 9 Cláusula 9.8	Change the term “quality” to “product characteristics”. And exclude the part related to low and high quality does not affect the intention of this requirement.	9.8 For assembled wood product groups made of inputs of different characteristics, and where the high quality components are FSC Controlled Wood , the organization shall ensure that the FSC Controlled Wood material does not represent more than 30% of the product composition.
Parte II Sessão 9 Cláusula 9.8	Change the term “quality” to “product characteristics”. And exclude the part related to low and high quality does not affect the intention of this requirement.	9.8 For assembled wood product groups made of inputs of different characteristics, and where the high quality components are FSC Controlled Wood , the organization shall ensure that the FSC Controlled Wood material does not represent more than 30% of the product composition.
Parte II Sessão 9 Cláusula 9.8	Change the term “quality” to “product characteristics”. And exclude the part related to low and high quality does not affect the intention of this requirement.	9.8 For assembled wood product groups made of inputs of different characteristics, and where the high quality components are FSC Controlled Wood , the organization shall ensure that the FSC Controlled Wood material does not represent more than 30% of the product composition.
Parte II Sessão 9 Cláusula 9.8	Change the term “quality” to “product characteristics”. And exclude the part related to low and high quality does not affect the intention of this requirement.	9.8 For assembled wood product groups made of inputs of different characteristics, and where the high quality components are FSC Controlled Wood , the organization shall ensure that the FSC Controlled Wood material does not represent more than 30% of the product composition.
Parte II Sessão 9 Cláusula 9.8	Change the term “quality” to “product characteristics”. And exclude the part related to low and high quality does not affect the intention of this requirement.	9.8 For assembled wood product groups made of inputs of different characteristics, and where the high quality components are FSC Controlled Wood , the organization shall ensure that the FSC Controlled Wood material does not represent more than 30% of the product composition.
Parte II Sessão 9 Cláusula 9.8	Change the term “quality” to “product characteristics”. And exclude the part related to low and high quality does not affect the intention of this requirement.	9.8 For assembled wood product groups made of inputs of different characteristics, the organization shall ensure that the FSC Controlled Wood material does not represent more than 30% of the product composition.
Clause 9.8	KOB: It will be difficult do exactly determine when this clause apply (high quality components are of controlled wood) and when not. This might be easy for parquet with high value tropical timber, but there will be a lot of assembled products higher value and lower value components which are of controlled wood or certified and therefore this clause will raise just a lot of questions.	Delete, find other approach.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.8 –	Credit System – Controlled wood % maximum threshold: The FSC Controlled Wood material should not represent more than 30% of the product composition.	This statement is inconsistent with the fundamental principle of the credit system, which is set-up to allow for accumulation of legitimately acquired credits into an account corresponding to a product group, in order for the certificate holder to satisfy demands of customers for specific products from this group , regardless of the actual precise fibrous composition of the paper produced.
9.8.	This wording implied the risk, that especially the wood parts which come more likely from suspicious sources (i.e. tropical timber) would be just FSC CW certified instead of the high standard of FSC 100%. The parts which are anyway easy to procure as FSC timber, i.e. softwood, would probably contribute to the safe 70%. These problems will certainly occur with decking and all kind of veneer furniture	For assembled wood product groups made of inputs of different quality, the high quality and most visible components and the product characterizing parts must be FSC certified.
9.8.	This wording implied the risk, that especially the wood parts which come more likely from suspicious sources (i.e. tropical timber) would be just FSC CW certified instead of the high standard of FSC 100%. The parts which are anyway easy to procure as FSC timber, i.e. softwood, would probably contribute to the safe 70%. These problems will certainly occur with decking and all kind of veneer furniture	For assembled wood product groups made of inputs of different quality, the high quality and most visible components and the product characterizing parts must be FSC certified.
9.8	Overall the new proposal for assembled wood products and it's alignment with the percentage system is likely supportable for many stakeholders. The proposal would mean that assembled wood products made of different quality of inputs would not necessarily need a different credit account for each input, but only when a high quality component makes up more than 30% of the product composition. This appears to be a supportable compromise and helps to ensure alignment across both the credit and percentage system. However, as has been described in the analysis above, determining 'high quality' is not auditable on a consistent basis by certification bodies and therefore this term should be removed. This would simply require components that make up more than 30% of the product to maintain a credit account.	Maintain the approach and remove the term "high-quality" as it is not auditable.
9.8	<p>"For assembled wood product groups made of inputs of different quality, and where the high quality components are FSC Controlled Wood, the organization shall ensure that the FSC Controlled Wood material does not represent more than 30% of the product composition."</p> <p>This is a disadvantage for plywood.</p> <p>The term quality still is unlucky.</p>	Rephrase.
9.8	<p>"For assembled wood product groups made of inputs of different quality, and where the high quality components are FSC Controlled Wood, the organization shall ensure that the FSC Controlled Wood material does not represent more than 30% of the product composition."</p> <p>This is a disadvantage for plywood.</p>	Rephrase.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	The term quality still is unlucky.	
9.8	<p>“For assembled wood product groups made of inputs of different quality, and where the high quality components are FSC Controlled Wood, the organization shall ensure that the FSC Controlled Wood material does not represent more than 30% of the product composition.”</p> <p>This is a disadvantage for plywood.</p> <p>The term quality still is unlucky.</p>	Rephrase.
9.8	<p>“For assembled wood product groups made of inputs of different quality, and where the high quality components are FSC Controlled Wood, the organization shall ensure that the FSC Controlled Wood material does not represent more than 30% of the product composition.”</p> <p>This is a disadvantage for plywood.</p> <p>The term quality still is unlucky.</p>	Rephrase.
9.8	It is not clear, what is considered as “assembled wood products” by FSC. How are “high quality components” defined?	A clearer and more delineated definition of what is understood by “assembled wood products” and “high quality components” should be included in the new version.
9.8	Clarification is needed on whether the criteria would go for the actual individual physical product or for the product group as such. Also an example is needed.	
9.8	Clarification is needed on whether the criteria would go for the actual individual physical product or for the product group as such. Also an example is needed.	
9.8	Clarification is needed on whether the criteria would go for the actual individual physical product or for the product group as such. Also an example is needed.	
9.8	We are in support of the requirements of this clause.	
9.9	We are in support of the requirements of this clause.	
9.8	<p>Provided the company has sufficient credits available, there should be no restriction on the amount of FSC cert material in a product.</p> <p>This requirement should be deleted. Credit accounts must simply be sufficient to cover claims, period.</p>	
9.9	We are very supportive of the 24 month credit period.	
9.9	<p>The terminology around credit aging have always been very complicated.</p> <p>There is no need to spell out how to make the calculation. Let individual companies figure out how to best track the balance.</p> <p>Simply state that unused credits expire after x # of months; and that credit accounts must always maintain a positive balance.</p> <p>Extending the lifespan of credits from 12 to 24 months will be good, but only if companies have full access to Controlled Wood. If there is no Controlled Wood, then credit lifespan will be irrelevant.</p>	<p>Change the wording to be, “unused credits expire after 24 months”.</p> <p>Credit accounts must always maintain a positive balance.</p>
Clause 9.9	KOB: What is meant by the “sum of new credit”? Is it the monthly input minus output to the account but only if positive?	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.9	The requirement to limit accumulation of credits has always confused CHs. They often just calculate the sum of credits and simply drop any from their balance that exceed that. However, that means that they are losing credits they are allowed to keep.	Provide an illustrative figure of this requirement.
9.9	24 months of credit is considered as too little for some companies where wood is stored for a long time –eg. for drying. All of these credits defacto falls out of the FSC system and gets sold as PEFC.	Add following to the criteria: “If the organization has justified cause why twenty four (24) months is not sufficient and can provide evidence of this to the certification body, the credit period can be prolonged up to 60 months.”
9.9	24 months of credit is considered as too little for some companies where wood is stored for a long time –eg. for drying. All of these credits defacto falls out of the FSC system and gets sold as PEFC.	Add following to the criteria: “If the organization has justified cause why twenty four (24) months is not sufficient and can provide evidence of this to the certification body, the credit period can be prolonged up to 60 months.” And can the working group please explain the move from 60 to 24 has been proposed. Why is 60 month giving a higher risk than 24?
9.9	24 months of credit is considered as too little for some companies where wood is stored for a long time –eg. for drying. All of these credits defacto falls out of the FSC system and gets sold as PEFC.	Add following to the criteria: “If the organization has justified cause why twenty four (24) months is not sufficient and can provide evidence of this to the certification body, the credit period can be prolonged up to 60 months.”
9.9	<p>We started at 5 years which makes a lot of sense when one thinks of the nature of the legal agreements with certification bodies (five years long.) The comment process came back at 2 years which seems arbitrary.</p> <p>For primary solid wood manufacturers (and paper companies) the goal is to have the FSC fiber one can count on with which to make long term sourcing agreements.</p> <p>While I have not done a formal study on this, I believe a great majority of volume on commercially traded FSC product comes from large volume, VMI, EDI transactions on some type of ERP systems.</p> <p>It is a major commitment to change a SKU that is otherwise identical to normal production, but sold as FSC MIX with FSC labelling.</p> <p>In providing a golden, green path to market for FSC timberland owners and managers, we should make accounting for FSC volume as flexible as we can, while working with ASI on transparent ways to test the efficacies of these changes.</p> <p>One only has to look at the slowing rate of growth in forest management and COC to see something has to change or give to accelerate uptake of 3rd party certified responsible forestry.</p> <p>The concept of FSC itself has now advanced to middle age on the woodland and primary side of the business. It is no longer bright and shiny, even as it remains mysterious to most consumers what FSC is.</p>	Extend the holding period to 36 months realizing 60 is not likely to be accepted by the environmental chamber.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.9	The life of a credit should be extended to 5 years as the original standard had stated. This extension of credit is highly important for virgin fiber as forestland takes a long time to certify and is difficult to certify quickly. This has caused issues on the supply side of things where customers want fiber but do not understand the time it actually takes to get forestland certified. Allowing this extension beyond two years enables that benefit to be extended to small sourcing commitments even when no market is present and allows that additional time for companies to do the right thing and commit to certified purchases.	Leave the credit life at 5 years as the original draft had stated.
9.9	We all realize that there is a deficit of certified fibre offer vis-a-vis demand. Once the wood is coming from a certified forest, it is not understandable that it “loses” its certification status after 24 months, when entering a mill that works according to the volume credit system and has a credit control system perfectly implemented. Maintaining the initial proposal of the first draft of 60 months will bring more offer of certified fibre to the market (and more FSC products) and will pay justice to its origin.	Replace 24 by 60: 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 twenty four sixty (24 60) months. The FSC credit that exceeds the sum of credits entered into the account within the previous twenty four sixty (24 60) months period shall be deducted from the credit account at the start of the following month.
9.9	We strongly support the extension of the 24 months period to 60 month period	The organization [...] the previous sixty (60) months. The FSC credit [...] previous sixty (60) months [...]
9.9 Clause	<ul style="list-style-type: none"> In the FSC Scheme, sometimes “wood” is considered in an extensive way and paper products are included too (e.g. Controlled Wood). 	<ul style="list-style-type: none"> The revised Clause should stress more that assembled wood product groups do not relate to paper products.
9.9 Clause	<ul style="list-style-type: none"> In the FSC Scheme, sometimes “wood” is considered in an extensive way and paper products are included too (e.g. Controlled Wood). 	<ul style="list-style-type: none"> The revised Clause should stress more that assembled wood product groups do not relate to paper products.
9.9 Clause	<ul style="list-style-type: none"> In the FSC Scheme, sometimes “wood” is considered in an extensive way and paper products are included too (e.g. Controlled Wood). 	<ul style="list-style-type: none"> The revised Clause should stress more that assembled wood product groups do not relate to paper products.
9.9	Credit system – Periods and reconciliations: The FSC credits that exceed the sum of credits entered into the account shall be deducted at the start of the following month: what is the rationale for reconciling this information every month ?	An annual periodicity for this operation looks enough with regard to the low risk associated, especially with the fact that the recognition period was increased to 24 months
9.9	We support extension of credit validity to 24 months, as it will contribute to effective use of credit and mainstreaming FSC.	
9.9	the available credit is the sum of new FSC credit from last 24 months deducted by the sale of FSC credit for 24 months; it is written in 9.10 but not clear for the available credit in 9.9;	the available credit is the sum of new FSC credit from last 24 months deducted by the sale of FSC credit for 24 months
9.9	As FSC credit is maintained with great effort and cost, it should be used without waste. We are in support of the decision to extend the validity of the credit to 24 months.	We request that validity of credit will not be shortened from 24 months.
9.9	A positive add vs. Current 12 month period and more reasonable vs. The Draft 1 proposal of 5 years.	
Credit System 9.9	Supportive of allowing 24 months accumulation of credit.	No change proposed.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.9	Based on the favourable comments in the previous draft of 5 year credit account, I am surprised to see this change. Maybe a 3 year credit account is justifiable.	36 Months
Part 2, Clause 9.9, Page 20	This would be a nice addition to the CoC standard. It would be a lot more beneficial if the time was moved to 5 years, instead of the current 12 months or proposed 24 months.	Allow credits to last 5 years
9.9 of FSC-STD-40-004 V3-0 D2-0	We support a 24-month-long period for accumulation of credits.	None. We appreciate the proposed change.
9.9 Credit System	It should become clear for the certificate holder when the new 24 month period starts for the first time (e.g. implementation of the new standard?) and what happens to all credits already existing at that moment.	
9.9 Credit System	It should become clear for the certificate holder when the new 24 month period starts for the first time (e.g. implementation of the new standard?) and what happens to all credits already existing at that moment.	
9.9 Credit System	It should become clear for the certificate holder when the new 24 month period starts for the first time (e.g. implementation of the new standard?) and what happens to all credits already existing at that moment.	
9.9 Credit System	It should become clear for the certificate holder when the new 24 month period starts for the first time (e.g. implementation of the new standard?) and what happens to all credits already existing at that moment.	
9.9 Credit System	It should become clear for the certificate holder when the new 24 month period starts for the first time (e.g. implementation of the new standard?) and what happens to all credits already existing at that moment.	
9.9 Credit System	It should become clear for the certificate holder when the new 24 month period starts for the first time (e.g. implementation of the new standard?) and what happens to all credits already existing at that moment.	
9.9	Our position is that the maximum accumulation period for credit accounts should be directly tied to overall records retention limits. The accumulation period and records retention requirements must be harmonized. It is inconsistent and irrational to suggest that 5 years of records are required to verify traceability, but those same documents cannot be relied upon to the accuracy of accumulated inputs and outputs. The surveillance audit program ensures a minimum of monthly an annual inspection and verification of the records accuracy.	We recommend that the accumulation period in this clause be harmonized throughout the standard, with the records retention period specified in clause 5.1. We recommend the accumulation period be extended to a minimum of 36 months (3 years), with a corresponding modification made to the records retention limit.
Parte II Sessão 9 Cláusula 9.9	The credit validity should be equivalent to the certificate validity, in other words, 60 months. Does not make sense to lose credits that were generated within an audit cycle. We understand the reason in limit the credit validity to situations where the organization has its certificate suspended or terminated, otherwise, we do not see a reason for credit validity. Beyond this, 43 of the 61 comments received about this question in 1st public consultation were in favor of 60 months and only 11 were	Add the following note: NOTE: The sixty (60) months valid is only applied if the certificate in instance is terminated or suspended within this period. In case where the certificate is continually valid, the credits do not have a validity.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	against. FSC needs to present clearer, convincing and technically grounded reasons to go against the addressing defined by its members.	
Parte II Sessão 9 Cláusula 9.9	The credit validity should be equivalent to the certificate validity, in other words, 60 months. Does not make sense to lose credits that were generated within an audit cycle. We understand the reason in limit the credit validity to situations where the organization has its certificate suspended or terminated, otherwise, we do not see a reason for credit validity. Beyond this, 43 of the 61 comments received about this question in 1st public consultation were in favor of 60 months and only 11 were against. FSC needs to present clearer, convincing and technically grounded reasons to go against the addressing defined by its members.	Add the following note: NOTE: The sixty (60) months valid is only applied if the certificate in instance is terminated or suspended within this period. In case where the certificate is continually valid, the credits do not have a validity.
Parte II Sessão 9 Cláusula 9.9	The credit validity should be equivalent to the certificate validity, in other words, 60 months. Does not make sense to lose credits that were generated within an audit cycle. We understand the reason in limit the credit validity to situations where the organization has its certificate suspended or terminated, otherwise, we do not see a reason for credit validity. Beyond this, 43 of the 61 comments received about this question in 1st public consultation were in favor of 60 months and only 11 were against. FSC needs to present clearer, convincing and technically grounded reasons to go against the addressing defined by its members.	Add the following note: NOTE: The sixty (60) months valid is only applied if the certificate in instance is terminated or suspended within this period. In case where the certificate is continually valid, the credits do not have a validity.
Parte II Sessão 9 Cláusula 9.9	The credit validity should be equivalent to the certificate validity, in other words, 60 months. Does not make sense to lose credits that were generated within an audit cycle. We understand the reason in limit the credit validity to situations where the organization has its certificate suspended or terminated, otherwise, we do not see a reason for credit validity. Beyond this, 43 of the 61 comments received about this question in 1st public consultation were in favor of 60 months and only 11 were against. FSC needs to present clearer, convincing and technically grounded reasons to go against the addressing defined by its members.	Add the following note: NOTE: The sixty (60) months valid is only applied if the certificate in instance is terminated or suspended within this period. In case where the certificate is continually valid, the credits do not have a validity.
Parte II Sessão 9 Cláusula 9.9	The credit validity should be equivalent to the certificate validity, in other words, 60 months. Does not make sense to lose credits that were generated within an audit cycle. We understand the reason in limit the credit validity to situations where the organization has its certificate suspended or terminated, otherwise, we do not see a reason for credit validity. Beyond this, 43 of the 61 comments received about this question in 1st public consultation were in favor of 60 months and only 11 were against. FSC needs to present clearer, convincing and technically grounded reasons to go against the addressing defined by its members.	Add the following note: NOTE: The sixty (60) months valid is only applied if the certificate in instance is terminated or suspended within this period. In case where the certificate is continually valid, the credits do not have a validity.
Parte II Sessão 9 Cláusula 9.9	The credit validity should be equivalent to the certificate validity, in other words, 60 months. Does not make sense to lose credits that were generated within an audit cycle. We understand the reason in limit the credit validity to situations where the organization has its certificate suspended or terminated, otherwise, we do not see a reason for credit validity.	Add the following note: NOTE: The sixty (60) months valid is only applied if the certificate in instance is terminated or suspended within this period. In case where the certificate is continually valid, the credits do not have a validity.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Beyond this, 43 of the 61 comments received about this question in 1st public consultation were in favor of 60 months and only 11 were against. FSC needs to present clearer, convincing and technically grounded reasons to go against the addressing defined by its members.	
PART II / 9.9	The expiration of credits should be set back to the originally proposed (60) months. Acquisition and manufacturing of FSC fiber from the forest to product can be a long and arduous process. FSC should support efforts of organizations to realize benefit from this hard work rather than allowing these credits to expire.	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. The FSC credit that exceeds the sum of credits entered into the account within the previous sixty (60) months period shall be deducted from the credit account at the start of the following month.
9.9 Clause	<ul style="list-style-type: none"> In the FSC Scheme, sometimes “wood” is considered in an extensive way and paper products are included too (e.g. Controlled Wood). 	<ul style="list-style-type: none"> The revised Clause should stress more that assembled wood product groups do not relate to paper products.
PART II: Universal Requirements, 9.9. Credit system:, p 20	FFIF supports a 24-month-long period for accumulation of credits.	
PART II: Universal Requirements, 9.9. Credit system:, p 20	SEWSF supports a 24-month-long period for accumulation of credits.	
PART II: Universal Requirements, 9.9. Credit system:, p 20	Metsä Group supports a 24-month-long period for accumulation of credits.	
PART II: Universal Requirements, 9.9. Credit system:, p 20	UPM welcomes 24-month-long period for accumulation of credits.	
9.9	It is a positive step to go to 24 months for expiring credits. I do not see an issue with allowing them to go to 60 months. This is aligned with the 60 month record retention requirement in the standard. If the accounting is correct and audited by a CB there is no risk.	Change 24 months to 60 months
9.9	We support FSC’s proposal for a 24 month period for maximum credit accumulation.	
Clause 9.9	NEPCon recommendation is to leave it to 12 months as in the old standard. We have seen cases where this rule worked very well and forced large forest manager to get certification back sooner.	
9.9	We support the extended period for FSC credit accumulation.	We support the extended period for FSC credit accumulation.
9.10	Withdrawing credits now limited to the sale rather than to the sale or labelling of products. All of our products that carry FSC on-	Keep this requirement similar to the current 9.4.1 requirement.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	product labels are sold with the FSC claim and thus the credits are deducted from the credit account based on the quantity of labelled products.	
9.10	Recommend rephrasing	Following the sale of products with FSC credit claims, the organization shall withdraw the respective credits from the relevant credit account(s).
9.10	Is too important withdraw credits when the company apply FSC Label on the product (what happens first), It avoids a risk of a stock with labeled products and a credit account without credit.	For the sale of or labelling products with FSC credit claims, the organization shall withdraw the respective credits from the relevant credit account(s).
9.11	See comments on 9.4. Monthly reconciliation does not make this reasonable.	
Clause 9.12	KOB: Why do we need this clause? 9.11 is sufficiently clear?	delete
9.12	Is downgrading of a claim allowed, ala 7.5.table A?	
9.12 Clause	<ul style="list-style-type: none"> Clause 9.12 seems not adding any additional requirement. 	<ul style="list-style-type: none"> If it does not add information/new requirements, Clause 9.12 should be removed.
9.12 Clause	<ul style="list-style-type: none"> Clause 9.12 seems not adding any additional requirement. 	<ul style="list-style-type: none"> If it does not add information/new requirements, Clause 9.12 should be removed.
9.12 Clause	<ul style="list-style-type: none"> Clause 9.12 seems not adding any additional requirement. 	<ul style="list-style-type: none"> If it does not add information/new requirements, Clause 9.12 should be removed.
9.12 Clause	<ul style="list-style-type: none"> Clause 9.12 seems not adding any additional requirement. 	<ul style="list-style-type: none"> If it does not add information/new requirements, Clause 9.12 should be removed.
9.12	<p>As I understand, from the D2-0, no flexibility is allowed for claim period but to fix it to one month (as specified in 9.4).</p> <p>So unlike 7.3 for transfer system and 8.2 for percentage system, there is now no clause on specifying claim period or job order in credit system</p> <p>So wording in 9.12 now seems inconsistent.</p> <p>Current wording: The organization may sell the total output of <u>a claim period or job order</u> 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>New wording: The organization may sell the total output 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>
9.12	In Section 9, there's no explicit clause establishing option of using claim periods or job orders. However, 9.12 refers to these options.	Add a clause similar to section 8.2.
9.12	It is not logical to have 9.12 after 9.10 and 9.11	Move 9.12 to before 9.10
9.12	A quite complicated sentence?	Try to just say: You cannot sell more that you have bought

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
9.13	Under the credit system, the portion of the output quantity that has not been sold as FSC Mix Credit material may be sold as FSC Controlled Wood. However, the portion of the output quantity that has not been sold as FSC Recycled Credit material may not be sold as FSC Controlled Wood?? That means, such portion, having the same input quality and material as the portion that has been sold as FSC Recycled Credit, must be sold as non-FSC, non-verified material and that the buyers must conduct suppliers audit program based on 40-007 for the same material? This does not make sense. In case FSC argues such portion should not be sold as FSC Controlled Wood because those products do not meet FSC Controlled wood requirements (according to FSC-STD-40-005), then FSC should introduce a new category to indicate that the material is originated in reclaimed material and has been verified.	Under the credit system, the portion of the output quantity that has not been sold as FSC Recycled Credit material must be sold as FSC Controlled Wood. If the category “FSC Controlled Wood” is not suitable to be used, then a new category (e.g. FSC Controlled Reclaimed) should be introduced to indicate that the material is originated in reclaimed material and has been verified.)
9.13	It is not possible to have a FSC CW credit account?! FSC CW is a DDS / routines and methods to avoid controversial sources.	Remove ...,on the basis of a corresponding FSC CW credit account.
9.13	The term “credit” does not apply to CW material. Claims are accumulated from claim-contributing inputs, and CW is not considered a claim-contributing input. Therefore, having a “credit account” for CW material is confusing and not accurate.	Strike out “on the basis of a corresponding FSC Controlled Wood credit account” and add to the second sentence “and the quantities shall be tracked according to section 5.2”.
9.13	Why has the equivalent clause in the percentage system been removed?	Add a similar clause (but see comment above) to section 8.
9.13	Alternatively to the two above comments, this clause now seems redundant given clause 6.7. Most material (other than FSC Recycled) can be downgraded at any time to FSC CW, so why make a particular point of it in the credit system section? If this is for the “corresponding credit account” see comment above regarding the fact that a “credit” account is not applicable to CW.	Remove 9.13 entirely.
9.13	Missing word	COC certificate <u>as detailed in</u> FSC-STD-40-005
9.13	Is this the case as FSC Mix credit may contain reclaimed material which will not meet Controlled Wood Requirements i.e. you cannot downgrade FSC Mix Credit to CW	Clarification needed
9.13 Credit System	“The organization may supply the portion of the output quantity that has not been sold as FSC Mix Credit material as FSC Controlled Wood, on the basis of a corresponding FSC Controlled Wood credit account.” There is no such thing as a “CW credit account”. The entire regulation 9.13 does not make any sense as there can not be sold more material than existing at all.	Delete 9.13
9.13 Credit System	“ <i>The organization may supply the portion of the output quantity that has not been sold as FSC Mix Credit material as FSC Controlled Wood, on the basis of a corresponding FSC Controlled Wood credit account.</i> ” There is no such thing as a “CW credit account”. The entire regulation 9.13 does not make any sense as there can not be sold more material than existing at all.	Delete 9.13
9.13 Credit System	“ <i>The organization may supply the portion of the output quantity that has not been sold as FSC Mix Credit material as FSC Controlled Wood, on the basis of a corresponding FSC Controlled Wood credit account.</i> ”	Delete 9.13

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	There is no such thing as a "CW credit account". The entire regulation 9.13 does not make any sense as there can not be sold more material than existing at all.	
9.13	Reference to the "CW credit account" is illogical and unnecessary	Remove
9.13	The term "FSC Controlled Wood Account" make me confuse. Will be a count for this claim to?	Instead of driving to the norm 40-005, the requirements of FSC CW sales could be here (check if the client is certified, include the CW code on the invoice and not label the product with the FSC trademark)
9.13	I do not understand the last sentence. Sales of controlled wood are regulated in this standard.	Remove
9.13	For organizations that do not buy any uncontrolled inputs, a Controlled Wood credit account should not be required.	Add: "If an organization can establish that it buys only FSC-certified material, or FSC Controlled Wood material, an FSC Controlled Wood credit account is not required."
9.13	Why? Why would anyone want to do this?	
9.13	What is a controlled wood credit account?	Never discussed prior to this point. Why is this required? Waste of time and energy and not further discussed or addressed in this standard. If you want to add this requirement you need to define the rules for having a Controlled wood credit account. This does not appear to provide any added benefit, only an added tracking cost to certificate holders.
9.13	Why should the organisation have a separate FSC CW credit account? Every material in the credit system what is not sold as FSC mix credit is FSC CW. That is only additional documentation without benefit!	Please delete the FSC CW credit account.
9.13	A "corresponding FSC CW credit account" does not make any sense. It is always the rest of the material/products which can be sold with FSC CW claim.	Delete on the basis of a corresponding FSC Controlled Wood credit account in 9.13
9.13 Credit System	<i>"The organization may supply the portion of the output quantity that has not been sold as FSC Mix Credit material as FSC Controlled Wood, on the basis of a corresponding FSC Controlled Wood credit account."</i> There is no such thing as a "CW credit account". The entire regulation 9.13 does not make any sense as there can not be sold more material than existing at all.	Delete 9.13
9.13 Credit System	<i>"The organization may supply the portion of the output quantity that has not been sold as FSC Mix Credit material as FSC Controlled Wood, on the basis of a corresponding FSC Controlled Wood credit account."</i> There is no such thing as a "CW credit account". The entire regulation 9.13 does not make any sense as there can not be sold more material than existing at all.	Delete 9.13
9.13 Credit System	<i>"The organization may supply the portion of the output quantity that has not been sold as FSC Mix Credit material as FSC Controlled Wood, on the basis of a corresponding FSC Controlled Wood credit account."</i>	Delete 9.13

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	There is no such thing as a “CW credit account”. The entire regulation 9.13 does not make any sense as there can not be sold more material than existing at all.	
Ch 10 Labelling requirements	Companies call for a simplification of the rules for trademark use. Most construction companies (i.e. BAM Group) make very limited use of FSC logo’s and marketing materials offline or online, even though the new marketing toolkit is appealing. B&C companies and FSC NL are prepared to help FSC International develop a more tailor-made (trademark) standard.	
Section 10	Will there be reference made to any claims made in anything except English?	
Part III	It seems excessive and out of line with the rest of the standard to have a whole “Part” dedicated to a half-page about labelling. This is especially true since not all organizations label.	Move this Part to a section under Part IV.
Part III Section 10	<p>We do not agree in considering pre-consumer reclaimed paper as equivalent to FSC certified and post-consumer reclaimed materials. FSC recently published FSC Advice Note on pre-consumer reclaimed wood (ADVICE-40-004-13) meaning that CoC certificate holders may now classify pre-consumer reclaimed paper materials as equivalent to FSC certified and post-consumer reclaimed materials for the purpose of determining the FSC Mix or FSC Recycled output claims for products controlled under the percentage or credit system.</p> <p>We would like to express our concerns on such approach, and suggest that it should be object of a much comprehensive analysis as to verify if all the proposed control mechanisms are sufficient as to guarantee that a given CH supplying certified paper produced with certified virgin fiber will not be subject to unfair competition.</p>	
Part III - 10	I suggest enter this topic removed from the FSC-STD-50001 standard, as many companies forget to keep the labeling accordingly.	<p>Agreements between labeling organizations</p> <p>4.5 If two organizations (both certified) conclude an agreement where the supplier affixes labels to the buyer of the license code, the following conditions must be met:</p> <p>a) Both parties should inform their certification body in writing about the agreement. The report should define what certifier is responsible for approving the seals on the product.</p> <p>b) The certification body chosen is responsible for ensuring that the buyer's code to be used only on products that are supplied to that buyer.</p> <p>c) The supplier shall keep data relating to the use of buyer's labels separately or easily available for the evaluation of the certification body.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		Organizations are not required to have a direct relationship with the customer, but any other company in the supply chain must bear a certificate of FSC chain of custody. FSC-STD-50-001 (V1-2) PT
10.1	FSC should allow for the grandfathering of properly manufactured products for labelling until normal inventory consumption cycles have passed. Too much effort and cost is involved in procuring FSC fiber to allow it to be wasted due to an arbitrary date.	
10.1	Reduction of the labelling threshold of FSC Recycled wood products from 85% to 70% is welcome, in terms of simplicity.	--
10.1	We are strictly against an equalization of post- and pre-consumer recycling especially at FSC. One of the great advantages of FSC-Recycled paper had been that their core parts consist out of materials which already pass through the life cycle. Pre-consumer recycling fibers are high valued goods, which are traded on international markets. They would definitely not blended with post-consumer recycled fibers because they are actually two different kind of goods. We know definitely, that if there is supply shortage on recycling fibers that pre-consumer fibers can be and will be especially “produced”. Thus paper mills will be practically able to produce FSC fibers which do not come from FSC certified forest. Furthermore FSC Recycled paper would carry the risk to contain mixed tropical hardwoods fibers from unsustainable and also illegal cut forest and no proof will be necessary to exclude these risky fibers from paper products which are FSC labeled.	
10.1 Clause	<ul style="list-style-type: none"> Considering pre-consumer reclaimed materials as claim contributing materials, in combination with “FSC Mix” definition and/or downgrading possibilities, will not ensure anymore that at least some inputs (at least 70% in case of labelling) come from certified material. 	<ul style="list-style-type: none"> Pre-consumer reclaimed materials should be considered as claim-contributing only when FSC Recycled label is to be applied.
10.1 Clause	<ul style="list-style-type: none"> Considering pre-consumer reclaimed materials as claim contributing materials, in combination with “FSC Mix” definition and/or downgrading possibilities, will not ensure anymore that at least some inputs (at least 70% in case of labelling) come from certified material. 	<ul style="list-style-type: none"> Pre-consumer reclaimed materials should be considered as claim-contributing only when FSC Recycled label is to be applied.
10.1 Clause	<ul style="list-style-type: none"> Considering pre-consumer reclaimed materials as claim contributing materials, in combination with “FSC Mix” definition and/or downgrading possibilities, will not ensure anymore that at least some inputs (at least 70% in case of labelling) come from certified material. 	<ul style="list-style-type: none"> Pre-consumer reclaimed materials should be considered as claim-contributing only when FSC Recycled label is to be applied.
10.1 Clause	<ul style="list-style-type: none"> Considering pre-consumer reclaimed materials as claim contributing materials, in combination with “FSC Mix” definition and/or downgrading possibilities, will not ensure anymore that at least some inputs (at least 70% in case of labelling) come from certified material. 	<ul style="list-style-type: none"> Pre-consumer reclaimed materials should be considered as claim-contributing only when FSC Recycled label is to be applied.
10.1	We appreciate that pre-consumer rec. paper is accepted as creditable input. Anyway this is a bit hidden in the document.	A table with all possible claims and their status (how the material is creditable) would be helpful.
10.1	We are strictly against an equalization of post- and pre-consumer recycling especially at FSC. One of the great advantages of FSC-	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Recycled paper had been that their core parts consist out of materials which already pass through the life cycle. Pre-consumer recycling fibers are high valued goods, which are traded on international markets. They would definitely not blended with post-consumer recycled fibers because they are actually two different kind of goods. We know definitely, that if there is supply shortage on recycling fibers that pre-consumer fibers can be and will be especially “produced”. Thus paper mills will be practically able to produce FSC fibers which do not come from FSC certified forest. Furthermore FSC Recycled paper would carry the risk to contain mixed tropical hardwoods fibers from unsustainable and also illegal cut forest and no proof will be necessary to exclude these risky fibers from paper products which are FSC labeled.	
10.1	We are strictly against an equalization of post- and pre-consumer recycling especially at FSC. One of the great advantages of FSC-Recycled paper had been that their core parts consist out of materials which already pass through the life cycle. Pre-consumer recycling fibers are high valued goods, which are traded on international markets. They would definitely not blended with post-consumer recycled fibers because they are actually two different kind of goods. We know definitely, that if there is supply shortage on recycling fibers that pre-consumer fibers can be and will be especially “produced”. Thus paper mills will be practically able to produce FSC fibers which do not come from FSC certified forest. Furthermore FSC Recycled paper would carry the risk to contain mixed tropical hardwoods fibers from unsustainable and also illegal cut forest and no proof will be necessary to exclude these risky fibers from paper products which are FSC labeled.	
10.1	FSC Pre/Post Consumer Recycled Labelling: AF&PA supports the requirements as stated in the revised draft “For FSC Recycled paper products both pre-consumer and post-consumer reclaimed materials count as claim contributing inputs and therefore no threshold applies.”	
10.1	FSC Pre/post consumer recycling labelling requirements: GPI supports the requirements as stated in the revised draft “For FSC Recycled paper products both pre-consumer and post-consumer reclaimed materials count as claim contributing inputs and therefore no threshold applies.”	
10.1	FSC Pre/Post Consumer Recycled Labelling: WestRock supports the requirements as stated in the revised draft “For FSC Recycled paper products both pre-consumer and post-consumer reclaimed materials count as claim contributing inputs and therefore no threshold applies.”	
10.1	Allowing the threshold to be at 70% in a simplified state for all products creates a more uniform platform and should be allowed for the recycled label.	
10.1		The organization can apply the FSC only on FSC certified products. In this case following the requirements specified in FSC-STD-50-001. The type of FSC label shall always correspond to the FSC claim made on sales documents, as specified in Table B.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
10.1	Section needs to be updated due to acceptance of all recycled paper as FSC credit	
10.1	We support the clarification of eligible FSC claims and labels.	Retain clause as presented.
10 (table B)	Option missing	Include the option to use FSC label "FSC Mix" using output with FSC claim FSC Recycled Credit and FSC Recycled percentage of at least 70 % in each control system
10 Table B	This table needs to be far more extensive. Generally, the standard now lacks an explanation of eligibility for labelling and minimum thresholds from available inputs.	Please update this table to show inputs/outputs and eligibility for labelling Clarification Needed
10.1 – table B of FSC-STD-40-004 V3-0 D2-0	We appreciate the decision to allow pre-consumer-material being claimed as "FSC Recycled". This will broaden the basis of ecologically valuable raw material and enhance recycling of paper.	None. Proposed change in the second draft is the right way. Good wording.
10.1 – table B of FSC-STD-40-004 V3-0 D2-0	We appreciate the decision to allow pre-consumer-material being claimed as "FSC Recycled". This will broaden the basis of ecologically valuable raw material and enhance recycling of paper.	None. Proposed change in the second draft is the right way. Good wording.
10.1 – table B of FSC-STD-40-004 V3-0 D2-0	We appreciate the decision to allow pre-consumer-material being claimed as "FSC Recycled". This will broaden the basis of ecologically valuable raw material and enhance recycling of paper.	None. Proposed change in the second draft is the right way. Good wording.
10.1 – table B of FSC-STD-40-004 V3-0 D2-0	We appreciate the decision to allow pre-consumer-material being claimed as "FSC Recycled". This will broaden the basis of ecologically valuable raw material and enhance recycling of paper.	None. Proposed change in the second draft is the right way. Good wording.
10.1 – table B of FSC-STD-40-004 V3-0 D2-0	We appreciate the decision to allow pre-consumer-material being claimed as "FSC Recycled". This will broaden the basis of ecologically valuable raw material and enhance recycling of paper.	None. Proposed change in the second draft is the right way. Good wording.
10.1 Table B	Recommend adding an example for added clarity stating that FSC Mix percentage of less than 70% = No label allowed	See comment
Table B	It could be helpful to note that no FSC label exists for FSC Controlled Wood.	Add FSC CW to Table B (No FSC Label).
PART III:, 10. FSC Labelling requirements, 10.1. p. 21, NOTE FOR STAKEHOLDERS	FFIF supports suggestion to reduce a labelling threshold of FSC recycled wood products from 85 % to 70 %.	
PART III:, 10. FSC Labelling requirements, 10.1. p. 21, NOTE FOR STAKEHOLDERS	SEWSF supports suggestion to reduce a labelling threshold of FSC recycled wood products from 85 % to 70 %.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART III:, 10. FSC Labelling requirements, 10.1. p. 21, NOTE FOR STAKEHOLDERS	Metsä Group supports suggestion to reduce a labelling threshold of FSC recycled wood products from 85 % to 70 %.	
PART III:, 10. FSC Labelling requirements, 10.1. p. 21, NOTE FOR STAKEHOLDERS	UPM welcomes the suggestion to reduce a labelling threshold of FSC recycled wood products from 85 % to 70 %.	
10.1.note	Good change. Any time that continuity between requirements can be increased, the opportunity should be seized.	
10.2	10.2 is obvious and does not require to be stated.	Remove
10.2	FSc Trademarks should be ready for use, by stakeholders, without any approval. This makes it easier for stakeholders to advertise with and spread out the FSC policy.	Keep it simple !
10.2	Recommend adding a clarifying comment to help remind certificate holders that they cannot label CW products	Only FSC products that are eligible for FSC labelling can be promoted with the FSC trademarks (<u>i.e. not controlled wood</u>).
10.2	FSC labels on finished products should be compulsory.	Create the requirement that FSC certified finished products have to be FSC labelled, except: Products without any print or hangtags (e.g. some cardboard boxes). This would certainly push the amount of FSC labels in the market.
10.3	The info in 10.3 should maybe be put into the table?	Add small or community forest producer label in table B
10.3	Missing word	FSC certified <u>or</u> FSC controlled wood
PART III, 10 FSC Labelling requirements, 10.3., p. 21	See comment 6.5.	Delete the point 10.3.
PART III, 10 FSC Labelling requirements, 10.3., p. 21	See comment 6.5.	Delete the point 10.3.
PART III, 10 FSC Labelling requirements, 10.3., p. 21	See comment 6.5.	Delete the point 10.3.
PART III, 10 FSC Labelling requirements, 10.3., p. 21	See comment 6.5.	Delete the point 10.3.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
11	This updated section, now includes requirements that were previously listed in STD-20-011, and in addition appears to be overly prescriptive and complex.	Simplify
Part IV, No. 11, “Outsourcing”	<p>On https://ic.fsc.org/fsc-std-40-004-coc-certification.441-15.htm (Interpretations of the normative framework) is written:</p> <p>“Question: A FSC pulp producer ships its finished bales of pulp to a warehouse where it sits awaiting loading into ships or rail cars. The company does not relinquish ownership and the product is not altered in any way from the time it leaves the company facility to the warehouse and then into the ship or train. Is the process of warehousing considered outsourcing?</p> <p>Answer: Storage sites should be exempt from CoC evaluations where they constitute 'stopping places' or intersections only as part of transport agreements between two Chain of Custody operations. In other words, where certain storage facilities are used (or rented) by transport service providers to fulfill a contractual agreement between two CoC certified operations, such sites should not be considered part of an outsourcing agreement. Where, however, a CoC operation contracts a transport service provider or the warehouse owner to store goods in the absence of an agreed delivery to a customer (and would then only place a delivery order at a later point in time, once a sales contract has been signed), such a scenario should be considered an extension of the storage site of the CoC operation and justify to look at it as an outsourcing arrangement.”</p>	<p>To avoid different interpretation regarding “outsourcing” by different certification bodies (which would lead to unfair competition): This example should unconditional be transferred to the new standard.</p> <p>In general “warehousing, storage, distribution and logistics of clearly marked and identifiable packages or pallets by service providers (e. g. logistics companies)” should be exempt from the standard / clarification in standard necessary!</p> <p>(Additional comment: To define logistic activities as outsourcing, would (among others) mean that there should be carried out audits by certificate holders or certification bodies. This is in some cases not possible!!! For example “Deutsche Post” or “DHL” will not agree to audits in their post offices and warehouses.)</p>
PART IV: Supplementary Requirements 11 Outsourcing	<p>There is still no allowances for sub-contractors of services i.e. centralised buying societies e.g. NMBS or Wesupply https://ic.fsc.org/fsc-std-40-004-coc-certification.441-15.htm</p> <p>Where non-certified organizations that are not required to be certified are involved in issuing sales or delivery documents (e.g. transporting companies, sub-contractors, 'del credere' agents), is it acceptable that only the invoice or the delivery document is used to identify inputs and outputs sold with FSC claims?</p> <p>These organisations issue an invoice to customers based on EDI transmitted information, which we supply but is produced on their invoice template. It will carry our CoC claims and certification details.</p> <p>This is not allowed under the above interpretation. An original copy of an invoice is available from us but this defeats the purpose of using such systems.</p> <p>Reference should be may to these organisations under the outsourcing section 11, as they are providing an outsourced financial service. N.B. they do not take physical or monetary ownership of any goods in any shape or form. They simply facilitate a financial transaction.</p> <p>NMBS should be regarded as a sub-contractor as per clause 11 of the standard and therefore are subject to our internal and external audit regime.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Otherwise there is no option for these companies to meet the requirement of non-certified organizations not using the certification code of certified organizations in their own documents.	
Chapter 11	Chapter 11 does not clearly describe which outsourcing activities are CoC relevant. Therefore there is no consistent understanding of the implementation of the outsourcing regulations in practice. The regulations should not apply in situations where there is no risk of material mixing at all and which do not require CoC certification according to the scope of the CoC standard. FSC loses credibility and reputation when companies are asked for non-sense outsourcing agreements. There is a big difference between low risk outsourcing and a definition when outsourcing is not CoC relevant at all.	Start chapter 11 with a description of which outsourcing activities are CoC relevant. Proposal for 11.1: "The organization may outsource activities within the scope of its COC certificate to FSC certified and/or non-FSC-certified contractors. Relevant activities are manufacturing processes (not storage or transport) outside the organization's site(s) after the material ones entered the organization's site(s) and/or after the organization gained legal ownership of the material." 11.6 should be adjusted accordingly.
Chapter 11	Which outsourcing activities are CoC relevant at all? FSC loses credibility and reputation when companies are asked for non-sense outsourcing agreements. The regulations should not apply in situations where there is no risk of material mixing at all and which do not require CoC certification according to the scope of the CoC standard. There is a big difference between low risk outsourcing and a definition when outsourcing is not CoC relevant at all.	Change 11.1: "The organization may outsource activities within the scope of its COC certificate to FSC certified and/or non-FSC-certified contractors. Relevant activities are manufacturing processes (not storage or transport) outside the organization's site(s) after the material ones entered the organization's site(s) and/or after the organization gained legal ownership of the material." 11.6 should be adjusted accordingly.
11	Outsourcing: Still confusion what is included in the term outsourcing	Clarify that activities such as logging, transport, wood yard handling are not included in the term outsourcing
11	The standard should make clear that forest contractors are not within the scope of the provisions for "Outsourcing to contractors".	
11 Outsourcing	Please clarify that outsourcing is only when the material leave the company physically. A lot of certification bodies mix outsourcing with in-house services!	Add: Outsourcing is when the material leaving the company area physically.
11. Outsourcing	Please implement a clear definition for "outsourcing". Please define outsourcing as the process, when material leaves the company physically. A lot of certification bodies mix outsourcing with in-house services!	Add: "Outsourcing is, when material leaves the company area physically."
Part 4, Clause 11, Page 22	Outsourcers should not be required to have a risk analysis performed on them if the outsourcing is done in a country that has a Corruption Perception Index of greater than 50.	Where outsourcing is done, no risk analysis is required on the outsourcer if the corruption perception index for the country where the outsourcing is done is greater than 50.
11	The certifier of one of our clients just dinged them for not having an outsourcing agreement with their accounting firm!!!! Get a life.	Explicitly limit outsourcing to outsourcing related to the production of a certified product.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
11	The standard should make clear that forest contractors are not within the scope of the provisions for “Outsourcing to contractors”.	
11	The standard should make clear that forest contractors are not within the scope of the provisions for “Outsourcing to contractors”.	
Ch 11 Outsourcing	Allow Outsourcing only at FSC-certified companies (contractors)	
Ch 11 Outsourcing	This chapter is an example of the ever changing requirements and subsequent necessary changes at the company (CH) level: outsourcing agreements need to be revised; risk analysis need to be conducted; this is not simplification but rather the opposite.	
11	today there are some activities that are not considered outsourcing.	There is an opportunity to clarify when an activity isn't an outsourcing (warehouse just to export activities where containers or package are not opened or new documents of transport or invoice aren't created = no risk). Would be helpful to equalize all CBs.
11.1	<p>11.11 When the organization acts as a FSC certified contractor and the contracting organization is non-FSC certified, it is acceptable that the contracting organization buys the raw material for the outsourced processing provided that the material is shipped directly from an FSC certified supplier to the organization. (i.e. the non-certified contracting organizations shall not take physical possession of the materials before outsourcing). The organization shall be provided with a copy of the invoice(s) from the delivering supplier(s) and, if not identical, from the billing supplier(s) that include(s) information sufficient to link the invoice(s) and related transport documentation to each other.</p> <p>NOTE: Information on prices can be blacked out. Is there a plain English version of this text or a diagram to explain what it means?? Is it suggesting that an outsourcer can buy FSC raw materials for an outsourced job? If yes, then surely this is an exception to the rule and not something which needs to be included in the standard? Or this something FSC wish to encourage or a common scenario?</p>	
11.1	COC is not relevant for companies which are not involved in any processing or transformation of certified products (e. g. storage, distribution, and logistics). So it should be clarified that outsourcing to these companies is also not relevant.	Clarify in 11.1.1 that contractors employed for services that do not involve manufacture or transformation of certified products (e.g. warehousing, storage, distribution, and logistics) are not relevant.
11.1	What are FSC certified and non-FSC certified contractors? According to which standard have they been (or not) certified?	Please clarify.
11.1	What are FSC certified and non-FSC certified contractors? According to which standard have they been (or not) certified?	Please clarify.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
11.2	Repetition	If the organization outsources 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.
11.2	11.2 states: 11.2 If the organization outsources 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. The yellow highlight is unnecessary as self-explaining and only unnecessarily lengthens the STD.	Remove ". . . to ensure that the activities are covered under the scope of a valid certificate.
11.2	When and how often shall be check the contractor certification?	11.2 If the organization outsources activities to an FSC certified contractor, the organization shall verify the scope and validity of the contractor's certificate prior the use and once per year to ensure that the activities are covered under the scope of a valid certificate.
11.2	"if the organization outsources activities to an FSC certified contractor, the organization shall verify the <u>scope</u> and validity..."	What scope is ok for outsourcers? Do they have to use the exact same product groups, same system, etc? Please clarify what you mean by "scope of the outsourcers certificate."
11.2	Checking the certified status of contractors is more administrative burden. Now all certified companies have outsourcing agreements which state that if the contractor is certified, the outsourcing activities should take place within the CoC system of the contractor. If the activities are not covered by the scope of the contractor's CoC system, the agreement states everything that is now required for non-certified contractors. This should be enough for CH's that already have this agreement with their contractors.	11.2 If the organization outsources 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. NOTE: Optionally an agreement with the contracting company as per clause 11.4 stating "if the activities are covered by the scope of the contractor, the outsourcing activities shall take place within the CoC system of the contractor", is sufficient to cover the requirements of clause 11.2
11.2 – 11.11	An outsourcing agreement should be sufficient, no further risk assessment. Keep it simple !	No change to FSC-STD-40-004
11.2	As FSC certification is not exclusive, it may be that the outsourcer is certified but do not perform the contracted activities within its scope.	11.2 If the organization outsources activities to an FSC certified contractor, the organization shall verify the scope and validity of the contractor's certificate and to ensure that the activities are covered under the scope of a valid certificate shipping and return documents must be identified as FSC (FSC claim and code).

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
11.2	<p>This is an excessive requirement. Nowhere else in the CoC system is an organization required to include ‘full spectrum of operations’ in the scope of their CoC certificate (e.g. 40-003 V2-1 states that an organization may hold a CoC certificate for less than 100% of their sites/facilities). The contracting organization should be given the choice to treat the contractor as a non-certified contractor if it is advantageous for both parties to do so. The certified contractor should not be forced to expand the scope of their certificate to work with another certified business if it doesn’t make sense for them to do so. For example, if a CH is certified as a broker and doesn’t take physical possession of the FSC material, they shouldn’t have to expand to include site audits if another certified organization wants them to store FSC products as an outsourcer. They should have the option to be treated as a non-certified warehouse in that circumstance.</p>	<p>Rewrite the clause: “If the organization outsources activities to an FSC-certified contractor, the organization shall determine whether or not the outsourced processes are covered under the scope and validity of the contractor’s certificate. If the processes are not covered by the FSC certificate, the contractor shall be treated as equivalent to a non-certified contractor.”</p>
11.3	<p>Requiring both the CH and the CB to conduct a risk analysis of outsourcers using the same requirements to determine risk potentially creates an unresolvable conflict. For example, the CB and CH could come up with different risk determinations. If the CH can justify their classification, there is no recourse for the CB. Also, the CH has an incentive to always conclude low risk for their outsourcers – much like a company controlled wood risk assessment is inherently a conflict of interest. This risk analysis should be left to the CB.</p>	<p>Rewrite the clause: “Prior to outsourcing....names, and contact details of the contractor. The CB will then conduct a risk analysis and, if required, an audit of a sample of high risk outsourcers, as per FSC-STD-20-011 V2-0 Section 8.”</p>
11.3	<p>The risk rating within the outsourcing agreement may increase the frequency with which establishes the outsourcing agreement and that this agreement has more errors</p>	<p>Remove the end. 11.3 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.</p>
11.3	<p>There are different approaches from different CBs on if the organisation is allow to start outsourcing to high risk contractors immediately after informing of the addition. Some CBs requires scope expansion audit before this high risk contractor can be used. Some do not. FSC's position on this must be made clear.</p>	<p>Provide a guidance through this standard (for CHs) and also through accreditation standard.</p>
11.3	<p>Req. 8.5 of STD 20-011 ask CBs to verify on field a new high risk contractor that the organization want to add between two audits, and to do that before its use from the organization (on the basis of a clarification required). If this way of acting is confirmed (at least in Italy it’s very difficult to comply with, because – see printing operation – the contractor is sometimes chosen only some hours before the moment to perform the activity, and it’s difficult to find an auditor ready to go there immediately), this should be written in the requirement, to clarify exactly the situations to the organizations</p>	<p>Harmonize the requirement with 20-011 and clarify the clauses to be allowed to use a contractor, when at high risk</p>
11.3 Clause	<ul style="list-style-type: none"> According to FSC-STD-20-011, CBs shall assess new contractors in >150 CPI Countries before contracting services are actually outsourced. 	<ul style="list-style-type: none"> The revised Standard should be harmonized with requirements in FSC-STD-20-011.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Though usually this is really hard to be done timely, the revised standard should be coherent and consistent with other documents –but it would be better if such requirements would be removed.	
11.3 Clause	<ul style="list-style-type: none"> According to FSC-STD-20-011, CBs shall assess new contractors in >150 CPI Countries before contracting services are actually outsourced. <p>Though usually this is really hard to be done timely, the revised standard should be coherent and consistent with other documents –but it would be better if such requirements would be removed.</p>	<ul style="list-style-type: none"> The revised Standard should be harmonized with requirements in FSC-STD-20-011.
11.3 Clause	<ul style="list-style-type: none"> According to FSC-STD-20-011, CBs shall assess new contractors in >150 CPI Countries before contracting services are actually outsourced. <p>Though usually this is really hard to be done timely, the revised standard should be coherent and consistent with other documents –but it would be better if such requirements would be removed.</p>	<ul style="list-style-type: none"> The revised Standard should be harmonized with requirements in FSC-STD-20-011.
11.3 Clause	<ul style="list-style-type: none"> According to FSC-STD-20-011, CBs shall assess new contractors in >150 CPI Countries before contracting services are actually outsourced. <p>Though usually this is really hard to be done timely, the revised standard should be coherent and consistent with other documents –but it would be better if such requirements would be removed.</p>	<ul style="list-style-type: none"> The revised Standard should be harmonized with requirements in FSC-STD-20-011.
11.3	It is not clear whether or not external storage of raw materials is included in the entire chapter 11. From several of the points it is clear that it is included. Hence, a clarification in point 11.3 is needed	Prior to outsourcing storage, processing or production of FSC-certified material...
11.3 Outsourcing	Outsourcing activities must be regulated more specifically towards the aim of the regulation. Many exceptions do not comply with the daily outsourcing activities. We would appreciate a risk based system similar to the one established in FSC Advice Note 40-004-01 where physical possession of the certified material being the central criterion for outsourcing. So real outsourcing activities should be considered only as such when the material leaves the certificate holder’s site without the change of legal ownership. So in-house outsourcing activities with internal contractors would not be considered as outsourcing at all.	<i>“Prior to outsourcing the processing or production of FSC-certified materials to a new external contractor, transporting certified material outside of the organization’s site(s) without the change of legal ownership, the organization shall inform its certification body about the outsourced activity, names, contact details of the contractor and the justified risk classification based on the requirements specified in Clauses 11.5 and 11.6.”</i>
11.3 Outsourcing	Outsourcing activities must be regulated more specifically towards the aim of the regulation. Many exceptions do not comply with the daily outsourcing activities. We would appreciate a risk based system similar to the one established in FSC Advice Note 40-004-01 where physical possession of the certified material being the central criterion for outsourcing. So real outsourcing activities should be considered only as such when the material leaves the certificate holder’s site without the change of legal ownership. So	<i>“Prior to outsourcing the processing or production of FSC-certified materials to a new external contractor, transporting certified material outside of the organization’s site(s) without the change of legal ownership, the organization shall inform its certification body about the outsourced activity, names, contact details of the contractor and the justified risk</i>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	in-house outsourcing activities with internal contractors would not be considered as outsourcing at all.	<i>classification based on the requirements specified in Clauses 11.5 and 11.6.”</i>
11.3 Outsourcing	Outsourcing activities must be regulated more specifically towards the aim of the regulation. Many exceptions do not comply with the daily outsourcing activities. We would appreciate a risk based system similar to the one established in FSC Advice Note 40-004-01 where physical possession of the certified material being the central criterion for outsourcing. So real outsourcing activities should be considered only as such when the material leaves the certificate holder’s site without the change of legal ownership. So in-house outsourcing activities with internal contractors would not be considered as outsourcing at all.	<i>“Prior to outsourcing the processing or production of FSC-certified materials to a new external contractor, transporting certified material outside of the organization’s site(s) without the change of legal ownership, the organization shall inform its certification body about the outsourced activity, names, contact details of the contractor and the justified risk classification based on the requirements specified in Clauses 11.5 and 11.6.”</i>
11.3 Outsourcing	Outsourcing activities must be regulated more specifically towards the aim of the regulation. Many exceptions do not comply with the daily outsourcing activities. We would appreciate a risk based system similar to the one established in FSC Advice Note 40-004-01 where physical possession of the certified material being the central criterion for outsourcing. So real outsourcing activities should be considered only as such when the material leaves the certificate holder’s site without the change of legal ownership. So in-house outsourcing activities with internal contractors would not be considered as outsourcing at all.	<i>“Prior to outsourcing the processing or production of FSC-certified materials to a new external contractor, transporting certified material outside of the organization’s site(s) without the change of legal ownership, the organization shall inform its certification body about the outsourced activity, names, contact details of the contractor and the justified risk classification based on the requirements specified in Clauses 11.5 and 11.6.”</i>
11.3 Outsourcing	Outsourcing activities must be regulated more specifically towards the aim of the regulation. Many exceptions do not comply with the daily outsourcing activities. We would appreciate a risk based system similar to the one established in FSC Advice Note 40-004-01 where physical possession of the certified material being the central criterion for outsourcing. So real outsourcing activities should be considered only as such when the material leaves the certificate holder’s site without the change of legal ownership. So in-house outsourcing activities with internal contractors would not be considered as outsourcing at all.	<i>“Prior to outsourcing the processing or production of FSC-certified materials to a new external contractor, transporting certified material outside of the organization’s site(s) without the change of legal ownership, the organization shall inform its certification body about the outsourced activity, names, contact details of the contractor and the justified risk classification based on the requirements specified in Clauses 11.5 and 11.6.”</i>
11.3 Outsourcing	Outsourcing activities must be regulated more specifically towards the aim of the regulation. Many exceptions do not comply with the daily outsourcing activities. We would appreciate a risk based system similar to the one established in FSC Advice Note 40-004-01 where physical possession of the certified material being the central criterion for outsourcing. So real outsourcing activities should be considered only as such when the material leaves the certificate holder’s site without the change of legal ownership. So in-house outsourcing activities with internal contractors would not be considered as outsourcing at all.	<i>“Prior to outsourcing the processing or production of FSC-certified materials to a new external contractor, transporting certified material outside of the organization’s site(s) without the change of legal ownership, the organization shall inform its certification body about the outsourced activity, names, contact details of the contractor and the justified risk classification based on the requirements specified in Clauses 11.5 and 11.6.”</i>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
11.3 Outsourcing	Outsourcing activities must be regulated more specifically towards the aim of the regulation. Many exceptions do not comply with the daily outsourcing activities. We would appreciate a risk based system similar to the one established in FSC Advice Note 40-004-01 where physical possession of the certified material being the central criterion for outsourcing. So real outsourcing activities should be considered only as such when the material leaves the certificate holder's site without the change of legal ownership. So in-house outsourcing activities with internal contractors would not be considered as outsourcing at all.	
11.3 Outsourcing	Outsourcing activities must be regulated more specifically towards the aim of the regulation. Many exceptions do not comply with the daily outsourcing activities. We would appreciate a risk based system similar to the one established in FSC Advice Note 40-004-01 where physical possession of the certified material being the central criterion for outsourcing. So real outsourcing activities should be considered only as such when the material leaves the certificate holder's site without the change of legal ownership. So in-house outsourcing activities with internal contractors would not be considered as outsourcing at all.	
11.4	Some of the information that is required to be included in outsourcing agreements is new or in different wording than before. Please make sure that previous outsourcing agreements based on the previous standard and directive etc. are still acceptable for CB's in this new standard. If we keep these requirements in these exact wording, all CH's need to have new outsourcing agreements with their contractors (which they have done two or three times already in the last 3 years!). This is very frustrating and unsatisfactory for CH's. Also e) is not possible if the contractor is non-FSC certified in the first place.	<i>Change the overall text and make sure all requirements of previous standards and directives are sufficient to cover the new requirements of this standard with the purpose that existing agreements can still be used and left unchanged.</i>
Clause 11.3	KOB: Why can the information about new outsourcing not be provided during or prior to the annual audit. According to STD-20-011 it is not clear what the CAB should do with the information that the CH has new outsourcings and therefore it makes no sense.	delete
Clause 11.4	KOB: Will require that all outsourcing agreements of all CH will have to be revised. This would require significant resources, for a case which only happens rarely. Are there no other means to achieve this objective more efficiently? For instance, a register of disassociated companies, which must be consulted by the Organization also for other purposes?	delete
11.4	we can simplify the system by eliminating the need for outsourcing contracts with low-risk companies. Only the list of outsourcing and controls may be sufficient.	
11.4	Outsourcing 11.4 The organization shall establish an outsourcing agreement with each non-FSC certified contractor, specifying that the contractor shall: a) Conform with all applicable certification requirements and applicable organization's procedures related to the outsourced activity;	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>b) Not use the FSC trademarks for promotional use or use the organization's certificate code on sales and transport documents;</p> <p>c) Not further outsource any processing (i.e. the material may not pass from one outsourcing contractor to another under the outsourcing agreement);</p> <p>d) Accept the right of the organization's certification body to audit the outsourced contractor;</p> <p>e) Notify the organization in the period of 10 (ten) business days in case the contractor is included in the list of organizations that are disassociated from FSC, according to the FSC-POL-01-004 Policy for Association of Organizations with FSC, and therefore become ineligible to provide outsourcing services to FSC certified organizations.</p> <p>Why only non-FSC certified? What is the mechanism for c), d) or e) for an organisation certified by a different CB?</p>	
Clause 11.4 a)	<p>11.4 The organization shall establish an outsourcing agreement with each non-FSC certified contractor, specifying that the contractor shall:</p> <p>a) Conform with all applicable certification requirements and applicable organization's procedures related to the outsourced activity;</p>	<p>Things conform to a standard, people comply with a standard, so please use grammatically correct form:</p> <p>11.4 The organization shall establish an outsourcing agreement with each non-FSC certified contractor, specifying that the contractor shall:</p> <p>a) Comply with all applicable certification requirements and applicable organization's procedures related to the outsourced activity;</p>
11.4 a)	Recommend rephrasing	Conform with all applicable certification requirements and applicable the <u>outsourcing</u> organization's procedures related to the outsourced activity
11.4 b)	Missing word	Not use the FSC trademarks for promotional use or use the <u>outsourcing</u> organization's certificate code on sales and transport documents;
11.4 e)	We are very happy to see it specified in the standard that organizations that have been disassociated from the FSC shall be ineligible to provide outsourcing services to FSC certified organizations.	-
11.4 e)	We support the provisions in the standard that prohibit organizations that have been disassociated from the FSC from providing outsourcing services to FSC certified organizations.	
11.4 e)	We support the provisions in the standard that prohibit organizations that have been disassociated from the FSC from providing outsourcing services to FSC certified organizations.	
11.4 e)	We support the provisions in the standard that prohibit organizations that have been disassociated from the FSC from providing outsourcing services to FSC certified organizations.	
11.4 e)	Recommend rephrasing	Notify the organization <u>within</u> the period of 10 (ten) business days in case if the contractor is included in the list of organizations that are disassociated from

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		FSC, according to the FSC-POL-01-004 Policy for Association of Organizations with FSC, and therefore become <u>subsequently</u> ineligible to provide outsourcing services to FSC certified organizations.
11.4 e)	We are very happy to see it specified in the standard that organizations that have been disassociated from the FSC shall be ineligible to provide outsourcing services to FSC certified organizations.	-
11.4 letter "e"	the requirement 11.4 is addressing outsourcing contracts with companies not certified by the FSC. I did not understand the item "e" dealing with disassociated companies FSC.	Exclude letter e
11.4.e	This is absurd, unnecessary, and insulting to CH's	discard
Clause 11.4 e)	11.4 The organization shall establish an outsourcing agreement with each non-FSC certified contractor, specifying that the contractor shall: ... e) Notify the organization in the period of 10 (ten) business days in case the contractor is included in the list of organizations that are disassociated from FSC, according to the FSC-POL-01-004 Policy for Association of Organizations with FSC, and therefore become ineligible to provide outsourcing services to FSC certified organizations.	Please use grammatically correct form: 11.4 The organization shall establish an outsourcing agreement with each non-FSC certified contractor, specifying that the contractor shall: ... e) Notify the organization in the period of 10 (ten) business days in case the contractor is included in the list of organizations that are disassociated from FSC, in accordance with the FSC-POL-01-004 Policy for Association of Organizations with FSC, and therefore become ineligible to provide outsourcing services to FSC certified organizations.
11.4.e	How can a company be uneligible for the outsourcing of FSC related activities? The decision in case of specific cases and under consideration of the specific circumstances must be done on the basis of an evaluation by teh organisation and taken by the organisation and not through any lists of FSC.	Dratically change this clause or eliminate the clause
11.4 e)	This requirement seems almost impossible to implement or monitor. How would a non-certified Outsource facility even be in FSC list of Organizations?? This requirement is expanding the scope/ reach of CoC beyond reasonable limits.	
11.4 Clause Point e)	<ul style="list-style-type: none"> Non certified contractors may not be associated with FSC. In such case, it would be impossible for them to notify FSC disassociation. 	<ul style="list-style-type: none"> The revised requirement should be made coherent, clearly referring to non-certified contractors that are somehow associated with FSC.
11.4 Clause Point e)	<ul style="list-style-type: none"> Non certified contractors may not be associated with FSC. In such case, it would be impossible for them to notify FSC disassociation. 	<ul style="list-style-type: none"> The revised requirement should be made coherent, clearly referring to non-certified contractors that are somehow associated with FSC.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
11.4 Clause Point e)	<ul style="list-style-type: none"> Non certified contractors may not be associated with FSC. In such case, it would be impossible for them to notify FSC disassociation. 	<ul style="list-style-type: none"> The revised requirement should be made coherent, clearly referring to non-certified contractors that are somehow associated with FSC.
11.4 Clause Point e)	<ul style="list-style-type: none"> Non certified contractors may not be associated with FSC. In such case, it would be impossible for them to notify FSC disassociation. 	<ul style="list-style-type: none"> The revised requirement should be made coherent, clearly referring to non-certified contractors that are somehow associated with FSC.
11.4 e)	<p>There is currently NO LIST of organizations that are disassociated from FSC, according to the FSC-POL-01-004 Policy for Association of Organizations with FSC.</p> <p>Is FSC going make the list? If not, then a word "list" should not be used as people will expect to see the list.</p> <p>Current wording: Notify the organization in the period of 10 (ten) business days in case the contractor is <u>included in the list of organizations that are disassociated from FSC</u>, according to the FSC-POL-01-004 Policy for Association of Organizations with FSC, and therefore become ineligible to provide outsourcing services to FSC certified organizations.</p>	<p>New wording: Notify the organization in the period of 10 (ten) business days in case the contractor is disassociated from FSC, according to the FSC-POL-01-004 Policy for Association of Organizations with FSC, and therefore become ineligible to provide outsourcing services to FSC certified organizations.</p>
Clause 11.4 Point e)	How can a CH know if a contractor is disassociated from FSC according to the FSC-POL-01-004	Please write in the standard a link where CHs and CBs can find the List of organizations disassociated from FSC
11.4e	This clause should not be required in legal outsourcing agreements. If FSC does not want companies to outsource to disassociated organizations this should be its own reference that is not required in a written outsourcing agreement. Putting the ownership on the outsourcer that may be doing poor things is foolish and a system doomed to fail. The ownership should fall to the certificate holder and system.	Remove clause from any area where contracts with suppliers are present and add to monitoring section.
11.5 Outsourcing	Skip Risk Analysis for FSC-certified contractors: if 11.6 d applies no risk analysis is required altogether	
11.5	For classifying risk you needs more than a list of bullets. You need to know about what kind of risk is assessed (for example: the mixing of FSC-certified with non-certified materials). If this is clear: than you can use indicators to assess the risk. Indicators for high risk do not necessary lead automatically to a high risk, but is just an indicator. It should be the assesement of the CH that will lead to a weighted risk.	<p>11.5 The organization shall classify its contractors as low or high risk outsourcing. The organization shall assess the risk on not complying with the requirements mentioned in the outsource agreement (see clause 11.4) by the contractor. An outsourcing activity shall can be classified (but not automatically) as 'high risk' if any of the following indicators apply:</p> <p>It is up to the descretion of the CB to check the applied risk classification.</p>
Part IV Section 11 Clause 11.5b	Change the term "quality" to "product characteristics"	b) The contractor grades or sorts the material (e.g. classifying wood according to its characteristics , size, or colour);
Part IV Section 11 Clause 11.5b	Change the term "quality" to "product characteristics"	b) The contractor grades or sorts the material (e.g. classifying wood according to its characteristics , size, or colour);

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Part IV Section 11 Clause 11.5b	Change the term “quality” to “product characteristics”	b) The contractor grades or sorts the material (e.g. classifying wood according to its characteristics , size, or colour);
Part IV Section 11 Clause 11.5b	Change the term “quality” to “product characteristics”	b) The contractor grades or sorts the material (e.g. classifying wood according to its characteristics , size, or colour);
Part IV Section 11 Clause 11.5b	Change the term “quality” to “product characteristics”	b) The contractor grades or sorts the material (e.g. classifying wood according to its characteristics , size, or colour);
Part IV Section 11 Clause 11.5b	Change the term “quality” to “product characteristics”	b) The contractor grades or sorts the material (e.g. classifying wood according to its characteristics, size, or colour);
11.5	Please provide link to CPI	Please provide link to CPI
11.5 c)	Incorrect word	The contractor applies the FSC label on to the product...
11.5d	The outsourcing company almost never physically return products back to the organization. That would add extra transport cost and CO2 emissions. Instead they transport it directly to the next customer.	Remove 11.5.d
11.5 e)	Incorrect wording	Outsourcing is done across a national border into a country which has a Transparency International’s Corruption Perception Index (CPI) rating lower than 50.
11.5 & 11.6	See preceding comment for 11.3	Strike 11.5 and 11.6 entirely
11.5 and 11.6	To a lower risk the certifier should continue to do this outsourcing risk analysis	Remove at least the letter “e”.
11.5, 11.6	It is better if the risk of contractor is defined by CB not by the company (they have an interest to define the contractors as low risk to have a cheaper audit)	Remove the point 11.5 and 11.6
11 (11.5/11.6)	In paper merchant business logistic and storages of finished goods is outsourced very often. The logistic companies don’t change anything on products. They simply transport (and sometime storage) goods from A to B. By nature logistic partner fulfil at least 11.5d “the contractor does not physically return the products to the organisation”. Even though logistic companies can be graded as “low risk” (according 11.6), it will cost very high effort to install a process in order to fulfil the requirement. For instance: For economical and ecological reason logistic partner are working often with 3 rd partner (e.g. having hub-stock and logistic on remote areas). How to control such a complex system? Specifically if we know, they don’t change anything on our products. They never own it and of course they don’t know if they operate FSC or non-certified. It’s would be control just for the reason of control, we wouldn’t even know for what weak point we had to look for.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>Another example: It's not the case in our supply chain. However, logistic and storage is very often ad-hoc business. How to control such complex processes? How should <i>the auditor</i> keep control, where and when certain goods have been stored along the worldwide delivery chain?</p> <p>We can't see the slightest benefit by including logistics/storage to the scope of "Contracting".</p> <p>On top of this: What's the definition of "storage"? It starts with complex warehousing (incl. converting, picking service, etc) and ends at hub stations, where the goods are stored hours, Days or sometime weeks to be switched from one truck to another. Or take container terminals in harbours, good are there sometime for weeks. This is also storage. How to control and contract all of this parties?</p>	<p>Exclude storage from scope "contracting", in cases products are not being changed in the supply/ delivery chain. (keeping physical identity, no production, no label added, etc)</p> <p>Minimum acceptable might be: CB's are allowed to classify storage as "not relevant" (means CH doesn't need to ask for any contracts to sign with its logistic partners).</p> <p>Or from other perspective: CB's must ask CH to include logistic partners to contractors according 11, if this is relevant to secure the COC.</p>
11.6	<p>We strongly support the provisions to downgrade certain outsourcing activities to low risk, especially item 11.6.c. Activities such as warehousing, storage, & distribution are inherently low risk, and requiring CBs to conduct on-site inspections or audits would add greatly to audit costs.</p>	
11.6	<p>Clarification needed on Converters that cut rolls or make rolls into sheets under the company direction and control. Is this a low risk outsource. Still unclear with the current draft standard</p>	<p>Converters that cut rolls or make rolls into sheets under the company direction and control should not be considered High Risk.</p>
Outsourcing activities to contractors, clause 11.1.6	<p>It is not clear why the management system shall be shared with the contractor. The contractor should implement an own management system to meet the FSC requirements.</p> <p>To share documented procedures seems to be redundant as long as the relevant steps, procedures and requirements are listed and described at the outsourcing agreement.</p> <p>It is in everybody's interest to avoid redundant descriptions of management systems and procedures. Therefore, the FSC standard should focus only on relevant requirements and match clauses if it's possible. Otherwise the requirements and the handling of FSC standard becomes too bureaucratic.</p>	<p>Please clarify this clause and delete the aspects about sharing the management system.</p>
11.6	<p>c) This is confusing as some of these activities do not require CoC i.e. logistics</p> <p>d) Should this state "outsourced" services rather than "outsourcing"?</p>	<p>Clarification</p>
PART IV / 11.6	<p>I am concerned that outsourced contract loggers may be considered as high risk under the current wording and would be subject to additional and unwarranted auditing scrutiny. Our organization goes to great lengths to clearly identify FSC material on documentation that is not necessarily "permanently labelled or marked" on every FSC certified tree. An indicator should be included or modified to allow the option for outsourced contract loggers to be downgraded to a "low" risk.</p>	<p>a) The product is permanently labelled, marked, or clearly documented in a way that the contractor cannot alter or exchange the products (e.g. heat brand, printed materials, other supplementary documentation);</p>
Part IV, 11.6 Outsourcing Page 39	<p>c) The contractor is employed for services that do not involve manufacturing or transformation of certified products (e.g. warehousing, storage, distribution, logistics);</p>	<p>Eliminate "logistics"</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Comment: There is the risk that any transport company can be seen in general as outsourcing-contractor and thus an outsourcing agreement need to be in place.	Also on page 26 „logistics“ is not mentioned in the definition of contractor
11.6	Good addition	
11.6 d)	This requirement is very interesting and useful but it needs to be better worked. FSC certified organization that include outsourcing service in the scope should have some requirements too., either in FSC STD 40 004 and in accreditation procedures (20 -011)	In section 1.2 refer the need to determine and document the scope of subcontracting services in case the company is going to do it. Require to clarify if the scope of contracted services it provides is the same than the scope of the organization. This possibility will appear in FSc database or in the certificate. I know this is a question for CB and AB but it would be important to clarify
11.6:NOTE	This is an instruction to CB's	Move to accreditation standard
11.7	Documented procedures are only required for non-certified contractors.	Modify to include "...shared with the non-certified contractors."
11.7	If the outsourced service provider has sufficient procedures in place to ensure the mixing of product does not occur and that the OSP is compliant with all requirements, why does the organisation need to prescribe procedures for the OSP?	Suggested new wording "The organisation 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), unless the organisation can confirm that the OSP has sufficient procedures in place. The procedures shall ensure that:"
Clause 11.7	Is this clause applicable also for FSC certified contractors? Certified contractors have already their own procedure for keeping FSC material separate and for volume accounting	The organization shall have and maintain an up-to-date control system with documented procedures for the outsourced processes, which shall be shared <u>WITH THE NON-FSC CERTIFIED</u> contractor(s)
11.7 b)	In many cases, the outsourcing company (CH) keeps the record of outsourcing and contractors only keeps the physical documents. Current wording: <u>The contractor keeps records...</u>	The organization or the contractor keeps records...
11.7 b)	Recommend adding clarification as to whether this is required for outsourcers storing or distributing certified materials	
11.7 b)	<u>outsourcing contract or agreement</u> should be <u>outsourcing agreement</u> in order to be consistent with 11.4.	Remove "contract or".
11.8	11.8 is partly redundant with 11.5 d).	Remove
11.8.note	This should reference back to 11.5.d and 11.6	
11.8	For accuracy this should reads materials and products	Amend if appropriate
11.8	Important point!	Move this point up in the chapter, maybe to number 11.2?
11.9	Only eligible products can be labelled, even if they are within the scope of a certificate	Amend to 'that the contractor only labels the eligible products covered by the scope...'

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Clause 11.10	KOB: We believe it goes too far that the Organization must change the scope only of some work as a contractor and suggest following formulation.	New formulation: “If the Organization acts as contractor of a FSC certified contracting organization, the procedures as agreed with the Contracting Organization must be followed.”
11.10	How can the company include in their certification scope the outsourcing service? In the company procedure? How can be include in the product schedule to be checked in the FSC database?	Remove point 11.10
11.10	Recommend adding in clarification	When the organization acts as a FSC certified contractor <u>for another FSC certificate holder</u> , it shall include the outsourcing services under the scope....
11.10	Same excessive requirement as mentioned in 11.2. It should not be required for CHs to expand the scope of their certificate if they wish to act as an outsourcer to another certified organization. This is an added burden to CHs. See further comments above.	Strike 11.10 entirely
11.10	This requirement seems redundant. If a company holds a CoC cert, then what does it matter if they Outsource for other companies or not?? Delete this clause.	
Clause 11.11	Is this clause to replace ADVICE 40-004-01 Case 1 (Providing contract work for non-FSC certified CoC organizations – conditions for FSC certified CoC contractors)? If so, can we ask for clarification that the requirements for “FSC-labelled finished products” and “identifying information of contracting organization” are not applicable under this clause as were under ADVICE 40-004-01? It would surely make it easier for users to have FSC products, and it may help FSC system become more popular. At the same time, it may confuse not only end-users but also CHs about who needs to be FSC certified. Besides, if this type of business flows are accepted, many CHs wouldn’t need to retain their FSC certificates, and we may have a lot of withdrawals.	As in ADVICE 40-004-01, the requirements for “FSC-labelled finished products” and “identifying information of contracting organization” should be maintained.
11.11	You are providing companies a direct link to circumvent having a CoC. Why do this? Cert claims should go with the purchase/ sale invoices and should be allowed to be off-loaded to an FSC Outsource provider. FSC is creating an opportunity for companies to stay outside of the system and to avoid scrutiny, audits and verification. This runs contrary to all of the other check and balances put in place by FSC, old and new. This also puts existing CoC holders at a competitive disadvantage (they have higher costs related to their CoC).	Delete this section.
11.11	The intent of the following part of this clause is not understood: “The organization shall be provided with a copy of the invoice(s) from the delivering supplier(s) and, if not identical, from the billing supplier(s) that include(s) information sufficient to link the invoice(s) and related transport documentation to each other.”	Clarify the intent of this sentence, or strike it.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
11.11	When a certificate holder serves as a contractor to a non-certified contracting organization, whereby the contracting organization purchases the raw material inputs, shall the certificate holder make a claim on the sales and delivery documentation? This is unclear.	SCS proposes that a claim shall be made in this circumstance as it maintains a clear claim with the material. In addition, many of these CHs will include these jobs with their list of FSC jobs each year as they treat them the same – under their own COC system.
11.11	Recommend adding in clarification	from an FSC certified supplier to the <u>contracted</u> organization=... The <u>certified</u> organisation shall be provided...
11.11	To clarify what we are talking about: Current wording: When the organization acts as a FSC certified contractor and the contracting organization is non-FSC certified	New wording: When the organization acts as a FSC certified contractor <u>for producing FSC certified products</u> and the contracting organization is non-FSC certified
11.11	This is necessary guidance, but drafted in a manner to make it difficult to apply.	Shorten and add clarifying guidance in an informative annex
11.11.note	This should be applicable to all CoC situations, not just outsourcing	
Note below 11.11	The note “Information on prices can be blacked out.” applies to the whole COC system, not only to outsourcing.	Remove note about price information to chapter 5 (Records).
12	Unclear why FSC is telling people how they should comply with the law. Policy of Association requires CH to comply with the law – where is the value in specifying which laws?	Delete
12	Issues relating to EUTR and FSC are not mentioned. Even if there are guidelines I think it is important to be mentioned in the standard. Is important to note the role of FSC certification in fulfilling the DDS requirements. It would be an important aspect for the promotion of FSC.	Additional aspects of the role of certification in fulfilling DDS requirements.
12	When there is no much information and guidance in this section please make reference to FSC guidance documents or alike that will enable companies to understand the requirement and how to determine if laws are applicable to them.	
12 Compliance with timber legality legislation	We generally wonder, why the compliance with general laws has to become part of the FSC CoC document. Any company has to work in accordance with the laws in its country. However the proposed text does not make clear, what kind of verification the certificate holder has to present in order to proof compliance with law. In order to harmonize the requirements, equal instructions for the certification bodies are necessary.	
12 Compliance with timber legality legislation	We generally wonder, why the compliance with general laws has to become part of the FSC CoC document. Any company has to work in accordance with the laws in its country. However the proposed text does not make clear, what kind of verification the certificate holder has to present in order to proof compliance with law. In order to harmonize the requirements, equal instructions for the certification bodies are necessary.	
12 Compliance with timber legality legislation	We generally wonder, why the compliance with general laws has to become part of the FSC CoC document. Any company has to work in accordance with the laws in its country. However the proposed text does not make clear, what kind of verification the certificate holder has to present in order to proof	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	compliance with law. In order to harmonize the requirements, equal instructions for the certification bodies are necessary.	
12 Compliance with timber legality legislation	We generally wonder, why the compliance with general laws has to become part of the FSC CoC document. Any company has to work in accordance with the laws in its country. However the proposed text does not make clear, what kind of verification the certificate holder has to present in order to proof compliance with law. In order to harmonize the requirements, equal instructions for the certification bodies are necessary.	
12 Compliance with timber legality legislation	We generally wonder, why the compliance with general laws has to become part of the FSC CoC document. Any company has to work in accordance with the laws in its country. However the proposed text does not make clear, what kind of verification the certificate holder has to present in order to proof compliance with law. In order to harmonize the requirements, equal instructions for the certification bodies are necessary.	
12 Compliance with timber legality legislation	We generally wonder, why the compliance with general laws has to become part of the FSC CoC document. Any company has to work in accordance with the laws in its country. However the proposed text does not make clear, what kind of verification the certificate holder has to present in order to proof compliance with law. In order to harmonize the requirements, equal instructions for the certification bodies are necessary.	
12 Compliance with timber legality legislation	We generally wonder, why the compliance with general laws has to become part of the FSC CoC document. Any company has to work in accordance with the laws in its country. However the proposed text does not make clear, what kind of verification the certificate holder has to present in order to proof compliance with law. In order to harmonize the requirements, equal instructions for the certification bodies are necessary.	
12 Compliance with timber legality legislation	We generally wonder, why the compliance with general laws has to become part of the FSC CoC document. Any company has to work in accordance with the laws in its country. However the proposed text does not make clear, what kind of verification the certificate holder has to present in order to proof compliance with law. In order to harmonize the requirements, equal instructions for the certification bodies are necessary.	
12	Specify exact needs	List clear indicators
12	This section should not be in the 004 standard. Companies are required to adhere to timber regulations in the countries they operate and do business with. Default to the basic controlled wood policy.	Please remove this section.
Timber legality	I have a concern that the new Standard does not clearly address the issue of EUTR compliance. As a wallcovering supplier, we regularly are requested to provide evidence that we can satisfy the EUTR regulations. I note that there are few references to EUTR in the draft; what we want as accredited organisation to FSC is a cast-iron guarantee of compliance. Without this, our accreditation appears is of very much reduced value.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
12.1.a	FSC better publish a list of all applicable “trade and custom laws” worldwide. Otherwise this is functionally not auditable.	
Clause 12.1	KOB: How about Controlled Wood and FSC Controlled Wood?	Include Controlled Wood and FSC Controlled Wood
12.1	Timber legality legislation is (be definition) defined and detailed elsewhere. It also varies regionally.	Reduce to the first sentence: “...shall ensure that its ...conform...”
12.1	Grammatical	The organisation shall ensure that its FSC certified products conform with all applicable timber legality legislations, and shall collaborate with its direct customer and customer further down <u>the supply chain</u> to whom <u>such</u> legislation <u>applies</u> . FSC certified products <u>conform</u>
12.1 a)	Grammatical	
12.1	Recommend rephrasing	and shall collaborate with its direct customer, and <u>any relevant</u> customers further down in that on down the supply chain, to whom these legislation apply.
12.1 a)	Recommend rephrasing	Having procedures in place to ensure the import and/or export of FSC certified products conformity <u>conforms</u> with all applicable trade and custom laws;
12.1 a) and general	A standard is only as good as its implementation in practice. Auditors won’t be able to check the compliance with “all applicable trade and custom laws”. Generally: Better training of auditors is necessary.	Work on Motion 52.
12.1 b)	There is no guidance what has to be done if there is no request for the information. Is this auditable? How does a certificate holder has to proof that the criterion will be fulfilled “on request”?	Clarify in a note what exactly has to be done.
12.1 b)	It is important to have information about wood species and origin. But: Most timber legality legislations require “documents or other information indicating compliance of those timber and timber products with the applicable legislation” (EU 995/2010 Article 6 1. a) So 12.1 b) only partly helps to meet legal requirements.	Add “documents or other information indicating compliance of those timber and timber products with the applicable legislation” to 12.1 b)
12.1b	This clause is very hard to understand. It is convoluted and lengthy.	Rewrite: “Upon request from direct customers and/or organizations further down the supply chain, to provide information on species (common and scientific name) and location of harvest (country or more specific location if required by legislation). The form and frequency of providing this information may be agreed between the organization and its customers, as long as it is provided in a timely manner.”

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
12.1.b	Important to only have to give this information to FSC certified customers!! This were agreed in the technical working group	Add: that the information is only needed to give to other certified organizations. This is very important !! We do not need extra work coming from uncertified companies
12.1 b)	Strongly recommend rephrasing	Upon request, to timely collect and provide information <u>in a timely fashion</u> on species (common and scientific name) and country of harvest (or more specific location details if required by legislation). This information is then available to direct customers and/or organizations further down in the supply chain <u>who may need it in order</u> to comply with timber legality legislation.
12.1.b	"timely" is not auditable	
12.1 b)	We do not support that information regarding species and origin of species shall only be given if required by legislation.	(... If required by legislation and by "public interest parties", e.g. NGOs, consumer organizations)....
12.1 b)	We do not support that information regarding species and origin of species shall only be given if required by legislation.	(... If required by legislation and by "public interest parties", e.g. NGOs, consumer organizations)....
12.1 b)	We do not support that information regarding species and origin of species shall only be given if required by legislation.	(... If required by legislation and by "public interest parties", e.g. NGOs, consumer organizations)....
Clause 12.1 c) NOTE	In order to have this NOTE, FSC must make sure that FSC-STD-40-005 V3-0 is released at least at the same time as FSC-STD-40-004 V3-0. Is it feasible?	--
12.1 c)	Does not make sense. Strongly recommend rephrasing	This includes:ensuring that FSC certified products <u>which containing</u> pre-consumer reclaimed wood (except reclaimed paper) being are sold to companies located in countries where timber legality legislation applies. <u>These transactions</u> either: i) only include pre-consumer reclaimed wood materials that which conform with FSC controlled wood requirements according to FSC-STD-40-005, or ii) <u>involve these companies informing</u> their customers about the presence of pre-consumer reclaimed wood in the product, and in support of their due diligence system, as required by applicable timber legality legislation.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Clause 12.1 c) i)	12.1 The organization shall ensure that its FSC certified products conform with all applicable timber legality legislation, and shall collaborate with its direct customer and customers further down in that chain to whom these legislation apply. This includes: a) Having procedures in place to ensure the import and/or export of FSC certified products conformity with all applicable trade and custom laws; ... c) Ensuring that FSC certified products containing pre-consumer reclaimed wood (except reclaimed paper) being sold to companies located in countries where timber legality legislation applies, these either: i) Only include pre-consumer reclaimed wood materials that conform with FSC controlled wood requirements according to FSC-STD-40-005, or...	Please use grammatically correct form: 12.1 The organization shall ensure that its FSC certified products conform to all applicable timber legality legislation, and shall collaborate with its direct customer and customers further down in that chain to whom these legislation apply. This includes: a) Having procedures in place to ensure the import and/or export of FSC certified products conformity to all applicable trade and custom laws; ... c) Ensuring that FSC certified products containing pre-consumer reclaimed wood (except reclaimed paper) being sold to companies located in countries where timber legality legislation applies, these either: i) Only include pre-consumer reclaimed wood materials that conform to FSC controlled wood requirements in accordance with FSC-STD-40-005, or...
12.1i	I am uncertain why the paragraph only refers to 40-005. Shouldn't it refer to all possible sources of controlled wood i.e. 40-005. 30-010, downgraded certified material or purchased with a CW claim. Maybe there is something I haven't understood?	Amend or remove the last part i.e. "according to 40-005"
clause 12.1 c) l; p.23)	b) <i><u>i) Only include pre-consumer reclaimed wood materials that conform with FSC controlled wood requirements according to FSC-STD-40-005, or</u></i> Paragraph spacing to be checked	No change to wording but to grammar
12.1 Note	FSC certificate holders applying option <u>c (ii)</u> above	FSC certificate holders applying option <u>c (i)</u> above
12.1 Note	co-products	By-products (according to the revised T&D)
Note on end of clause 12	In the note you refer to FSC-STD-40-005 V3-0!	You can't refer to a not valid Standard. Please find better solution for the information you want to provide!
12 Note	In the note the standard refers to FSC-STD-40-005-V3-0.	FSC-STD-40-005-V3-0 isn't valid yet. Please don't refer to a non-valid standard. Please find other solution to provide information.
12.7	The wording and information that would require members to list the specific forest location and region are often times not possible due to lack of supplier information.	
Terms and Definition	<ul style="list-style-type: none"> Easier understanding, also in the light of the decision to put the terms and definition at the end of the document. 	<ul style="list-style-type: none"> It might be valuable to highlight (Italics) defined terms, when they occur for the first time in the standard body.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Terms and Definition	<ul style="list-style-type: none"> Easier understanding, also in the light of the decision to put the terms and definition at the end of the document. 	<ul style="list-style-type: none"> It might be valuable to highlight (Italics) defined terms, when they occur for the first time in the standard body.
Terms and Definition	<ul style="list-style-type: none"> Easier understanding, also in the light of the decision to put the terms and definition at the end of the document. 	<ul style="list-style-type: none"> It might be valuable to highlight (Italics) defined terms, when they occur for the first time in the standard body.
Terms and Definition	<ul style="list-style-type: none"> Easier understanding, also in the light of the decision to put the terms and definition at the end of the document. 	<ul style="list-style-type: none"> It might be valuable to highlight (Italics) defined terms, when they occur for the first time in the standard body.
Terms and definitions	The Contents section names the Terms and Definitions section as Annex A, but the title of the actual section is E.	Rename the Terms and definitions section to Annex A.
Terms and definitions	The following definitions are confusing because they provide lists which are hard to read: claim-contributing input, FSC claim, FSC Mix, material category,	Bullet lists would be much easier to read.
Terms and definitions	The following definitions need to be added to the standard: downgrading, FSC small and community producer, FSC trademark, label, promotional, segregation mark,	
Terms & Definitions	There is no definition of “small producers” and “community producers”, which are in requirements 6.5, 8.7, 9.1 and 10.3. This lack of definition links too much the COC standard to the glossaries of FM standards.	
Terms & Definitions	There is no definition of “small producers” and “community producers”, which are in requirements 6.5, 8.7, 9.1 and 10.3. This lack of definition links too much the COC standard to the glossaries of FM standards.	
Terms & Definitions	There is no definition of “small producers” and “community producers”, which are in requirements 6.5, 8.7, 9.1 and 10.3. This lack of definition links too much the COC standard to the glossaries of FM standards.	
Terms & Definitions	There is no definition of “small producers” and “community producers”, which are in requirements 6.5, 8.7, 9.1 and 10.3. This lack of definition links too much the COC standard to the glossaries of FM standards.	
Terms & Definitions	There is no definition of “small producers” and “community producers”, which are in requirements 6.5, 8.7, 9.1 and 10.3. This lack of definition links too much the COC standard to the glossaries of FM standards.	
Terms & Definitions	There is no definition of “small producers” and “community producers”, which are in requirements 6.5, 8.7, 9.1 and 10.3. This lack of definition links too much the COC standard to the glossaries of FM standards.	
Termos e definições : declaração FSC	Again (as 6.5), This requirement exists to attend the Motion 19, adopted at the General Assembly of 2008, which today remains current because the new FSC Strategic Plan has clear objectives and goals of "creating social value" for Community and smallholders certification through the forest area increased mainly in certified natural forests in the tropics. (see GLOBAL PRIORITY 01 Objective 1.1, indicator 1.1.1).	Include specific claims to FSC small or Community forest products.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Terms and Definitions Assembled Products	Assembled products could include NTFP's and will not always be solid wood and/or chip and fibre therefore this definition needs broadening.	Please revise
Terms and Definitions, By-Products	KOB: This term is not used in the standard and should therefore be withdrawn	
Terms and definitions "By-product"	Is it to replace the term "co-product"?	--
Terms and Definitions	Certification Body should be defined	Add definition of Certification Body
E Terms and definitions: Claim-contributing input	At the end it states: ". . . input are proportional to the percentage stated on the supplier's sales documents." That is hard to comprehend.	Explain differently.
Definitions Claim Contributing Input	Excluding wood and cork from pre-consumer reclaimed material eligibility is very biased and unfounded. This puts the wood industry at a significant disadvantage. If FSC has doubts about the risk of including wood, the it should be allowed until market research proves that wood is actually a risk (it isn't). Currently, FSC is simply giving paper manufacturers special consideration (industry bias).	Do not exclude wood from pre-consumer reclaimed eligibility.
Terms and definitions	While SCS likes the simplification to include pre-consumer paper as a claim-contributing input, we hope that FSC will revise the control systems and potentially 40-007 to ensure this change is as streamlined as possible. For example, it is now not relevant to maintain a Recycled Credit account for reclaimed paper products because both pre- and post-consumer material counts towards the credit. However, there is no way for a company to simply verify their material and then make a simple claim without needing an elaborate accounting system.	Modify 40-004 and 40-007 where appropriate to incorporate pre-consumer paper and streamline the system.
E Terms and definitions Claim-contributing input:		The pre consumer recovered paper would contribute as much as 50%, to continue to be less interesting than a FSC-certified paper 70%, for example.
E Terms and definitions Claim-contributing input	The rationale for making certified virgin pulp and reclaimed paper as having equivalent value is not clear. This blurs the definition and value of certified paper.	
E Terms and definitions, Claim-contributing input	Our concerns about pre-consumer reclaimed paper as Claim-contributing input are as follows; 1) Discouragement to plantation owners who manage and maintain FSC certificates.	We oppose to treat pre-consumer reclaimed paper as eligible input for FSC credit system. (The advice note ADVICE-40-004-13 published on October 7, 2015 should be retracted.)

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART III, 10.1	<p>Easiness and more availability for the pre-consumer reclaimed paper, compared with FSC certified forest material.</p> <p>2) APFL is concerned about the “ De- value of FSC credit” if FSC credit is available from pre-consumer reclaimed paper. We are incurring a lot of extra costs and human resources to maintain our FSC FM. If FSC credit would be easily available from Pre-consumer reclaimed paper, we could not find a reason to maintain the FSC FM. Because the worth of FSC-FM will be degraded, we will not be able to spend extra money for maintaining the FSC FM.</p>	
E Terms and definitions , Claim-contributing input PART III, 10.1	<p>We have 2 concerns regarding to include pre-consumer reclaimed paper as Claim-contributing input as following;</p> <p>1) Discourage the plantation owners to obtain or maintain FSC certificate.</p> <p>We assume the paper company may purchase the pre-consumer reclaimed paper rather than FSC certified forest material as the availability of the pre-consumer reclaimed paper is easier than the FSC certified forest material.</p> <p>2) QPFL is concerned about the “ De- value of FSC credit” if FSC credit is available from pre-consumer reclaimed paper. We are incurring a lot of extra costs and human resources to maintain our FSC FM. If FSC credit would be easily available from Pre-consumer reclaimed paper, we could not find a reason to maintain the FSC FM. Because the worth of FSC-FM will be degraded, we will not be able to spend extra money for maintaining the FSC FM.</p>	<p>We oppose to treat pre-consumer reclaimed paper as eligible input for FSC credit system. (The advice note ADVICE-40-004-13 published on October 7, 2015 should be retracted.)</p>
E Terms and definitions , Claim-contributing input PART III, 10.1	<p>We have following concerns for including pre-consumer reclaimed paper as claim-contributing input:</p> <p>1) Concerns that it will discourage increase of FSC certified forests</p> <ul style="list-style-type: none"> • Compared with materials derived from FSC FM certified forests, pre-consumer reclaimed paper are more easily available. As a result, in a country where paper containing recycled paper prevailing in the paper market, it is likely that almost all the paper products will become eligible for FSC MIX or recycle labelling after the standard revision. • In such a situation, sourcing of FSC claim contributing materials will focus on reclaimed paper. This will reduce the motivation for acquiring and maintaining FSC FM certification. In the end, it does not lead to the FSC’s objective to promote responsibly managed forests. • Pan Pac is concerned about the “De-value of FSC credit” if FSC credit is available from Pre-consumer reclaimed paper as mentioned above. We are incurring a lot of extra costs and human resources to maintain our FSC FM, however we would not be able to find a reason to do so if FSC credit would be easily available from Pre-consumer reclaimed paper. It will affect our business if our current customers shift to buy non-FSC certified products from our competitors in the world as they don’t require FSC credit from us anymore. <p>2) Concerns for confusion in the market</p>	<p>We oppose to treat pre-consumer reclaimed paper as eligible input for FSC credit system. (The advice note ADVICE-40-004-13 published on October 7, 2015 should be retracted.)</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<ul style="list-style-type: none"> • Under the current FSC definition, products that have high percentage of reclaimed paper and those made from 100% virgin pulp are both labelled FSC MIX. • Under such condition, when it becomes easier to get more credit from reclaimed paper , more FSC products made from reclaimed paper will be available in the market. This may lead to misunderstanding that FSC is a label for products from reclaimed paper. This will disrupt correct understanding about FSC scheme, and discredit the certification system as a whole. 	
E Terms and definitions, Claim-contributing input PART III, 10.1	<p>We have following concerns for making pre-consumer reclaimed paper eligible input for credit system.</p> <p>1) Concerns that it will inhibit growth of FSC FM certification</p> <ul style="list-style-type: none"> • Compared to input materials from FSC certified forests, it is easier to source pre-consumer reclaimed paper materials. As a result, in the Japanese paper market where large proportion of paper products are already made from recycled paper materials, almost all paper products can be claimed as FSC Mix or FSC certified after the implementation of the rule. <p>Under such situations, procurement of FSC credit materials will mainly focus on materials from reclaimed paper. This will reduce the motivation for forest management enterprise to get FM certified. As a result, it does not lead to promotion of “responsible forest management” that FSC aims.</p> <p>FM certificate holders maintain their certificates with great effort and cost. This measure has a great risk of reducing the value of certified forests. The reduced value of certified forests means that FM certificate holders will no longer afford to maintain the costly FM certificates.</p> <p>2) Concerns for market confusion</p> <ul style="list-style-type: none"> • Under the existing FSC rule, the same FSC mix labels are applied to both products made from high proportion of reclaimed paper and products purely made from virgin pulp. • Under such situation, when procurement of FSC credit from reclaimed sources become easier, more FSC certified products made from reclaimed product will be available in the market. This will lead to misunderstanding that FSC label means use of reclaimed paper materials. This will prevent the correct understanding of FSC system, and will lead to loss of credibility of its system. 	We oppose to treat pre-consumer reclaimed paper as eligible input for FSC credit system. (The advice note ADVICE-40-004-13 published on October 7, 2015 should be retracted.)
E Terms and definitions , Claim-contributing input PART III, 10.1	<p>Our concerns about pre-consumer reclaimed paper as Claim-contributing input are as follows;</p> <p>2) Discouragement to plantation owners who manage and maintain FSC certificates.</p> <p>Easiness and more availability for the pre-consumer reclaimed paper, compared with FSC certified forest material.</p>	We oppose to treat pre-consumer reclaimed paper as eligible input for FSC credit system. (The advice note ADVICE-40-004-13 published on October 7, 2015 should be retracted.)

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	2) SPFL is concerned about the “ De- value of FSC credit” if FSC credit is available from pre-consumer reclaimed paper. We are incurring a lot of extra costs and human resources to maintain our FSC FM. If FSC credit would be easily available from Pre-consumer reclaimed paper, we could not find a reason to maintain the FSC FM. Because the worth of FSC-FM will be degraded, we will not be able to spend extra money for maintaining the FSC FM.	
E Terms and definitions: Claim-contributing input: pre-consumer reclaimed paper	The acceptance of pre-consumer paper as equivalent to post consumer is useful and follows the needs of reality. It is preferable to enlarge this to wood-based material. The reservation of some stakeholders is well known, but the fear of misuse should not prohibit a useful utilisation of waste from production steps before the end consumer. The use of waste is ecological and economical wise and a division between different treatment for pre-consumer reclaimed paper and pre-consumer reclaimed wood is not wise.	Enlarge on wood based material
E Terms and definitions: Claim-contributing input: pre-consumer reclaimed paper	The use of pre-consumer paper is a good decision. This regulation should be applied to the pre-consumer reclaimed wood, use for the production of wood-based materials. Production-waste is a valuable raw material. A different treatment for pre-consumer reclaimed paper and pre-consumer reclaimed wood is not understandable	Change: pre-consumer material
E: Terms and definitions: Claim-contributing input: pre-consumer reclaimed paper	We appreciate the decision of granting pre-consumer paper fibre the same value as post-consumer material and as certified virgin fibre. The different treatment of pre-consumer reclaimed paper and pre-consumer reclaimed wood doesn't make sense.	Please apply the regulation to pre-consumer reclaimed wood and combine pre-consumer reclaimed paper and pre-consumer reclaimed wood under the term pre-consumer material.
“Terms and definitions”; Claim-contributing input.	The valuation of pre-consumer recovered fiber inputs is an important point for the whole FSC system because the inputs of these raw materials are quite significant, and the valuation will also foster the recovery of this material.	Is positive that this kind of raw material has the same amount of post-consumer.
E Terms and Definitions (Claim-contributing input)	Pre-consumer wood material should be recognized in equivalent fashion as pre-consumer paper is recognized under this standard. Wood is wood is wood.	Recognize pre-consumer wood material as a claim-contributing input.
Definition Claim-contributing input, p. 24	We strongly encourage to change the FSC-classification for reclaimed materials classified under the Euralcode under chapter 03 “WASTE FROM WOOD PROCESSING AND THE PRODUCTION OF PANELS AND FURNITURE, PULP, PAPER AND CARDBOARD” from pre-consumer to post-consumer reclaimed material. We believe that facilitating the uptake of these waste products in FSC Recycled products contributes to extending the life-cycle of this category of ‘waste’. Otherwise the waste will simply be burned for electricity production.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Note at Definition Claim-contributing input, p.24	We encourage to conduct as soon as possible the proposed evaluation into risk, impacts and opportunities in changing the classification of pre-consumer reclaimed materials	
Terms and Definitions, Claim-contributing input:	KOB: This is anyhow a Term which makes it not simpler particularly for Beginners. Moreover "FSC Controlled Wood" is also a claim and does not contribute in that sense.	Just a suggestions: "certified and other equal input".
Terms and definitions	Felled trees never picked up in a log yard: it seems too generic as a definition, allowing uncorrect practices difficult to verify	Better specification or withdrawal of this opportunity
Complaint	Some of the best complaint mechanisms we know are through freephone numbers. Classify a complaint as written can necessarily exclude illiterate stakeholders, as well as restrict the channels of communication with the company.	Complaint: An expression of dissatisfaction supported by facts ...
Terms & Definitions – Complaints	We support the changes in the definition of "complaint" from the wording in the 1 st consultation draft	
Terms and definitions	Definitions of "contracting organization" and "contractor" are not inclusive of a situation when a non-certified organization contracts to a certified organization.	Rewrite to be more inclusive.
Page 26 def. Controlled material	Controlled material: Input material supplied without any FSC claim which has been assessed to be in conformity with FSC Controlled Wood requirements according to the standard FSC-STD-40-005 Requirements for Sourcing Controlled Wood.	Please use grammatically correct form: Controlled material: Input material supplied without any FSC claim which has been assessed against FSC Controlled Wood requirements in accordance with the standard FSC-STD-40-005 Requirements for Sourcing Controlled Wood.
Definition of controlled material	Controlled material: Input material which has been assessed to be in conformity with FSC Controlled Wood requirements according to the standard FSC-STD-40-005 Requirements for Sourcing Controlled Wood. To the definition of "controlled material" in my view, we have to add that reclaimed material controlled according FSC STD 40-007 as a controlled source, even it fulfil not the requirements of FSC STD 40-005...	Controlled material: Input material which has been assessed to be in conformity with FSC Controlled Wood requirements according to the standard FSC-STD-40-005 Requirements for Sourcing Controlled Wood..... Add to the definition of Controlled material the following: "....and reclaimed materials, which are controlled according FSC STD-40-007 Sourcing reclaimed material for use in FSC product groups"
Page 27 def. FSC Controlled Wood	FSC Controlled Wood: Material or product carrying the FSC Controlled Wood claim which has been assessed to be in conformity with FSC Controlled Wood requirements according to the standard FSC-STD-40-005 Requirements for sourcing FSC Controlled Wood or FSC-STD-30-010 Forest management requirements for FSC Controlled Wood certification.	Please use grammatically correct form:

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		FSC Controlled Wood: Material or product declared with FSC Controlled Wood claim which has been assessed against FSC Controlled Wood requirements in accordance with the standard FSC-STD-40-005 Requirements for sourcing FSC Controlled Wood or FSC-STD-30-010 Forest management requirements for FSC Controlled Wood certification.
Terms and Definitions	Controlled Wood/Controlled material	These definitions are confusing and need further/improved clarification
E Terms and definitions: Conversion factors	At the end it states: “. . . Shall be measured in the metric system: See comment above, the metric system is mostly not used in the U.S..	Remove requirement
Terms and definitions	Definition of “conversion factor” is too limiting with “quantities shall be measured in the metric system.” For example, metric units are not used or easily understood for all industries. Also clause 5.2b allows for an exception to this rule.	Strike last sentence out.
Terms and Definitions, Conversion factor:	KOB: The definition of the exact units and the conversion between entering and leaving unit can already be tricky. “The ratio between material quantity and units entering and leaving a given transformation process[...]”	
Definitions	See comments on 5.2	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 quantity by the input quantity and is applied to the whole product or to each individual component of a product. Quantities shall be measured in the metric system.
Terms & Definitions – Conversion Factor	US Companies should not be required to calculate quantities using the metric system.	Conversion Factor: The ration between material quantity entering and leaving a given transformation process used by the organization. The conversion factor is calculated by dividing the output quantity by the input quantity and is applied to the whole product or to each individual component of a product. Quantities shall be measured in the metric system.
Terms and Definitions	Co-Products and By-Products – if they are different can we have a definition of both. If they are same can we still make reference to Co-Product as this is the accepted terminology? Using both infers there is a difference.	Add
E Terms and definitions	Recommend adding in the definition of co-product which is missing	
Terms and definitions	Definition of “delivery documents” includes a list of other names, but it should be made clear that the list is not exhaustive.	Rewrite last sentence: “Delivery documents can also be called... or similar names.”

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
E Terms and definitions	Eligible input The previous table is helpful to get an overview	Please keep the previous table
E Terms and definitions	Eligible input The previous table is helpful to get an overview	Please keep the previous table
E Terms and definitions	Eligible input The previous table is helpful to get an overview	Please keep the previous table
E Terms and definitions	Eligible input The previous table is helpful to get an overview	Please keep the previous table
Terms and definitions	The list of eligible material categories for FSC Mix is missing "controlled material".	Add "controlled material" to FSC Mix.
Terms and definitions	"FSC Recycled" should include a list of eligible inputs, just as FSC Mix does.	Add eligible inputs.
E Terms and definitions	FSC input should be kept for clarification	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
E Terms and definitions	FSC input should be kept for clarification	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
E Terms and definitions	FSC input should be kept for clarification	FSC input

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		<p>Input of FSC-certified virgin material that counts towards the input percentage or towards the FSC credit for a product group as follows:</p> <p>a) material with an FSC 100% claim: counts as the full quantity stated on the supplier invoice;</p> <p>b) material with an FSC Mix x% claim: counts as the percentage of its quantity that is stated on the supplier invoice;</p> <p>c) material with an FSC Mix credit claim: counts as the full quantity stated on the supplier invoice</p>
E Terms and definitions	FSC input should be kept for clarification	<p>FSC input</p> <p>Input of FSC-certified virgin material that counts towards the input percentage or towards the FSC credit for a product group as follows:</p> <p>a) material with an FSC 100% claim: counts as the full quantity stated on the supplier invoice;</p> <p>b) material with an FSC Mix x% claim: counts as the percentage of its quantity that is stated on the supplier invoice;</p> <p>c) material with an FSC Mix credit claim: counts as the full quantity stated on the supplier invoice</p>
Terms and definitions	Definition of “FSC certified product”: stating that it is “eligible to carry an FSC label” suggests that any product below the labelling threshold is not certified. This is inconsistent with the rest of the standard.	Rewrite: “...certification requirements and is sold with a valid FSC claim.”
Page 25	End consumer	Try to find a better explanation to the word end consumer
E Terms and definitions: Finished product	<p>Finished product is misleading somewhat.</p> <p>Also: Note that the word timber is used as well as lumber. One is British English, the other American.</p>	<p>If there is indeed the challenge that some lumber and paper does not classify as finished product, just called it Final product.</p> <p>Unify to either one or the other preferably “timber”.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
definition of neutral materials	<p>Neutral material: Material that comes from outside a forest matrix. Examples are non-wood plant fibres or lignified materials (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 COC control requirements. When a material that is considered “neutral” is for the first time certified according to the FSC Principles and Criteria (e.g. bamboo), it shall no longer be classified as “neutral” and shall conform with FSC COC requirements applicable to forest-based materials. That means that these materials are only eligible to enter the FSC Chain of Custody and be used in the manufacturing of FSC certified products if they are FSC certified or FSC controlled. A transition period of 2 years (after forest management certification has started for a certain material) applies before the formerly neutral material needs to be FSC certified or FSC controlled.</p> <p>The conclusion is that the definition in most cases considers other components in paper recipe beyond pulp (e.g.: chemicals, pigments, binders) as Neutral Materials.</p> <p>However, materials derived from forests would be considered to have FSC status to be included, if they are marketed as certified somewhere in the world. So, if you use a varnish or a chemical that contains tall oil or turpentine it could be required to have FSC status. You would then end up in having to establish different product groups for input materials and if you are unable to secure material with an FSC status, you would be unable to certify the product. I find it a unpractical approach that may be contra productive to the mission of the FSC. If you in such case drop the forest based product and go for a synthetic petrol based product (If such an alternative exists), you would be able to certify the product.</p> <p>I suggested in my response to the consultation that it could be worthwhile to consider a “minor component” approach to materials that constitute e.g. less than 5% of the material. The material that is used could however be required to meet FSC CW requirements. If the rest of the product has status as FSC certified, it would then be possible to sell as fully FSC certified, without jeopardizing the legality status of the product. The combined effect of the product group concept and the nature of these input material would produce unwanted effects.</p> <p>Would you interpret the effects the same way as I do?</p>	
Page 27 def. Neutral material	<p>Neutral materials do not include non-timber forest products or salvaged wood. Neutral materials used in FSC product groups are exempt from COC control requirements. When a material that is considered “neutral” is for the first time certified according to the FSC Principles and Criteria (e.g. bamboo), it shall no longer be classified as “neutral” and shall conform with FSC COC requirements applicable to forest-based materials.</p>	Please use grammatically correct form:

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		Neutral materials do not include non-timber forest products or salvaged wood. Neutral materials used in FSC product groups are exempt from COC control requirements. When a material that is considered “neutral” is for the first time certified in accordance with the FSC Principles and Criteria (e.g. bamboo) , it shall no longer be classified as “neutral” and shall conform to FSC COC requirements applicable to forest-based materials.
Terms and Definitions “Neutral material”	This change could have a significant impact on products that contact NTFPs. Some materials, e.g. bamboo, may be grown primarily outside a forest matrix. Has research been undertaken to assess potential impact on supply and whether there is sufficient FSC certified material to meet this requirement? How is a company alerted to a new NTFP being certified? Should this definition include materials as yet not available with Chain of Custody?	Reconsider definition of Neutral material
E – terms and conditions. Neutral materials	The example with Bamboo does not make sense, as bamboo is an non-timber forest product and as such couldn’t have been neutral after the effect of this standard anyway.	Provide another valid example.
E – terms and conditions. Neutral materials	The example with Bamboo does not make sense, as bamboo is an non-timber forest product and as such couldn’t have been neutral after the effect of this standard anyway.	Provide another valid example.
E – terms and conditions. Neutral materials	The example with Bamboo does not make sense, as bamboo is an non-timber forest product and as such couldn’t have been neutral after the effect of this standard anyway.	Provide another valid example.
Terms and Def. Neutral material	<ul style="list-style-type: none"> • Provided definition cannot be considered a definition 	<ul style="list-style-type: none"> • One Clause on Neutral materials should be inserted in the revised standard body, inserting those prescriptions that are redundant in the Terms and Definitions section.
Terms and Def. Neutral material	<ul style="list-style-type: none"> • Provided definition cannot be considered a definition 	<ul style="list-style-type: none"> • One Clause on Neutral materials should be inserted in the revised standard body, inserting those prescriptions that are redundant in the Terms and Definitions section.
Terms and Def. Neutral material	<ul style="list-style-type: none"> • Provided definition cannot be considered a definition 	<ul style="list-style-type: none"> • One Clause on Neutral materials should be inserted in the revised standard body, inserting those prescriptions that are redundant in the Terms and Definitions section.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Terms and Def. Neutral material	<ul style="list-style-type: none"> Provided definition cannot be considered a definition 	<ul style="list-style-type: none"> One Clause on Neutral materials should be inserted in the revised standard body, inserting those prescriptions that are redundant in the Terms and Definitions section.
E Terms and Definitions, Neutral Material, p 27	Kimberly-Clark does not understand the need or rationale to expand the definition of a neutral material beyond the sentence "Neutral materials used in FSC product groups are exempt from CoC control requirements." It seems self-evident that once a material is certified according to FSC Principles and Criteria it can no longer be considered "neutral." The language discussing a transition period is more guidance than definitional and it is recommended that all language of the new approach towards certifying neutral material be incorporated into an Advice Note.	The new approach towards certifying material previously considered as neutral material should be incorporated into an Advice Note
Terms and Definitions	Non-Timber forest product – this should include wood-fibre chip and not just timber.	Amend
E Terms and Definitions, Non-timber forest product, p 28	In light of the proposal to expand the definition of neutral material, Kimberly-Clark suggests that the definition of non-timber forest product be expanded so that there is no ambiguity with language that "Non-timber forest products used in FSC product groups are subject to CoC control requirements."	
E Contractor Outsourcing	<p>It is not clear to me: can within a multi-national company a subsidiary or a sister company serve as contractor, resp. can outsourcing be applied?</p> <p>E.g. Certified Swiss Holding has a German processing subsidiary, but legally outsources production to them. Purchasing, Sales and Ownership of material is done by Swiss Holding. Production by German subsidiary.</p>	If a clear outsourcing scenario applies, it should be also eligible between different legal entities and sites within the same company.
definition	The revised definition of "outsourcing" is too broad. We utilize contractors in the mill / wood yards to cut up wood, move wood around with zero risk of anything happening to the FSC material that would fall into this definition, creating unneeded expenses.	
Terms and Definitions, Participating Site	KOB: This term is not used in the standard and should therefore be withdrawn	
Terms and Def. Pre-consumer reclaimed material	<ul style="list-style-type: none"> According to the given definition, pre-consumer reclaimed materials shall be "<i>not capable of being re-used on-site in the same manufacturing process that generated it.</i>" <p>Nonetheless, they still could be used on-site in other manufacturing processes.</p> <p>Paradoxically, the same CH may use even barely legal sources (though CH commitment) to produce non-certified products, then using pre-consumer reclaimed materials under its own FSC certificate scope.</p>	<ul style="list-style-type: none"> Please, consider to introduce a mechanism similar to the following: CHs willing to reclaim pre-consumer materials to use them in other manufacturing processes <u>on site</u> should commit themselves to use FSC material as "original" inputs.
Terms and Def.	<ul style="list-style-type: none"> According to the given definition, pre-consumer reclaimed materials shall be "<i>not capable of being re-used on-site in the same manufacturing process that generated it.</i>" 	<ul style="list-style-type: none"> Please, consider to introduce a mechanism similar to the following:

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Pre-consumer reclaimed material	Nonetheless, they still could be used on-site in other manufacturing processes. Paradoxically, the same CH may use even illegal sources (CH may not know that such sources are illegal) to produce non-certified products, then using pre-consumer reclaimed materials under its own FSC certificate scope.	CHs willing to reclaim pre-consumer materials to use them in other manufacturing processes <u>on site</u> should commit themselves to use FSC material as “original” inputs.
Terms and Def. Pre-consumer reclaimed material	<ul style="list-style-type: none"> According to the given definition, pre-consumer reclaimed materials shall be “<i>not capable of being re-used on-site in the same manufacturing process that generated it.</i>” <p>Nonetheless, they still could be used on-site in other manufacturing processes.</p> <p>Paradoxically, the same CH may use even barely legal sources (though CH commitment) to produce non-certified products, then using pre-consumer reclaimed materials under its own FSC certificate scope.</p>	<ul style="list-style-type: none"> Please, consider to introduce a mechanism similar to the following: CHs willing to reclaim pre-consumer materials to use them in other manufacturing processes <u>on site</u> should commit themselves to use FSC material as “original” inputs.
Terms and Def. Pre-consumer reclaimed material	<ul style="list-style-type: none"> According to the given definition, pre-consumer reclaimed materials shall be “<i>not capable of being re-used on-site in the same manufacturing process that generated it.</i>” <p>Nonetheless, they still could be used on-site in other manufacturing processes.</p> <p>Paradoxically, the same CH may use even barely legal sources (though CH commitment) to produce non-certified products, then using pre-consumer reclaimed materials under its own FSC certificate scope.</p>	<ul style="list-style-type: none"> Please, consider to introduce a mechanism similar to the following: CHs willing to reclaim pre-consumer materials to use them in other manufacturing processes <u>on site</u> should commit themselves to use FSC material as “original” inputs.
Appendix E	We support FSC’s proposal to include “pre-consumer reclaimed material” as a claim contributing input and support the proposed definition of “pre-consumer reclaimed material”	
Terms and definitions	Definition of pre-consumer reclaimed material: the material does not need to meet all three criteria listed in the latter part of the sentence.	Rewrite: ... unfit for end use, or not capable of...”
Terms and definitions	Definition of “primary manufacturing” includes processing that transforms chips into other products. This is confusing. Is this meant to include, for example, MDF, OSB, particleboard as primary manufacturing? This is a change from the current standard.	Ensure FSC’s intent is to include transforming chips into products before finalizing this definition.
Terms and Definitions, Primary Manufacturing	KOB: This term is not used in the standard and should therefore be withdrawn	
Primary manufacturing	There is 2 points (..) in the end of definition	
Terms and definitions	At the end of definition of Primary manufacturing, there are two full periods.	Remove one.
Terms and Definitions	It would be very helpful here to have a definition of Primary, Secondary processing, Tertiary. Also some distinction between manufacturing and processing should occur, or consistent use of one term	Please add
Glossary	Procedure: A specified way to carry out an activity or process.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Removal of 'Procedures can be documented or not.' What is the significance of the removal – it would be useful to clarify if written procedures are required..or not?	
Page 28 def Procedure	Procedure: A specified way to carry out an activity or process.	Please change it to “perform”, which is preferred word for international standards: Procedure: A specified way to perform an activity or process.
Terms & Definitions	<p>Unless otherwise specified, the intention of FSC with this requirement is to avoid that credits from inputs with different characteristics (i.e. MDF floor and fine wood floor) are credited or debited from the same credit account.</p> <p>The term “quality” is not the most suitable, because refers to product excellence or quality issues treated by ISO, which is not the role of FSC.</p> <p>Suggest change for “product characteristics”, maintaining the same definition.</p> <p>Intended use and function are not verifiable indicators of product characteristics.</p>	<p>Quality Product characteristics: A distinctive attribute or property of a material or product. Some indicators of quality—characteristics are price/value, species of wood, intended use, function, or physical appearance of the material or application in the output manufacturing.</p> <p>Price/value should not be used as a single indicator of quality characteristics 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 of characteristics—to characterize quality variations. Two materials or products may be considered as having the same quality characteristics if they can be exchanged without affecting the output product function, value and/or physical appearance.</p>
Terms & Definitions	<p>Unless otherwise specified, the intention of FSC with this requirement is to avoid that credits from inputs with different characteristics (i.e. MDF floor and fine wood floor) are credited or debited from the same credit account.</p> <p>The term “quality” is not the most suitable, because refers to product excellence or quality issues treated by ISO, which is not the role of FSC.</p> <p>Suggest change for “product characteristics”, maintaining the same definition.</p> <p>Intended use and function are not verifiable indicators of product characteristics.</p>	<p>Quality Product characteristics: A distinctive attribute or property of a material or product. Some indicators of quality—characteristics are price/value, species of wood, intended use, function, or physical appearance of the material or application in the output manufacturing.</p> <p>Price/value should not be used as a single indicator of quality characteristics 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 of characteristics—to characterize quality variations. Two materials or products may be considered as having the same quality characteristics if they can be exchanged without affecting the output product function, value and/or physical appearance.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Terms & Definitions	<p>Unless otherwise specified, the intention of FSC with this requirement is to avoid that credits from inputs with different characteristics (i.e. MDF floor and fine wood floor) are credited or debited from the same credit account.</p> <p>The term “quality” is not the most suitable, because refers to product excellence or quality issues treated by ISO, which is not the role of FSC.</p> <p>Suggest change for “product characteristics”, maintaining the same definition.</p> <p>Intended use and function are not verifiable indicators of product characteristics.</p>	<p>Quality Product characteristics: A distinctive attribute or property of a material or product. Some indicators of quality—characteristics are price/value, species of wood, intended use, function, or physical appearance of the material or application in the output manufacturing. Price/value should not be used as a single indicator of quality characteristics 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 of characteristics—to characterize quality variations. Two materials or products may be considered as having the same quality characteristics if they can be exchanged without affecting the output product function, value and/or physical appearance.</p>
Terms & Definitions	<p>Unless otherwise specified, the intention of FSC with this requirement is to avoid that credits from inputs with different characteristics (i.e. MDF floor and fine wood floor) are credited or debited from the same credit account.</p> <p>The term “quality” is not the most suitable, because refers to product excellence or quality issues treated by ISO, which is not the role of FSC.</p> <p>Suggest change for “product characteristics”, maintaining the same definition.</p> <p>Intended use and function are not verifiable indicators of product characteristics.</p>	<p>Quality Product characteristics: A distinctive attribute or property of a material or product. Some indicators of quality—characteristics are price/value, species of wood, intended use, function, or physical appearance of the material or application in the output manufacturing. Price/value should not be used as a single indicator of quality characteristics 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 of characteristics—to characterize quality variations. Two materials or products may be considered as having the same quality characteristics if they can be exchanged without affecting the output product function, value and/or physical appearance.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Terms & Definitions	<p>Unless otherwise specified, the intention of FSC with this requirement is to avoid that credits from inputs with different characteristics (i.e. MDF floor and fine wood floor) are credited or debited from the same credit account.</p> <p>The term “quality” is not the most suitable, because refers to product excellence or quality issues treated by ISO, which is not the role of FSC.</p> <p>Suggest change for “product characteristics”, maintaining the same definition.</p> <p>Intended use and function are not verifiable indicators of product characteristics.</p>	<p>Quality Product characteristics: A distinctive attribute or property of a material or product. Some indicators of quality—characteristics are price/value, species of wood, intended use, function, or physical appearance of the material or application in the output manufacturing. Price/value should not be used as a single indicator of quality characteristics 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 of characteristics—to characterize quality variations. Two materials or products may be considered as having the same quality characteristics if they can be exchanged without affecting the output product function, value and/or physical appearance.</p>
Terms & Definitions	<p>Unless otherwise specified, the intention of FSC with this requirement is to avoid that credits from inputs with different characteristics (i.e. MDF floor and fine wood floor) are credited or debited from the same credit account.</p> <p>The term “quality” is not the most suitable, because refers to product excellence or quality issues treated by ISO, which is not the role of FSC.</p> <p>Suggest change for “product characteristics”, maintaining the same definition.</p> <p>Intended use and function are not verifiable indicators of product characteristics.</p>	<p>Product characteristics: A distinctive attribute or property of a material or product. Some indicators of characteristics are price/value, species of wood, physical appearance of the material or application in the output manufacturing. Price/value should not be used as a single indicator of characteristics 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 of characteristics variations. Two materials or products may be considered as having the same characteristics if they can be exchanged without affecting the output product function, value and/or physical appearance.</p>
Promotional	Last word “products” is wrong	
Terms & Definitions Quality Management System	Why specifically "Quality?" It could also be named an Environmental Management System.	Omit “Quality” and refer to it simply as “Management System.”
E Terms and Definitions, Quality, p 28	Kimberly-Clark supports the definition of quality but believes that price/value is not an indicator of quality per se and the definition can be significantly shortened by deleting all language relating to price/value as an indicator of quality.	
Quality	This definition is so vague and open to interpretation as to have negligible application.	
Quality definition	This definition does not allow a clear and objective interpretation.	Definition clarification.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
E Terms and definitions	Quality "...Two materials or products may be considered as having the same quality if they can be exchanged without affecting the output product function, value and/or physical appearance."	Delete "value" in the last sentence
E Terms and definitions	Quality "...Two materials or products may be considered as having the same quality if they can be exchanged without affecting the output product function, value and/or physical appearance."	Delete "value" in the last sentence
E Terms and definitions	Quality "...Two materials or products may be considered as having the same quality if they can be exchanged without affecting the output product function, value and/or physical appearance."	Delete "value" in the last sentence
E Terms and definitions	Quality "...Two materials or products may be considered as having the same quality if they can be exchanged without affecting the output product function, value and/or physical appearance."	Delete "value" in the last sentence
E Terms and Definitions (Quality)	It would seem that the FSC standard is inconsistent in its approach to the term "Quality". On one hand the standard is emulating ISO 9001 by utilizing various elements of the QMS standard (for example, Quality Management System), while on the other hand is departing significantly from the definition of Quality as defined by ISO 9001 (the degree to which a requirement is fulfilled), which is not consistent with the definition of quality prescribed in this 004 draft iteration. Please keep the terms and concepts either consistent throughout the standard or use FSC-specific terms.	Please keep the terms and concepts either consistent throughout the standard or use FSC-specific terms. Suggest using the term "product value equivalent" instead of "quality" to describe the intent of this definition.
Definitions	<p>Just reading this definition, introduces references to the ambiguous:</p> <p>"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 of sold, but can be used with other indicators to characterize quality variations."</p> <p>That is a mouthful. Indicators is a loaded concept in FSC. Focusing on valuation in inputs, presently, introduces a great deal of complexity at primary manufacturers when most folks agree, the market (in solid wood, aside from patio furniture), is absent.)</p> <p>As Kim invited us to consider in FSC strategy, we need to understand where to simplify FSC to get products to market. Focusing on cubic wood scaling, recovery and transaction due care is where we need to funnel the time effort and energy required to maintain system integrity of FSC claims to the marketplace.</p> <p>Put another way, at some point in time, leave out the value and see how badly certificate holders can abuse it. Then decide to tighten back up with clear examples of why it needed to return. Loosen the tourniquet. We all made these standards up, over time. They can be loosened, and tightened, every Five years. Which on the scale of forestry itself is equivalent to less than an inch in diameter growth on all but the raciest hybrids. We should keep our composure and perspective here.</p> <p>Many changes have been written into this COC that together with new CW standards and Risk Assessment processes, provides measurable advancement of the state of the art in cost effective third party forest management assurance.</p>	<p>Remove references to quality. Immediately shift to species in, species out. Focus energy on the solid wood and fiber itself and how it is scaled, transformed and accounted for.</p> <p>Instead of spending time thinking about value, spend that same time understanding against international benchmarks, the veracity of the conversion rationales provided by the certificate holders.</p> <p>Keep the focus on the wood itself.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
reclaimed forest-based materials	We also do not support any further approaches to also include reclaimed forest-based materials such as wood.	
reclaimed forest-based materials	We also do not support any further approaches to also include reclaimed forest-based materials such as wood.	
reclaimed forest-based materials	We also do not support any further approaches to also include reclaimed forest-based materials such as wood.	
“E Terms and definitions”; Retailer; p.28	<u>Retailer: An organization that sells finished products to the public ‘in relatively small quantities’ for use or consumption rather than for resale.</u> <u>‘In relatively small quantities’</u> is incorrect. i.e. B&Q PLC has over 40,000 products in store and sells millions of products every day. Recommend removing <u>‘In relatively small quantities’</u> from sentence as there will be a mix of sizes of organisations selling products to consumers.	Retailer: An organization that sells finished products to the public for use or consumption rather than for resale.
E Retailer	I am too stupid to understand this definition. E.g. IKEA or Marks& Spencer or Coop or Obi are retailers. They do not sell small quantities.	Please use the definitions that are common sense in the market.
Terms and Definitions Retailer	‘in relatively small quantities’ – this is not a criteria of a retailer. Sale to the end consumer is the defining criteria, not the quantity of units sold	Amend
Terms and Definitions Rolling Average Percentage	Grammatical	‘claim periods which is not <u>greater</u> than 12 months’
Terms and definitions	“Rolling average percentage”: Clause 8.4 allows for an exception to the 12-month rule. Therefore, the definition should not be so strict.	Modify to match 8.4.
E Terms and definitions	Regarding Sales document: Compared to the old standard, the new standard is more limited in terms of which documents attest the sale. It is not clear if e.g. monthly credit notes summarizing several transactions would be acceptable with the new standard. Therefore the addition of “other documents” is proposed.	Suggest for change: 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 note or others)
Terms and definitions	The definition of salvaged wood seems too limiting. What if timber that is included within the scope of a valid FM certificate is either naturally felled or felled for purposes other than wood production? Why should this material not be eligible to be sold with a certified claim, provided it conforms to all applicable requirements? This material will need to be controlled via 40-005 the way the definition is currently written.	Rewrite to allow material covered under a valid FM certificate to not be classified as salvaged wood.
Terms and Definitions, Salvaged wood	KOB: This term is not used in the standard and should therefore be withdrawn	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Salvaged wood	Not is bold	
Terms and Def. Salvaged wood	<ul style="list-style-type: none"> “Salvaged wood” never occurs in the standard body: only in the Terms and Definition section 	<ul style="list-style-type: none"> One Clause on Salvaged wood materials should be inserted in the revised standard body.
Terms and Def. Salvaged wood	<ul style="list-style-type: none"> “Salvaged wood” never occurs in the standard body: only in the Terms and Definition section 	<ul style="list-style-type: none"> One Clause on Salvaged wood materials should be inserted in the revised standard body.
Terms and Def. Salvaged wood	<ul style="list-style-type: none"> “Salvaged wood” never occurs in the standard body: only in the Terms and Definition section 	<ul style="list-style-type: none"> One Clause on Salvaged wood materials should be inserted in the revised standard body.
Terms and Def. Salvaged wood	<ul style="list-style-type: none"> “Salvaged wood” never occurs in the standard body: only in the Terms and Definition section 	<ul style="list-style-type: none"> One Clause on Salvaged wood materials should be inserted in the revised standard body.
Terms and Definitions, Scope	KOB: Potential conflict between the definition of “Scope” in clause 1.2 and here in the Terms and Definition.	
E Terms and definitions: Site	The words “remote stockholdings” may not be clear to readers of the STD.	Define those words.
Terms and Definitions Sites	Contractors may still be audited though	Contractors that are used within the terms of outsourcing agreements are not considered sites but may still be audited.
E Terms and definitions	Site Needs to be clarified by an extension	<p>site</p> <p>A single functional unit of an organization or a combination of units situated at one locality, 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.</p> <p>NOTE:</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		Typical examples for sites are processing or trading facilities such as manufacturing sites, sales offices, or warehouses owned by the organization.
E Terms and definitions	Site Needs to be clarified by an extension	<p>site</p> <p>A single functional unit of an organization or a combination of units situated at one locality, 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.</p> <p>NOTE:</p> <p>Typical examples for sites are processing or trading facilities such as manufacturing sites, sales offices, or warehouses owned by the organization.</p>
E Terms and definitions	Site Needs to be clarified by an extension	<p>site</p> <p>A single functional unit of an organization or a combination of units situated at one locality, 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.</p> <p>NOTE:</p> <p>Typical examples for sites are processing or trading facilities such as manufacturing sites, sales offices, or warehouses owned by the organization.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
E Terms and definitions	Site Needs to be clarified by an extension	site A single functional unit of an organization or a combination of units situated at one locality, 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	It is not clear why a "Site" should be restricted to one legal entity" We have examples of Joint ventures where we are two legal entities on the same site but producing products under one owners name as FSC. For tax reasons a virtual sale may be take place within the site but controls and management are one. The current definition requires two CoC to be put in place for the same sites – can this please be re-considered	Site may consist of more than one legal entity as long as the control and management of the site site is under one management team.
Terms and Definitions	Site – this definition has lost the sentence: A site can never include more than one legal entity (as included in FSC-STD-40-004 V2-1) Where possible, could all standards avoid the casual use of the word site unless specifically referenced a Site as defined on page 28. A suggested word would be location.	Please align definitions
Definition	"Storage" is defined to be contracting	
Terms and definitions	Definition of supplier: why is this limited to "forest-based input materials"? A supplier could be supplying any material. This is a definition, so it shouldn't be limited arbitrarily.	Remove "forest-based"
Definition for "Transaction Verification"	It is quite funny to have a definition for "Transaction Verification" in Part E, but the whole draft doesn't contain this term!	Best would be to delete the definition for "Transaction Verification" (together with 1.7) until the whole situation is clarified.
Page 30 def Transaction verification	Transaction verification: certification body's verification of the FSC certified transactions between the organization and its trading partners.	Please remove this definition as it is not referenced anywhere in the body of the standard.
Definitions	Timber legality legislation definition	Timber legality should be bolded and have spaces before and after.
Timber legality legislation	Not is bold	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Terms and Definitions Transaction Verification	This should use the definition given in 1.7 of the standard and in box 1 of the Transaction Verification Discussion paper	Suggested wording: The method in place which will allow the Certification body to certify that the organisation's recorded FSC input matches the recorded Output claims of its suppliers.
Terms and definitions	Definition of Transfer system is in the wrong place. Currently it is located between 'Product type' and 'Promotional'.	Move it to between 'Transaction verification' and 'Virgin material'.
General	Due to the complex nature and controversy surrounding transaction verification and credit trading FSC should allow an additional comment period of 30 days on at least the two topics, if not the entire standard. There is still far too much unknown about the next draft to finalize it without member input.	
General	The Standard is becoming increasingly prescriptive, and is attempting to tell Companies and Certificate Holders (CHs) how to do things, rather than focusing on outcomes. (OCP, and Section 12 (EUTR compliance) are typical examples) Two key CofC supporting requirements are not yet finalized, Controlled Wood and Transactional Verification; which makes this consultation challenging. Complication vs simplicity – the current layout of the standard, explains all the possible options for the most complex of companies, including credit and percentage schemes. The standard should be written, to demonstrate the potential simplicity of CofC, and then the layers of complexity could be added in a simple "escalator". My concern is that my focusing on a one-size-fits-all, "you must do it this way" approach, the CofC system simply frustrates everyone; 1 – Low risk companies are over regulated and audited; higher risk companies are not audited to the satisfaction of many NGOs. 2 – Companies perceive CofC has very complicated and rely heavily on external consultants and auditors, for interpretation of the standard requirements. 3 – There are no incentives for companies to simplify their supply chains and move down the CofC company escalator.	
General	No parece que el grupo de trabajo haya sido equilibrado entre el norte y el sur. Únicamente un representante de America del Sur (Bolivia) y uno de Africa (SudAfrica), y siete personas del hemisferio norte. Tampoco parece que el mismo haya sido equilibrado en lo que respecta a la participación de la cámara económica, ambiental y social. El espíritu de FSC siempre fue el equilibrio entre cámaras y entre Sur y Norte y en este grupo de trabajo eso no se ve reflejado. No parece un proceso transparente.	
General	De los 2093 comentarios por ustedes recibidos de un total de 210 individuos/empresas/ONG, no especifican como fue el grado de representación del Norte y del Sur en la consulta pública, ni que decir de como fue la distribución de los comentarios entre cámaras. No parece un proceso muy transparente.	
General	Some of the FSC Interpretations of the FSC-STD-40-004 can still be included in the revised standard to reduce the number of interpretations. Currently there are too many interpretations which lead to inconsistent operation among different CBs and CHs. (Not everyone is aware of the interpretations)	Comprehensive review of the FSC interpretations (https://ic.fsc.org/fsc-std-40-004-coc-certification.441-15.htm) should be done to check if any of them can be included into the revised standard to reduce the number of interpretations.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
General	Much of the standard normative text could be moved into annexes as guidance. There are many opportunities where further information and examples in annexes would be incredibly helpful. This will also further streamline and simplify the standard which helps achieve the goals of the strategic plan.	Review draft for where elements could be moved into an annex for guidance as opposed to normative text.
General	Consistency throughout the standard needed for the use of following terms: small and/or community producers small and community producers small or community producers	Please only use one of the three terms.
General	In the T&D, defined terms are: Sales document and delivery document. But in the body of the standard, 'sales documentation' is used 4 times and 'delivery documentation' is used 3 times.	All 'sales documentation' should be changed to 'sales document'. All 'delivery documentation' should be changed to 'delivery document'.
General	No further comments	
Content	The structure of the document should be changed. The FSC-system is perceived as being a difficult system. This can be changed if the standard is written clearer on what is applicable for a specific company and what not. In contradiction to the motion, there is no need for a simplified COC for a small company, but for a low complex company. A small company can have a complex internal system and a large company can have a very low complex system. If the complexity is used as a basis for how the standard is structured, then a CB can clearly communicate to a company which parts are applicable. Since this is clear, the audit will be perceived as more clear. Please don't forget, the auditors are the ones who communicate the complexity to the CH's My proposal contains references to the control system (see between brackets)	Part 1 Universal requirements 1. Quality management system 2. Material sourcing 3. Controlling the FSC status 3.1 If basic materials are purchased per order and no material is kept in stock (transfer system is applicable) 3.2 If basic materials are purchased per order or kept in stock (Then here the current Material handling) (Transfer system is applicable) 3.3.1 If also FSC Controlled wood basic material is purchased (additional requirements for only purchasing FSC controlled wood and used in production) (percentage of credit system is applicable) 3.3.2 If controlled material basic material is purchased and own verification is needed) (percentage of credit system is applicable and FSC-STD-40-005) 3.3.3 If FSC Control wood products are sold (write additional requirements for sales CW) 3.4 If also reclaimed material basic material is purchased (percentage of credit system is applicable and FSC-STD-40-007) 4. Records keeping and Volume control

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		5. Sales Etc. further no change in structure
General	We are bidding on FSC projects that won't be released until Q3 2016 and some as far out as 2017. They are exercising "no price escalation". How can our bids reflect costs for the un-knowable? Our concern is the additional costs that may be associated with the changes in the FSC document.	
	The document has some sort of aftertaste as FSC has changed the structure significantly compared to the previous draft and not giving a crosswalk	
	The document has some sort of aftertaste as FSC has changed the structure significantly compared to the previous draft and not giving a crosswalk	
	The document has some sort of aftertaste as FSC has changed the structure significantly compared to the previous draft and not giving a crosswalk	
Overall	The standard needs to be simplified in terms of how requirements can be met using risk based approaches. In terms of requirements the second draft does not really bring simplification.	
Overall	The standard needs to be simplified in terms of how requirements can be met using risk based approaches. In terms of requirements the second draft does not really bring simplification.	
Overall	The standard needs to be simplified in terms of how requirements can be met using risk based approaches. In terms of requirements the second draft does not really bring simplification.	
Entire document	The entire standard should be revised according to the needs of SME. Especially holders of group-certificates can not cope with the amount of controls and the quantity of random samples.	
Entire document	The entire standard should be revised according to the needs of SME. Especially holders of group-certificates can not cope with the amount of controls and the quantity of random samples.	
Entire document	The entire standard should be revised according to the needs of SME. Especially holders of group-certificates can not cope with the amount of controls and the quantity of random samples.	
Entire document	The entire standard should be revised according to the needs of SME. Especially holders of group-certificates can not cope with the amount of controls and the quantity of random samples.	
Entire document	The entire standard should be revised according to the needs of SME. Especially holders of group-certificates can not cope with the amount of controls and the quantity of random samples.	
Entire document	The entire standard should be revised according to the needs of SME. Especially holders of group-certificates can not cope with the amount of controls and the quantity of random samples.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Entire document	The entire standard should be revised according to the needs of SME. Especially holders of group-certificates can not cope with the amount of controls and the quantity of random samples.	
NAME	In the market, in particular construction, there are still “misunderstandings” that a FSC-certified company provides automatically certified timber. Companies that are not forced to be CoC-certified usually have little know-how and do not understand the basics. = door to fraud is open	Call it FSC AUTHORISATION instead of CERTIFICATE. It authorises only companies to sell FSC material. That is clearer to non-FSC-market players with no/ little FSC know-how. (An authorised Mercedes dealer may also sell Porsche.)
General	FSC International should hold another round of public consultation on the FSC COC draft standard before finalizing the document. There have been a number of substantive changes in the standard since the last revision, and some areas such as Transaction Verification and credit sharing will require additional public input before finalization of the COC standard.	Hold another round of public consultation.
General	The standard is generally well written, but please provide clarification or correction for the issues listed below	
Throughout the document	Please pay particular attention to z/s spelling of words: organization, central ized , synthes ized , character ize	Please use correct English forms: organis ation , central ised , synthes ised , character ise
Page 30 table on the bottom	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 with the standard.	Please use correct form proposed by ISO Directive: 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.
Requirement the World be Metric	FSC Mix system already operates in cubic meters for global consistency. No need to change reporting to metric in countries where metric is not native. Material flows can still be assessed as is. No additional value is added in terms of marketplace assurance. With nascent, frail demand for FSC products, why impose this unfair “tax” or burden onto specific FSC initiatives?	Remove the metric requirement. Focus instead on annual reporting of volumes in cubic meters through aggressive promotion of the FSC Mix system of handling to identify volume anomalies through limited, blind data sharing in aggregate volume trade by species by CBs to ASI. To address demand, embrace what FSC Mix is through TM and lose the fear and see the opportunity to build networks. Help cabinet shops and smaller operations operate on FSC MIX capacity over physical tracing to enable them to sell with confidence and ease. Don’t fix what is not broken.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
General	The wording in the standard should avoid 'input claims' and 'output claims'. These are abbreviations of 'the claim of the basic material I' and 'the claim of the final FSC product we are selling'	Talk about 'using basic materials to produce a final product' and then talk about the FSC claim of the basic material and the FSC claim of the (final) product.
N/A	It would help to have all phrases/definitions which appear in the Terms and Definitions section shown in bold in the body of the standard so that the reader knows that further clarification is given – especially now this section is at the back of the standard	Make all phrases/definitions which appear in the Terms and Definitions section be made bold in the body of the standards
N/A	There are some significant changes to this standard. Although these are explained within the body of the standard, as they are so significant, as their consequences, it would be very helpful to have at least an annexe of what you can and can't do	See over
N/A	It would seem that the standard has been greatly simplified at the expense of some very useful and much referenced areas. Simplification in terms of ease of application in practicality is to be applauded. However the loss of wording in the name of simplification may cause confusion. The standard now generally suffers from an overuse of circular argument and assumption where repetition, even if it results in a longer standard would be less dangerous	Please reconsider
General	In a scenario where a company only sources, say, FSC 100% material for all product lines, could there be an argument for omitting requirements relating to segregation, etc. on the grounds that it is not necessary if all the material is FSC 100% (or, if a combination of FSC input claims, all sold as FSC Mix). This could be a means of simplifying the standard for eligible companies with minimal risk – and may encourage more companies to go down the route of sourcing only FSC certified material. I know there was some talk of making the CoC standard “modular” in some ways so that CHs could create a document that reflected the sections relevant to them (e.g. transfer system only rather than percentage system and credit system) and it may be that this takes it an extra step by stating that some requirements would not be applicable if all inputs are FSC 100%.	
General	Transaction verification and shared credit accounting are the two predominant interest topics in this revision. Both of these proposals need further revision and discussion amongst stakeholders and the membership prior to a final review by the FSC International Board of Directors. A follow-up 30 day consultation is imperative to ensure a truly functional COC system for the over 30,000 certificate holders around the world.	Conduct a 30-day consultation on the final draft prior to the board review and target feedback and discussion on the next proposal for transaction verification and shared credit accounting.
General	FSC Netherlands organized two meetings for CHs mid October to present and discuss the draft COC-standard. The two meeting were attended by all together over 80 CH's. The comments in this comment form and the ones on Transaction verification are derived from the two meetings	
General	Consider tougher measures against CH's that clearly break the rules	
General	There were remarks about the quality of the audits/ auditors: <ul style="list-style-type: none"> - A company with sites (individually certified) in different countries comes across different interpretations of the same clauses in the COC-standard 	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	- A call for a more comprehensive external auditing of sites under a multi-site certificate	
General	Where FSC International aims to simplify its standards (while maintaining system integrity etc) the proposed changes do not reflect this aim. Examples are the complaint procedure (this is more not less), and the extended paragraph on Outsourcing.	
General	Companies are interested in helping develop a COC-standard for Small and Low Complex Companies. A list of interested companies is available at FSC NL	
General	In the Netherlands over a thousand Building & Construction companies are FSC-certified. FSC-project certification is only seldom applied the Netherlands, the vast majority of construction companies is certified against 40-004. There is an unanimous call for a COC-standard that is specifically designed for and/or adapted to the peculiarities of B&C companies. The two changes in the standard (5.3 and 6.8) are welcomed but are regarded as not sufficient. The current standard leads to a (common) practice where B&C companies do apply FSC-certified timber and timber products but do not claim the products (project) as FSC-certified due to the administrative hassle. B&C companies and FSC NL are prepared to help FSC International develop a more tailor-made standard!	
Entire Document	The draft CoC standard needs to be aligned with FSC Global Strategy. The cost/benefit of changes needs to be clear before implementing a change. Intent and cost/benefit should be clearly stated within the consultation process as to why specific rationales were taken. If the FSC Global Strategy is calling for simplified standards then a holistic approach needs to be taken to manage documents and standards accordingly. Old references and guidance on external sources such as FSC's site need to be removed. Processes including changing thresholds, past directives, minor components needs to be removed for clarity.	1.Post Interpretation phase out dates. 2.Remove outdated documents. 3.Remove outdated guidance. 4.Highlight if old interpretations apply to the new standard. 5. Highlight if interpretations are incorporated into new standard.
Whole document	In comparison to the first draft the standard is much more streamlined. Anyway, some details still seem to be over-regulated e.g. Credit System and Outsourcing.	Please try to make it even simpler.
Whole document	The structure of normative documents with a basic standard, additional Advice Notes (Directive) and online interpretations makes the FSC COC systems very complicated. All basic requirements need to be included in one standard. It is acceptable to have official interpretations but not additional requirements in separate documents or sources.	Please try to create an easier structure, e.g. one standard and a guidance document. Revisions and changes should take place not more often than every five years.
General	No Change to the current CoC system, which does not require transaction verification.	
General	This is a document in English which is going to be used by many, many people all around the world for years; it goes without saying that before release it needs to be fully proof-read by a professional whose first language is English.	
General	Recommend using 'an FSC' and not 'a FSC'	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
General	After a semi colon the next letter should be a small letter, not a capital. In a list, for example, each new item ought not to have capital letter. Recommend correcting throughout.	
General	Our clients hope that this standard will be issued in multiple languages, ideally at least the following languages: <ul style="list-style-type: none"> i. Spanish ii. Portuguese iii. Chinese iv. Japanese v. Croatian vi. Slovenian vii. Romanian viii. German plus possibly also <ul style="list-style-type: none"> ix. Czech x. Portuguese/Brazilian xi. Russian 	
Entire Document	SCS would like to see a track changes version of this document	Make the track changes version available
Throughout the standard	Throughout the standard, the term “organization” is used as both a proper noun (“Organization”, example: clause 6.6) and a common noun (“organization”).	Please standardize the use of the term. Treat it as either a proper noun or a common noun, not both.
General	The general impression from the Swedish companies are that the layout in this standard is better, more easy to follow and more easy to understand. Good work !	
General	Transparency is necessary for public confidence in FSC. It also discourages fraud.	Add a requirement that summary information on certification/surveillance should be made publicly available, possibly in the form of a public summary report. Add a requirement that summary information on the certified organization's claims be made publicly available, such as total input and output for applicable claims and product classes. OCP could handle this.
CoC normative documents	I appreciate that the second draft is less complex and shorter than the first version. Anyway, the system of having several requirements in different sources (standards, advice notes, policies, interpretations) is very complicated and hard to oversee.	Create one CoC standard with the basic requirements; collect all relevant additional information in a guidance document. Changes and revisions should be done not more often than every five years.
Whole draft	The draft does not include all existing advice notes and interpretations.	What will happen with existing advice notes and interpretations which are not reflected in the standard? Together with the revised standard a feasible solution for additional guidance should be presented.
All criteria for small/community producers	The criteria for small and/or community producers affect only a few Certificate holders.	Bundle all criteria for small and/or community producers in an annex.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Consultation	To me a word document, even in the format of a table, is not a practical tool for a consultation on such a long and complex document. It does not reflect the technical possibilities of the 21st century and does not characterize FSC as a stakeholder-friendly organization.	Please change to a web-based tool for future consultations.
	The document has some sort of aftertaste as FSC has changed the structure significantly compared to the previous draft and not giving a crosswalk	
General	Consideration should be given to holding a third round of public consultations. There have been a number of substantive changes in the standard since the last revision, and some areas such as Transaction Verification and credit sharing will require additional public input before finalization of the CoC standard.	Hold a third round of public consultations.
Conversion Factor	Do not require all quantities to be in metric. Many industry standards in North America are not in metric (e.g., lumber – fbm).	Quantities should simply be clear and verifiable. Units of measure should not be specified/ restricted, unless for annual reporting/ audits.
General Comment	<p>Has FSC considered the impact that the proposed changes will have on existing CoC Holders (i.e., analysis/ cost projections on the impacts of the proposed changes)?</p> <p>Most certificate holders do not get much value for the FSC fibre (no premium, limited difference in market capture). The proposed changes will likely result in substantially increased costs to CoC Holders (especially as related to the proposed On-line Claim Platform and transaction verification).</p> <p>Many CoC Holders are struggling to maintain their certificates as of now. Adding additional administrative burden will likely push many to the point of giving up their FSC certification.</p> <p>The proposed changes to the CoC system, coupled with the upcoming changes to the Controlled Wood requirements, will likely have very significant impacts (increased costs and admin) on certificate holders, as well as a significant reduction in the amount of FSC fibre available on the market (due to the Controlled Wood requirements).</p>	
various	Please see detailed commentary and recommendations published here: http://mxwood.com/fsc-coc-update-comments-due/	

Table B. Comments received during the second public consultation of FSC-STD-40-004.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	The usage of an online, member-based, or manual tracking system for FSC Chain of Custody will cause an extremely difficult strain on our company and its record keeping. In order to keep up with this online or manual tracking system we would have to hire multiple personnel to be able to record this information. We see these changes to not be beneficial to our ability to sell FSC 100% items; rather we see it as a burden and a higher cost of doing regular daily business. Please reconsider this item as it will not be possible for us to manage the aforementioned data.	
1.7	The OCP is according to me a very big issue for the company and the result of the transition verification is not sure. According to me, at the end, the company will include the information and all most all the supplier won't approve the sale but simply let pass the 14 days for approval in order to have an automatic approve. In this way there is not an effective verification between supplier/client.	I suggest to leave out the OCP from this standard or make it mandatory for medium/big companies (more than 15 employees) in order to check the big FSC fluxes
1.7	<p>As much as strengthening the FSC system as it pertains to its integrity seems important, options A, D, E as per FSC-DIS-40-009 are not practical and reasonable as per former comments by many experts for several reasons:</p> <ul style="list-style-type: none"> • The cost benefit is highly questionable considering that FSC currently is not pursuing fraudulent activities with follow-ups and legal enforcement in a sufficient manner (as reported and documented). The focus should rather be there. • Certified companies, considering the low financial benefits of being FSC-certified and its vastness of efforts to be in compliance, will leave the FSC system and request termination. In my estimate, it could be approximately 40% based on conversations I had with dozens of clients. • The benefit of the proposed systems is questionable as documented in earlier surveys indicate. E.g., retailers won't enter information into the OCP system. Those, however, are major parts of the chain where fraudulent activities are taking place. <p>In summary: it is very likely based on experience with customers that the disadvantages introducing the OCP or similar systems will outweigh the benefits significantly. Without a healthy growing client force, FSC is condemned to face the same challenge many other certification systems have endured: becoming a niche for a few who can afford it or disappear. FSC is not food safety or aviation certification, but a system with solely ASI checks should suffice and will help to protect best global forestry practices instead.</p>	Use option B in FSC-DIS-40-009. It shall be sufficient.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	Personally I can't agree with any changes that will take more time or effort for the Companies like me! I strongly disagree with changes that are meant solely to benefit the FSC Organization! I pay a lot of money and put a lot of time to support the Chain of Custody and to add more burden to My Company has a point where the Certification is not worth it. If you want Companies to continue with being members then make the work and cost LESS for us!	Simplify record keeping to benefit the PAYING Companies and not to make it easier for the FSC Organization while increasing my time and effort.
1.7	more clarification is needed here, I cannot imagine other system then OCP to comply with this requirement;	More clarification or removal, permanent guidance will be necessary
Clause 1.7	Since all the companies in the chain are checked by CBs, why the CHs shall verify the records of their suppliers? It should be up to the CBs the verification of the correctness of the claim written by their clients	deletions
1.7	End users (in particular main contractors in the construction industry) should be given access to the OCP in order to download relevant CoC information about the material they have purchased (i.e. volumes, claim type and CoC number). This should be open to end users who do not necessarily hold a CoC certificate. The OCP should give the option to run reports in the UKCG timber reporting format: http://archive.ukcg.org.uk/business-improvement/environment/materials-task-group/reporting-of-sustainable-timber-use/	
1.7	Option A (CoC holders to complete information in OCP) is the preferred option as it is the most robust and most useful to end users.	
Options for transaction verification	<p>Option C is by far the most relevant: this is the competence of certification bodies to cross-check information, the confidentiality and sensitivity of commercial information will be protected (some suppliers may not want their customers to know precisely what is their capability in terms of credits availability, as it has a direct impact on price negotiations). The additional burden on certificate holders and suppliers is limited and there should not be significant cost impacts.</p> <p>Option B is not acceptable from a cost point of view, the financial burden of external audits (charged on the certificate holder or on the supplier audited?) will not be possible to bear.</p> <p>Options A, D and E are fundamentally the same, they all require information transfer, and shared systems for this information between suppliers and certificate holders. Technical, confidential and financial reasons will very certainly compromise the implementation of such solutions. None of these 3 options look possible to implement.</p> <p>Option F is of course acceptable, but we understand and support the position of FSC to ensure the credibility of the system.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Section 6	<p>First of all, I am a big supporter of the idea of waiving audits in low risk situations. This is the most effective way to demonstrate streamlined CoC to CHs.</p> <p>However, waiving the on-site portion of an audit as a benefit of using the OCP is not logical approach and cannot be justified when studied carefully.</p> <p>Reason: OCP is a tool to strengthen integrity of FSC transaction information between trading partners. Important thing here is that only the transaction information is controlled by OCP. i.e. accuracy of information on sales and delivery documents.</p> <p>On the other hand, on-site audit is a tool to find out thing such as: if the employees are following the company defined procedures correctly or not, if employees understand FSC requirements correctly or not, if any risk area of contamination is identified or not, if occupational H&S is managed well or not, if the labels are used correctly on product or not...etc</p> <p>So what is covered by OCP and on-site audit is very different. That is why this approach is not logical.</p> <p>Simply said, with OCP, people in Certified companies can still be FSC labelling non-certified products and not labelling certified products (for quality reasons or by mistake or other reasons).</p> <p>If waiving part is the off-site portion, then it becomes more logical approach but then there is no real effect in streamlining the CoC management as CHs need to prepare documents anyway.</p> <p>So in order to sound much more logically while still having the option of waiving audits, I propose waiving the whole surveillance audits as a result of lowered total risk due to the use of OCP.</p> <p>So I am proposing to use the 'total risk' here and instead of waving the on-site portion, we should waive the whole audit.</p> <p>Waving audits are already managed by CBs according to FSC-STD-20-011 V2-0 clause 3.3. So the similar approach can be used here. CHs can waive 2 surveillance audits in 5 years but not consecutive 2 audits.</p> <p>If 'waiving' audits sounds like a risk, then we can use phrases like 'lowered frequency of surveillance as a result of lowered risk of CoC'.</p> <p>Conditions CHs need to meet to get this advantage must be reviewed too.</p>	<p>As a result of lowered total risk of CoC management by the use of OCP, CH meeting certain conditions can have frequency of their surveillance audits lowered to two surveillances in a period of valid certificate.</p> <p>(NOT only the on-site portion of audits).</p>
1.7	It is not clear how this requirement can be met by certificate holders with multiple sites.	Clarify responsibilities and duties of central office and participating sites.
1.7	The term "claim" is used here to mean, FSC Claim, quantity etc. It is confusing since "FSC Claim" is a defined term which means one of FSC 100%, FSC Mix X%, FSC Mix Credit, FSC Recycled X%, FSC Recycled Credit and FSC Controlled Wood.	Avoid using the term "claim" here to explain about information needed to be verified.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	From the current wording, it implies that only “FSC Claim” information has to be verified and no other information such as quantity does not need be verified.	In fact the information needed to be verified must be specifically mentioned here. E.g. quantity, description, FSC claim, transaction date.
1.7	Its a good way as a tracking system but it would add complexity to the COC process. Also regular updation is required which would add to the more maintenance in terms of software updation. Since for a large organization , already there are many operations undergoing , and with this addition, organization will be overburdened. FSC sets out best practices for management practices of forests and even the organizations are welcoming this and favouring it in every aspect. So it would be really appreciable by certificate holders to have simplicity in COC system.	
Options	There seems to be a strong discrepancy in terms of information gathered and value added by verification activities between max. 50 annual supply chain checks from ASI (option B) and checking min 30 purchase transaction documents during each audit of each certificate holder (option C). How does one match the other in terms of number of checked documents and thus information verified?	
Option E, p. 11	<p>“The Certification Body of the organizations’ trading partners will verify all information entered into the OCP during annual surveillance audits.”</p> <p>Is there a calculation to which extent this proposed activity will increase required audit time and thus audit costs and if so, is this information available? Given that overall the COC-requirements to be considered during audits have not been minimized this will lead to extra work (which usually nobody is prepared to pay for). There is a danger of a decrease of audit quality.</p>	
Option C, p. 11	“The Certification Body will verify a sample of at least 30 invoices from each organization during surveillance audits if the organization is low risk and for the organizations low-risk trading partners.” What is the rationale behind 30 invoices in a low-risk environment? Propose to reduce it to max. 15 invoices at each audit and to apply a 5% sample of certificate holders where a higher number of documents are checked.	
Option B, p. 9	This option for transaction verification is preferred since it promises a uniform implementation across diverse supply chain parties and certificate holders.	
1.7	Any additional burden put on us (time or \$\$) will cause us to re-evaluate our need to be certified. Seems to me you are putting the verification burden on those that are attempting to do the correct thing already.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	<p>In response to the suggested change to strengthen the CoC system and added control of transactions: Tetra Pak is of the opinion that strengthening the control of transactions is necessary to avoid error reporting and potential fraud. We have gone through the proposed alternatives. As they currently stand we believe options B, C, and potentially E, could be realistic.</p> <p>Overall we believe option B is the most practical and reasonable in terms of combating fraud. Option C would also be a viable alternative to combat fraud, although we do not believe that the requirement to verify 100% of the invoices for high risk operations is feasible. Option C would effectively combat fraud, although we also understand that the OCP approach would in many cases require additional resources from certified companies. It is crucial that FSC can show a risk assessment that justifies such additional investments.</p> <p>Option B: OK</p> <p>Option C: It is not realistic that the CB should check all transaction documents for a high risk enterprise. This option is OK but needs to be based on the risks. Checking 100% could mean thousands of invoices!</p> <p>Option E: OK if FSC transactions can be consolidated into one entry and data can be entered into the OCP on a quarterly basis. Must ensure that this does not mean additional work for certified companies, and the information security aspect needs to be considered.</p>	
1.7	<p>1. Regarding OCP</p> <p>① Corporate information about transaction, which is highly confidential, should not be kept in a server operated by the third party (OCP).</p> <p>② We hope that the untruthful transaction can be prevented by improving the existing system.</p> <p>③ We are afraid that the certificate holders will have to bear the cost for OCP development and maintenance ultimately.</p>	<p>We request abolition of OCP from the point of intent, effect, and cost.</p>
1.7	<p>Regarding OCP</p> <p>Transaction information is central to business enterprises, and it is not a kind of information that can be stored in outside database. Even with the security measures, the risk cannot be completely eliminated.</p>	<ul style="list-style-type: none"> • We oppose the standard revision that assumes use of OCP. • Certification bodies should devise auditing methods under the existing system to prevent untruthful transactions. For example, it is possible to detect untruthful transactions by sampling several transactions during audits and verifying the transaction information. Thus the current system should not be changed. We consider the Option F is most preferable.
1.7	<p>Transaction verification should only be required where it measurably and materially reduces the risk of false claims.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>Asaleo Care is concerned that many of the options proposed in FSC-DIS-40-009 will result in unmanageable complexity and cost within our supply chain.</p> <p>We would be faced with needing to reach separate agreements about verification methods with each of our suppliers and customers. It is highly unlikely that we will be using the same method in all supply relationships due to our lack of market power to force a unified approach.</p> <p>Option A is not commonly available over our range of suppliers and customers, and would present an unworkable requirement for us.</p> <p>Option B is a reasonable approach if the sampling method is designed to measurably and materially reduce the risk of false claims. The funding method for this option is unclear.</p> <p>Option C would lead to increased audit costs for certificate holders, and isn't our preference. Consideration should be given to those certificate holders who use ERP systems such as SAP, and how these electronic records provide traceable and auditable invoices. They are very different from paper-based invoices or other less secure types of documentation. The need for assessment of these certificate holders should be based on a lower sampling rate than a non-ERP system.</p> <p>Options D & E are not acceptable. We are concerned about the data upload from our SAP system to OCP or similar is not able to be automated sufficiently AND provide protection for our system. We cannot allow a third party to connect directly to our SAP system due to security risks. This means we would need to manually upload data. This is unmanageable due to the large number of sales transactions we have every month.</p> <p>Option F is only acceptable if the risk of false claims is not material or measurable.</p>	
1.7 of FSC	<p>I recommend that this section be deleted. The current method of ASI</p> <p>conducting cross-site audits works well for me. It is very important to me to have direct contact with an FSC expert who has knowledge of book printing and binding.</p>	I recommend that this section be deleted

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Transaction verification	<ul style="list-style-type: none"> The additional effort to feed the Online Claims Platform (OCP) with all purchases of certified materials is too high for us; due to lean production and management we have not the manpower to fulfil this requirement! For data security reasons our owners could forbid putting these sensitive information in an anonymous database. This could lead to a termination of our FSC certification. <p>We think that option B is already valid, if not we prefer Option F: No change to the current CoC-standard, which does not require transaction verification.</p>	
Option A	<ol style="list-style-type: none"> It is an enormous work for some companies, especially for the smallest where there is few employees. It is crazy to think that a company can waive the field audit for this reason. All the aspect that are checked during the field audit can be guarantee by the OCP. If the OCP want to increase the FSC credibility this option goes in the opposite direction 	
Option B	<p>This should be a good option but:</p> <ol style="list-style-type: none"> Why the CBs should be responsible for non conformities of the companies? Ok CBs checks the companies but they absolutely can't be responsible for their actions What's about the cost? ASI should increase a lot their work, who will pay for this? CPI index limit should be 40 o 30. 50 is too high 	
Option c	<ol style="list-style-type: none"> CBs can't check a so high number of transactions, this increase dramatically the audit time and cost for the CH CPI index limit should be 40 o 30. 50 is too high s 	
Option D	Too much complicate and time consuming for CHs	
Option E	<p>It is not completely clear the difference with option A. It is only the fact the in this case in not allowed alternative mechanism instead of OCP? If so I can't understand the table 5 where option E doesn't ensure the first 2 points</p> <p>In general see the comments for point A</p>	
Option F	Probably for now it is the best option. I suggest to leave out the OCP from this standard or make it mandatory for medium/big companies (more than 15 employees) in order to check the big FSC fluxes	
FSC-DIS-40-009 EN	Up to now there is too little information available to describe the transaction problem. Such information should be made available, so that the options could be evaluated in order to find the most suitable one to address the problem.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
FSC-DIS-40-009 EN	Strengthening and increase of the effectiveness of ASI surveillance (modified option B). Findings through audits on incompliances of suppliers should be collected and surveilled. ASI need to surveil that suppliers address such incompliances. In case of in enduring incompliances ASI need to act!	
FSC-DIS-40-009 EN	The risk approach is only implemented within each option, but not to determine which option should be applied. There is the need to have a participatory process to identify applicable risk criteria in order to answer the question which option is suitable.	
FSC-DIS-40-009 EN	Suggestion to introduce a risk approach as follows: in case of low risk situations – option F in case of situations with risk – option C. Options A, D or E only voluntary. Modification of option C: No 100% check of invoices, increased relevance for this option, generally on the basis of delivery documents or invoices with blackened prices. Strengthening of option B in order to increase generally quality of audits.	Suggestion to introduce a risk approach as follows: in case of low risk situations – option F in case of situations with risk – option C. Options A, D or E only voluntary. Modification of option C: No 100% check of invoices, increased relevance for this option, generally on the basis of delivery documents or invoices with blackened prices. Strengthening of option B in order to increase generally quality of audits.
FSC-DIS-40-009. Section 6	The possibility of waiving the on site portion of an audit even if under certain condition cannot improve the FSC COC credibility. The company can complete the OCP with partial data and it will be impossible to verify material stocked in the warehouse as well as conversion factors. Data in the OCP can be impossible to reconciled (e.g. input purchased in kg of paper and output sold in number of printed items). No desk audit if the CH have physical possession of the material.	
FSC-DIS-40-009	It is impossible to avoid fraud. If a company deliberately want to fraud the system there is no way for the OCP or other systems to discover the scam. It is not correct to say that different rules can avoid fraud. Even if the law or the standard changes the fraud can always happen.	
FSC-DIS-40-009. Section 2	OCP or other system cannot compare volume. Often companies purchase and the sold with different unit of measure. Conversion factors are different according to different company's processes. The only method to verify volume is the CB audit. Auditor can compare input and output for single job order or for claim period according to production processes.	
FSC-DIS-40-009. Option A-E	The system is too expensive for little companies. Little company cannot use a lot of time for managing FSC records (they will have to records data for their records (accounting, national law etc.) and on the OCP or other systems for FSC.	
FSC-DIS-40-009. Option B	This could be a good option even if I cannot understand why if there is a mistake or a <u>fraud</u> the NC will be raised against the CB. I suggest to raise the NC against the CH.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
FSC-DIS-40-009. Option C & D	Maintain the FSC certificate will be absolutely too expensive for many companies. In many cases it is impossible to check 100% of the incoming FSC invoices. The CB will need a week for the audit and that means hundreds of euros for the CHs. I suggest to verify a sample of FSC purchasing documents also for the country with CPI <51. Maybe you can identify a different threshold for the full verification (lower than 51). In the world 53 countries have an index >50 while 121 countries have a lower index. That means that for 53 countries the auditor can verify few (30) incoming documents (if the supplier is not in a country with lower index) while in many cases 100% of the purchasing documents shall be verified... Moreover Volkswagen diesel gate teach us that it is better to do not trust too much also countries with highest CPI.	
Option A	<p>Option A from the discussion paper on transaction verification is not a feasible alternative for option E. Both these options give a double administrative burden because invoices need to be recorded in two places. Also it is not to be expected that suppliers will agree on the use of different systems by Construction companies and therefore will be forced to choose for ocp.</p> <p>In the discussion paper is mentioned that fraud with invoices primarily happens in countries with a pci of 50 or lower. It is important that FSC acts on this in these countries. The Netherlands however have a CPI of 83 (2014). Option A/E would give a double administrative burden in a country where this fraud does not occur. Option b is a far better choice. In this way the check scan be done at companies in countries with a high risk. The costs of this should partly be paid by offenders and should not raise the AAF considerably.</p>	
Page 5	<p>Verification between buyer & seller in the Paper Trade</p> <p>This does not always correlate because paper volumes are not always the same as those produced/delivered by the manufacturing mill. Also volumes purchased are often invoiced on usage, so there is always a variance throughout the term of the contract</p>	Drop the procedure.
Page 7	<p>Fibre Analysis of Timber</p> <p>Whilst this proposal may be satisfactory for the timber industry – a similar exercise with paper is rarely conclusive. Such analysis may identify specific timber type, but cannot determine geographical origin – therefore species is not identified. Where the origin of the pulp is known (if from a non-integrated mill) then the geographical origin can at best be approximated.</p>	Use this testing procedure for Timber only, but do not make it mandatory for the Paper Industry
Page 7	Fibre Analysis of Timber (PAPER)	What do FSC propose to do about FSC certified Recycled papers where it's impossible to identify raw material/timber source or type?
Page 7	Fibre Analysis of Timber(PAPER)	We would NOT be prepared to accept the involvement of Alibaba as a reliable source in terms of analytical research on Paper

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Page7/8	Proposed Options of OCP Implementation	A=Online Claims Platform in a different format=still a cost to certificate holders and they are doing FSC work for them.
Page 7/8	Ditto	D=see same comment as above and = E as well. It's back to the supplier doing it for their customers as well! Also in D – what's the point if the customer name is not included?
Page 7/8	Ditto	Vote for F = no additional verification Once again, FSC are attempting to increase the workload of certificate holders (CHs) to justify their claims of improved validation of certified material. FSC have spent a considerable amount of £££ on the OCP, and seemingly cannot now justify dropping it. This is totally unfair on CHs, who in the paper/printing industry simply do not have the personnel to carry out the extra work anymore, nor can they justify the extra costs incurred using any of the proposed options. The net result will be more CHs dropping their FSC certification in favour of the user friendly PEFC. This can already be confirmed in the case of one major publisher.
Chapter 2	Chapter 2 (Why include Transaction Verification in the FSC CoC standard?) does not seem to be argumentative enough. Before including TV in the standard, FSC should finish the research on the scale of the occurrence. The chapter ends with the sentence “A second phase of research is now underway to gather a better understanding of the scale of the problem, by region and by industry sector.” The results would help to evaluate the options presented in the discussion paper. FSC should keep in mind that introducing TV into its CoC standard impacts more than 30.000 certificate holders (= 50.000 certified sites). FSC still owes a statistically sound explanation of “the problem” and its quantity.	
Chapter 3, Table 1	We welcome very much the possibility of having several TV options instead of just the OCP. Nevertheless we have the opinion that there is no option as “one size fits all”. We see based on the following paragraph a good possibility to combine different options as well as using different options to address different situations of potential risk.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Whole concept	<p>In the first chapter of the document it is repeatedly confirmed that TV should be implemented with a risk-based approach. The document shows different options for TV which contain risk-based methods, especially for the sampling rates. But there is neither an overall risk-based approach concerning the question if TV is necessary for a specific transaction situation nor which of the options would be appropriate. Therefore we suggest a risk assessment on the level of the transaction situation, based on defined criteria, before choosing the appropriate TV method.</p> <p>First step: Risk assessment of specific transaction situation based on defined criteria like</p> <ul style="list-style-type: none"> – occurrence of frauds in the industry sector of the supplier – occurrence of frauds in the region of the supplier – corruption (CPI) in the supplier’s country – implementation of electronic ERP systems at the supplier’s site – way of invoicing (electronic or manual/stamps; self-billing Invoices) – already existing material tracking or tracing systems between supplier and customer – already existing third party checks with transaction verification <p>Second step: Transaction Verification</p> <p>Implementation if necessary (= in risk situations)</p> <p>Based on an appropriate method (see below)</p> <p>It should also be allowed to “upgrade” risks, so implementation of a “worst case” method if companies want to avoid the efforts for risk assessment of specific risk situations.</p>	
Chapter 3 and whole document	<p>The document shows six different options for TV. It should be possible to choose one or several options, based on the risk for specific transactions (see above).</p> <p>Option B: Accreditation Services International (ASI) conducts supply-chain audits on a sampling basis</p> <p>This should be done independent from the TV options, to control their effectiveness. Costs should be paid by companies where fraudulent certification claims are determined by ASI. It should focus on suspect cases.</p> <p>LOW RISK</p> <p>Option F: No change to the current CoC system, which does not require transaction verification.</p> <p>Yes, the risk assessment (see above) should allow “No need for TV” as a possible result for very low risk transaction situations.</p> <p>MEDIUM RISK</p> <p>Option C: Certification Bodies collect a sample of purchase transaction documents during audits and reassessments, which are then verified by the supplier’s Certification Body.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>This is a possible way for low or medium risk transaction situations. Technical and processual implementation should be developed. It has to be combined with regular audit processes or somehow automatized (combination with option D?); otherwise it is not feasible in practice or would cause unmanageable costs. Sampling should be based on scientific guidelines, based on a ration to the sampling frame size, not on independent fixed sizes. 100% is unrealistic, not necessary and contradictory to the basics of certification. 100% is not sampling. It has to be kept in a reasonable extent and should focus on suspect cases.</p> <p>HIGH RISK</p> <p>Option A: An organization enters FSC-certified purchase transaction information into a system that enables verification. and</p> <p>Option D: An organization enters FSC-certified sales transaction information into a modified OCP, which will generate digital transaction certificates.</p> <p>are appropriate options for high risk situations, because they are the safest ones and not based on sampling. A modified OCP to generate digital transaction certificates would resolve the data security concerns on the OCP, but probably not the time and effort concerns. It should be developed with the aim not to cause too many efforts for the certificate holders. It not realistic that sales documents for each transaction has to be adjusted to insert a manually generate certificate number or something similar.</p> <p>Option E: An organization enters FSC-certified purchase transaction information into the OCP</p> <p>This is not accepted by many certificate holders. It is already decided not to make it mandatory (FSC Board decision). OCP can voluntarily be used by any certificate holder in high risk situations.</p>	
Chapter 3 and whole document	The high risk options clearly mark a change in the FSC CoC system from a sample-based certification system to a full product tracking system. FSC should communicate if this is the overall aim and clearly identify the consequences and impacts.	
Chapter 3 and whole document	Generally it has to be clarified for which transactions TV is necessary. Is it for all FSC claimed material or for all material input in an FSC product group (incl. controlled Wood and recycled material)?	
Chapter 3 and whole document	<p>FSC labelled finished products</p> <p>It should be clarified that the need for TV ends in the supply chain at the point where products are finished and labeled.</p>	
TV-DIS	<p>Suggestion to introduce a risk approach as follows: in case of low risk situations – option F in case of situations with risk – option C. Options A, D or E only voluntary. Modification of option C: No 100% check of invoices, increased relevance for this option, generally on the basis of delivery documents or invoices with blackened prices.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Strengthening of option B in order to increase generally quality of audits.	
Options	Strengthening and increase of the effectiveness of ASI surveillance (modified option B). Findings through audits on incompliances of suppliers should be collected and surveilled. ASI need to surveil that suppliers address such incompliances. In case of in enduring incompliances ASI need to act!	
TV-DIS	First of all the potential and effectiveness of audits should be increased using the current rules. For instance as pre-requisite to issue an COC certificate organizations should show that their inventory management systems document the control of FSC output claims. Based on an increased control performance risks for the accuracy of transactions should be investigated. Measures could be designed to mitigate these risks. Option C is certainly one of the measures. Option B should become an increased relevance.	
Transaction verification	<ul style="list-style-type: none"> a. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database b. The effort for putting these datas additionally in extra medium is immense. We are not able and willing to perform this additional expenditure. <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
Transaction verification	<ul style="list-style-type: none"> a. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database b. The effort for putting these datas additionally in extra medium is immense. We are not able and willing to perform this additional expenditure. <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
Transaction verification	<ul style="list-style-type: none"> a. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database b. The effort for putting these datas additionally in extra medium is immense. We are not able and willing to perform this additional expenditure. <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
Transaction verification	<ul style="list-style-type: none"> a. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database 	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>b. The effort for putting these datas additionally in extra medium is immense. We are not able and willing to perform this additional expenditure.</p> <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
	<p>Fully supportive of implementing transaction verification. However, the provision of multiple options makes the effective implementation more difficult to implement and less beneficial. Only one option should be chosen. The OCP provides an excellent platform to deliver this and should be the option taken forward.</p>	
Implementing OCP	<p>We do not see us in a position to disclose confidential vendor/customer data. Thus, data such as supplier lists, product sales volumes and other relevant information should definitely not be put on a platform as you are endeavoring.</p> <p>We would also wish to note that the administrative measures, which we would have to overtake, are prohibitively high.</p> <p>In conclusion, for reasons of data security, we cannot comply with the wishes for disclosure.</p> <p>Such data as requested would make internal data public and would pose a threat to our business secrets.</p> <p>We hope that FSC will not insist on this information policy/data base, as this would surely endanger the mutual interests, which we have.</p> <p>For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database</p> <p>The effort for putting these datas additionally in extra medium is immense. We are not able to perform this additional expenditure.</p>	
Option C	<p>Stakeholders observed that Option C (Certification Bodies collect a sample of purchase transaction documents) would be ideal in an imaginary world, but not in the real daily practice and on the ground.</p> <p>In fact, CB representatives argued that it's really hard to think about a positive, open, horizontal dialogue and cooperation among different (and mutually competing) CBs.</p> <p>Even in the case of fruitful and full collaboration among CBs, option C would be hardly work on the ground, because of many organizational matters (e.g. different procedures, organizational charts, etc.,) that may differ among different CBs.</p> <p>There would be also major issues concerning privacy and security conditions in handling sensitive and confidential information.</p>	
Options B and C	<p>In order to mitigate, at least partially, some of the main issues related to option C (see previous comment), it might be useful to broaden the ASI's mandate, somehow combining option C with option B.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>In such a way, some supply-chain audits would be performed by ASI on its own, whereas other verifications would be carried out by CBs on behalf of ASI, eventually focussing on some particular and specific “rings” of the supply chains, with ASI coordinating CBs’ operations.</p> <p>This combined approach would rise the statistical significance of sample verification (that has been considered being a relevant weakness in Options B and C), still without introducing a “systematic” burden for all CHs.</p>	
Options A, D, E	<p>Stakeholders do not consider these options viable, as they argue that the overall approach should be reversed, as the burden of proof should not weigh on CHs (indeed, they already sustain extra-costs for being certified).</p> <p>FSC already designed some instruments (e.g. FSC-POL-01-004 V2-0 EN) to ask CHs to formally demonstrate their commitments towards FSC values. On the other hand, inaccurate claims (not sourcing from fraud attempts) can be more effectively challenged through “ordinary” measures (e.g. strengthening “traceability” requirements, enforcing more accurate/frequent audits, etc.), therefore avoiding to make the transaction verification requirement (definitely, the OCP) compulsory.</p> <p>In the end, stakeholders argue that cannot be responsibility of CHs (particularly, those already acting correctly) and CBs to replace local appointed Authorities in contrasting legal frauds, as this role should be played by local/international legal legislative systems and relevant institutional actors. As a matter of fact, to this point, FSC requires that local/international legal frameworks shall be respected. To the stakeholders’ opinion, legal prevention/contrast of/to frauds would fall outside the FSC certification scope.</p>	
Option(s) to be preferred	In the light of all the above-mentioned comments, option F (primarily) and option B (secondarily) have been definitely and unanimously preferred by stakeholders.	
OCP	It’s not clear to interested stakeholders how the OCP deals with consolidation of FSC sales to non-certified purchasers. In fact, the latter would not accept FSC sales through the OCP, as the non-certified purchasers will downgrade FSC inputs to non-certified inputs. In this way, discrepancies in the volume summaries and transaction verification may arise. It is a relevant issue to be kept into consideration.	
OCP	It’s not clear to interested stakeholders how the OCP deals with group certificates, and whether the Central Office is allowed, or it is not, to monitor and look at sales/purchases consolidated by each group member. If missing, this function should be implemented and it is a relevant issue to be kept into consideration.	
Option for transaction verification	Our company would vote for option F, not to go against the grain, for we ‘d like to add a small comment to our “no”	The we way we no have regulated our in-company FSC policy works and we always manege to prove the chain of custody

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		to be complete, audits over the years have pointed that out. Our proposal is to have the auditors doing a spot-check on random chosen e.g. invoices on both producer and product receiver side. We think the costs are much less than a supply chain check by ASI.
FSC-DIS-40-009	The OCP seems like a good tool to increase the integrity besides other measures such as ASI controls. It likely would not affect us overly as we only produce 2-3 FSC invoices per year (besides learning the system and spending time communicating with our supplier). However, it seems apparent that the cost of the OCP/Transaction Verification program overall will significantly impact the cost of FSC materials for many other FSC-certified companies. Hence, it will have a very detrimental effect on us. The end user does not want to pay the difference in the product cost now. Increased material costs will put us out of the bidding. In other words, any additional system causing complexity and increase in costs, despite some advantages, will ultimately and overall reduce the impact of responsible forest management practices.	
PART I / 1.7	<p>The transaction verification requirement is redundant, burdensome, and too prescriptive. More effort should be taken by FSC to punish the “bad actors” rather than burdening the vast majority of certificate holders that are in compliance. Most of the options seem to promote the OCP and would result in significant additional costs related to administrative responsibilities and/or audits.</p> <p>There should be substantially less requirements for companies that are at low risk of making false claims. The focus should be on providing accurate claims based upon the provided supplier input claims. Certificate holders should not be responsible for auditing the claims provided by suppliers.</p> <p>I support option F in the discussion paper to not require transaction verification.</p>	The organization shall have a method in place to allow the certification body to verify that the organization’s recorded FSC input claims match FSC certified claims provided by its supplier(s).
Transaction verification, Chapter 3	<p>1-We generally appreciate no changes on the current CoC system, which does not require transaction verification – for low risk countries .</p> <p>2-For high risk countries we suggest a transaction verification during supply-chain audits on a sampling basis.</p> <p>3 – The Option A, D and E should be cancelled. We generally reject the idea of the implementation of any database as the OCP.</p>	<p>1 – Option F: uphold</p> <p>2- Option B or C: alternative for high risk countries</p> <p>3 – Option A, D and E: Cancellation</p>
3. proposed options	It has to be implementable. We agree for option F. The costs and bureaucracy will be too high with the other options. On the other hand we don’t like to give sensitive information of customers and suppliers to a third party.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	Difficult to implement in any case	Removal of this requirement
General comment of transaction verification	The idea of reinforcing the FSC system is essential and shall be achieved. However I believe there are other ways to be followed instead of the transaction verification. Some examples: a) Using a single checklist (common checklist for all CBs) b) Internal qualification of COC auditors (see MSC system) c) Efforts on traceability requirements	General comment of transaction verification
General comment of transaction verification	The main threat of the whole system is still the use of not certified (but controlled) inputs under a % or credit system. Let's move on a system where FSC products are made ONLY of FSC inputs and reinforce the COC standard by adding "traceability test" (See Marine Stewardship Council checklist)	General comment of transaction verification
Option A	The use of an online platform may difficult at all level. Small companies are not familiar with these systems. At the same time medium/big organization may find it a big loss of time. Not all details are recorded by the system so each company should still have another accounting record.	Option A
Option A	Uploading details of each input may be also difficult. Practical example: an invoice may carry quantities in cubic meters and (thinks at chipboard panels). The customer, instead of cubic meters, uploads and records inputs in number of items (let's suppose it is a timber merchant that sells units of panels). Once uploaded into the OCP the supplier may not recognize its sale document.	Option A
Option B	If well organized this may be a good solution even if I would prefer more attention on other requirements (see my comment about the need of having more requirements covering traceability). This option has the big disadvantage of the cost. ASI will be too expensive.	Option B
Option C	This option sounds interesting but very difficult to put in place. Finding a system that allows CBs to communicate is not an easy thing. The language may be an obstacle for example.	Option C
Part I, No. 1.7, "Claim verification"	To avoid unnecessary administrative costs: There should be an exception for finished products.	Suggestion: "If there's no further physical transformation of the product during the supply chain, chapter 1.7 does not refer to finished and already labeled products, which are sold to wholesalers or retailers (regardless of whether these wholesalers and retailers are certified or not)."
FSC-DIS-40-009, Annex 1	It is not noticeable that the FSC perceives the issue of data protection and additional financial burdens as a major obstacle for companies wishing to participate further in the FSC-system.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>This can be seen in the evaluation of option E in which the issue of data security in a central cloud-based FSC-platform is not considered a disadvantage.</p> <p>System C is the only sustainable alternative for securing the supply chain, though this option still has to be evaluated. At least the approach which is pursued here is risk-based and does not place all participants under general suspicion.</p> <p>We recommend the waiving of an obligatory transaction test for the upcoming COC-standard until sufficient answers to the outstanding widely-asked, vehement questions have been found.</p> <p>We can already observe as a certified service provider that many of our clients are turning away from the FSC-system, are using no more trademarks and are terminating existing certificates.</p>	
1.7	<p>The FSC transaction verification / OCP electronic system, even if it is somewhat sample based, will create an expense and manpower burden - as it relates to learning/maintaining and in particular to entering/monitoring data - on a system which is already very costly and in our experience hasn't provided enough return on investment. We are also afraid that key suppliers will drop their certificate due to an additional layer of bureaucracy in future. Integrity is important, but not at any cost.</p>	<p>FSC should continue with the ASI conducting sample-based cross-site audits.</p>
1.7	<p>We strongly support any mechanism, which increases the traceability beyond only one certificate holder, to look into traded FSC volumes within the whole chain. All steps in that directions will increase transparency and with that the credibility of FSC certification. Any system wide mandatory is supported.</p>	
1.7	<p>1) Regarding OCP</p> <p>Transaction information is central to business enterprises, and it is not a kind of information that can be stored in outside database. Even with the security measures, the risk cannot be completely eliminated.</p>	<ul style="list-style-type: none"> • We oppose the standard revision that assumes use of OCP. • Certification bodies should devise auditing methods under the existing system to prevent untruthful transactions. For example, it is possible to detect untruthful transactions by sampling several transactions during audits and verifying the transaction information. Thus the current system should not be changed. We consider the Option F is most preferable.
1.7	<p>2) Regarding OCP</p> <p>Transaction information is central to business enterprises, and it is not a kind of information that can be stored in outside database. Even with the security measures, the risk cannot be completely eliminated.</p>	<ul style="list-style-type: none"> • We oppose the standard revision that assumes use of OCP.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		<ul style="list-style-type: none"> • Certification bodies should devise auditing methods under the existing system to prevent untruthful transactions. For example, it is possible to detect untruthful transactions by sampling several transactions during audits and verifying the transaction information. Thus the current system should not be changed. We consider the Option F is most preferable.
<p>Part 1 Universal Requirements, Quality Management System' Clause 1.7 page 9</p>	<p>This is on behalf of the printers who are part of the OPIA Group Certificate. Since the outset of establishin the Group Certificate, all companies who are participants maintain a comprehensive Excel Spreadsheet Volume Summary Report including all information required to track Product Group Inputs & Outputs, including supplier references, quantities of FSC Mix & FSC Recycled, specific FSC job docket numbers, accumulation of quantities for each audit year.</p> <p>As Group Manager, I reference this document quarterly & annually as one of the tools I use to manage the individual group member companies ongoing FSC job activities.</p> <p>See references below to sections of FSC-DIS-40-009 EN</p>	
<p>FSC-DIS-40-009 EN, Executive Summary; Options for transaction verification, page 3, Option A</p>	<p>Companies who are members of the OPIA Group Certificate all utilize a comprehensive Excel Spread Sheet template with 3 tabs.</p> <p>Tab 1 includes date, FSC job docket number, supplier order number, supplier name, input product group number, number of FSC Mix, FSC Recycled sheets identified separately, output also separately identified as FSC Mix or FSC Recycled, the group member's invoice number & verbal id of the job invoiced (i.e. brochure)</p> <p>Tab 2 is populated by the information from Tab 1 and identifies both input and output product group numbers, accumulating the total number of sheets of FSC Mix and FSC Recycled</p> <p>Tab 3 is populated by the information from Tab 2, lists the full time period covered by the report, tallying the total number of FSC sheets used throughout that time via inputs received, inputs used in production, outputs still in stock, outputs sold.</p> <p>As Group Manager I use this spreadsheet as one of my ongoing management tools. Group members provide it to me on a quarterly basis and it is then the master form I use for my annual audit of Group Members. Verification of the information on this volume summary report is done by reviewing samplings of job dockets and the supplier packing slips & invoices related to those dockets.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Many printing companies, including the small ones who are part of the OPIA Group Certificate have comprehensive electronic management information systems of their own which they use as additional verification of the information they transfer to the Excel Spreadsheet Volume Summary Report.	
FSC-DIS-40-009 EN, Executive Summary; Options for transaction verification, page 3, Option B	This is not an option I support. It would add both time and cost for companies who have elected to be FSC certified. As described above, there is already a well managed system in place.	
FSC-DIS-40-009 EN, Executive Summary; Options for transaction verification, page 3, Option C	Rainforest Alliance selects a sampling of the companies that are part of the OPIA Group Certificate. I do not believe Rainforest Alliance needs to verify this information with the supplier's certification body as in Canada fraudulent claims are not an issue. All FSC paper purchased by the companies in the Group Certificate are from Canadian Paper Merchants who are FSC certified. The merchants' certification is verified by the printers and also by myself as Group Manager.	
FSC-DIS-40-009 EN, Executive Summary; Options for transaction verification, page 3, Option	See comments for Option E. The same would apply to this as an extra step, in fact that fact that they will then need to make sure they file a generated certificate in their FSC job dockets adds a second additional step to this process. Also, members of the OPIA Group Certificate primarily purchase from 3 major paper merchants who are not a risk for fraudulent activities. In fact, we feel that this issue is not relevant in Canada for any of the paper suppliers.	
FSC-DIS-40-009 EN, Executive Summary; Options for transaction verification, page 3, Option E	As defined with Option A, companies who are members of the OPIA Group Certificate are already entering information into a comprehensive Volume Summary Report specific to FSC jobs. This is an extra step for them and, as also noted above, many have their own comprehensive printer specific Management Information Systems. Additionally, also as noted above, as Group Manager I use the combined system in place as a tool to manage the compliance of the member companies. Information entered into the existing reporting spreadsheet is verified against paper supplier packing slips and invoices.	
FSC-DIS-40-009 EN, Executive Summary; Options for transaction verification, page 3, Option F	Agreed. The OPIA Group has an excellent structure in place which is well scrutinized by Rainforest Alliance, our Certification Body. Potential additional steps and additional cost will very likely be the tipping point that causes some of the small printers who are members of the OPIA Group Certificate to opt out of the program.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	<p>By becoming mandatory information of this kind, there is the possibility of negative impacts on the certified products market:</p> <ul style="list-style-type: none"> - In the case of paper artifacts, to prove the use of certified raw materials, there is the risk of exposure of the recipe that makes up; - For businesses in general, there will be a breach of confidentiality regarding customer base, and also on volumes input and output of raw materials. <p>Added to these factors, the labor demand required for implementation and maintenance of a system of this complexity may make it unfeasible.</p>	<p>Due to the complexity of this issue, it is befitting that the discussions about it are discussed in more detail, including involving stakeholders.</p> <p>Therefore, we support the idea of this item is optional for certificate holders.</p>
General	<p>There is no doubt that transaction verification criteria is needed and that the risk in FSC must be minimized. However, FSC must decide what it is going for: sample control or full security? Is the aim to minimize risk or to eliminate it? Currently the options offer both and are thus not very comparable. Option B and C are the sample options and do not offer the same level of security as option A and E. They are not even in the same ball game. It is very hard to provide meaningful consultation on something, which is this much in between.</p> <p>The proposal is that FSC first identifies that it will implement transaction verification and then settle on full security or sample methods and then consult on the suggested setups for the chosen approach.</p>	
General	<p>Could the OCP product group list include an input material category? If it did, all of 4.2 in the CoC standard could be met through the OCP with no additional work.</p>	
Option A	<p>Why does other systems always have to be ISO 27 001 if they are in low risk areas? Isn't this imposing an extra cost just to ensure that OCP gets uptake and thereby depriving companies from using systems already in place?</p>	
Option B	<p>This is not really an option, is it? The company does not know whether it will face such an audit and thus cannot use it as a framework for complying with the criteria proposed?</p>	
Option C	<p>Option C seems very doable and with limited additional work for companies already using the sample method for invoices.</p>	
Option C	<p>It is not very clear how this model is done in practice in the description – will there be a time lack of up to 12 months between the audits of the two companies or does to certification body contact each sampled company as the sample is being made? This would mean a lot of extra work for all; both for the CB when contacting suppliers and for suppliers facing calls from multiple CBs due to a multitude of clients.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Option C + E	It would be good if there was a combination between C and E where larger low risk companies could do sample control over the OCP (and thus save audit costs and do a more real time verification.) This would be easier manageable and it would lower the security challenges because not all of the suppliers and volumes were collected on an external cloud.	
Option E	If a company uses option E and implement OCP, how are they then protected against having to do extra work, if their suppliers or costumers do not use the OCP? Would they still have to spend time and money on verifying other companies claim verification outside the OCP?	
Option E	It would be good to underline that the OCP can be used for other systems + non-certified input as well (e.g. PEFC / EUTR requirements).	
Option F	Delete the option, as it is not really an option.	
Section 6, page 16	A list of the criteria to be considered as automatically met if the OCP is fully implemented in the company would be helpful. This would make it easier to see, where costs would be saved on audits and preparing for audits to make up for the extra time spend on implementing the OCP in everyday life.	
Section 6, page 16	Strong support for the option to waive audits. This is considered a major benefit. However why does a company have to have been certified for three years to qualify? Wouldn't suspensions or terminations within the last three years be enough, while newly certified companies could move directly into the cycle of only having audits every second year?	
General	There is a need to clarify what requirements for volume verification for pre and post consumer paper is? Who adds the volumes to the systems and what is considered proof? (There is not amount on invoices from suppliers.) How often must they be registered?	
General	Is there a plan to expand the OCP to be able to handle credit accounts and controlling them? If: when is it?	
1.7	In general the companies consulted in meetings in DK understand that the criteria is needed and justified. However, there is a wish, that the benefits of using OCP is made more clear in the standard (e.g. by visually identifying which criteria would be considered automatically met.) Also adding the notion about the suggested option (discussion paper page 16) only to be audited every second year should be added to the standard in at least a note and not only be included in the accreditation standard draft.	Show visually which criteria would not be audited when using the OCP.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	It is important that it is clarified in the standard that an internal sale between units does not need to meet the requirement.	Add clarification.
Option C	<p>Stakeholders observed that Option C (Certification Bodies collect a sample of purchase transaction documents) would be ideal in an imaginary world, but not in the real daily practice and on the ground.</p> <p>In fact, CB representatives argued that it's really hard to think about a positive, open, horizontal dialogue and cooperation among different (and mutually competing) CBs.</p> <p>Even in the case of fruitful and full collaboration among CBs, option C would be hardly work on the ground, because of many organizational matters (e.g. different procedures, organizational charts, etc.,) that may differ among different CBs.</p> <p>There would be also major issues concerning privacy and security conditions in handling sensitive and confidential information.</p>	
Options B and C	<p>In order to mitigate, at least partially, some of the main issues related to option C (see previous comment), it might be useful to broaden the ASI's mandate, somehow combining option C with option B.</p> <p>In such a way, some supply-chain audits would be performed by ASI on its own, whereas other verifications would be carried out by CBs on behalf of ASI, eventually focussing on some particular and specific "rings" of the supply chains, with ASI coordinating CBs' operations.</p> <p>This combined approach would rise the statistical significance of sample verification (that has been considered being a relevant weakness in Options B and C), still without introducing a "systematic" burden for all CHs.</p>	
Options A, D, E	<p>Stakeholders do not consider these options viable, as they argue that the overall approach should be reversed, as the burden of proof should not weigh on CHs (indeed, they already sustain extra-costs for being certified).</p> <p>FSC already designed some instruments (e.g. FSC-POL-01-004 V2-0 EN) to ask CHs to formally demonstrate their commitments towards FSC values. On the other hand, inaccurate claims (not sourcing from fraud attempts) can be more effectively challenged through "ordinary" measures (e.g. strengthening "traceability" requirements, enforcing more accurate/frequent audits, etc.), therefore avoiding to make the transaction verification requirement (definitely, the OCP) compulsory.</p> <p>In the end, stakeholders argue that cannot be responsibility of CHs (particularly, those already acting correctly) and CBs to replace local appointed Authorities in contrasting legal frauds, as this role should be played by local/international legal legislative systems and relevant institutional actors. As a matter of fact, to this point, FSC requires that local/international legal frameworks shall be respected. To the stakeholders' opinion, legal prevention/contrast of/to frauds would fall outside the FSC certification scope.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Option(s) to be preferred	In the light of all the above-mentioned comments, option F (primarily) and option B (secondarily) have been definitely and unanimously preferred by stakeholders.	
Traceability VS. transaction verification	<p>Some stakeholders insisted on the opportunity to introduce/strengthen requirements concerning material “traceability”, instead of asking for use of OCP or similar transaction control measures.</p> <p>To this point, requirements by Marine Stewardship Council have been adopted as a term of comparison, as “traceability” is considered being a pillar in such a standard, as it follows:</p> <p><i>The organisation shall have a traceability system that allows:</i></p> <p><i>4.1.1 Any product or batch sold as certified to be traced back from the sales invoice to a certified supplier.</i></p> <p><i>4.1.2 Any products identified as certified upon receipt to be traced forward from point of purchase to point of sale.</i></p> <p><i>4.1.3 Traceability records shall be able to link certified product at every stage between purchase and sale, including receipt, processing, transport, packing, storage, and dispatch.</i></p>	
Transaction verification & other requirements	<p>It might be useful to introduce audits with a very short advice, in order to incite CH management representatives to keep the internal FSC system always updated, and staff constantly trained.</p> <p>In fact, consultants observed that often this is not the case, and inaccurate claims would often arise from unfavourable situations that could be easily overcome through the enforcement of more effective and, eventually, more frequent audits.</p>	
OCP	It’s not clear to interested stakeholders how the OCP deals with consolidation of FSC sales to non-certified purchasers. In fact, the latter would not accept FSC sales through the OCP, as the non-certified purchasers will downgrade FSC inputs to non-certified inputs. In this way, discrepancies in the volume summaries and transaction verification may arise. It is a relevant issue to be kept into consideration.	
OCP	It’s not clear to interested stakeholders how the OCP deals with group certificates, and whether the Central Office is allowed, or it is not, to monitor and look at sales/purchases consolidated by each group member. If missing, this function should be implemented and it is a relevant issue to be kept into consideration.	
General comment:	B&Q PLC welcomes the opportunity of feeding back on FSC-DIS-40-009 TRANSACTION VERIFICATION. Supply chain FSC® Certification verification is impossible in the current format of the FSC® system. An improved and robust Transaction Verification tool such as the OCP will allow systematic approach of transaction information which will be fully auditable up and down the supply chain.	General comment:
Option A	Option A is a possible option as it would create a level playing field in terms of compliance to FSC® Standards and the elimination of miss claims. However, it will be complicated as companies using different verification systems will mean multiple duplication of	Option A

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	inputs. Resource issues, time constraints and additional costs of multiple system use would not be favourable.	
Option B	Option B is not an option. ASI has limited resources and time constraints to conduct the additional audits and it would be limited to only 50 supply chains. Increased costs to certificate holders with this option and the credibility of the FSC® system would still be at risk.	Option B
Option C	Option C is not an option. The sampling risk based approach would mean extra time associated to CoC audits, additional costs (likely) to CoC certificate holders. This risk based sampling approach only allows a small selection of 30 invoices which would mean if you are a big company (like B&Q) who processes 1000's of invoices monthly, there is still the risk of miss claims of selling or passing FSC® certified material to customers.	Option C
Option D	Option D is not an option. Only applicable to limited invoices, additional costs to certificate holders due to increase of audit and more administrative work would not be favourable.	Option D
Option E	Option A is the preferred option as it would create a level playing field in terms of compliance to FSC® Standards and the elimination of miss claims with the use of one platform by certificate holders. Initial set up cost and administration is outweighed by the benefits: <ul style="list-style-type: none"> • automatic updates about changes to connected suppliers' FSC certificate scope/status • a list of FSC-certified purchases and sales • a list of FSC-certified suppliers and customers • verified FSC-certified transactions, so claims can be trusted • origin reports so the user knows the potential list of species and countries of harvest in a particular FSC product or product type. 	Option E
Option F	Option F is not an option as the credibility of the FSC® system would still be at risk. There must be tighter controls in place for FSC® certification holders to eliminate miss claims of selling or passing FSC® certified material throughout the supply chain and the integrity of FSC® must be improved. Currently there are no means for B&Q (retailer) at the end of the supply chain to verify the validity of the FSC® certificates for each part of the supply chain and we have to rely on our direct suppliers FSC® Certificates as confirmation that the supply chain certification are in place.	Option F

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Entire verification problem	We generally appreciate the idea of a risk based approach towards the problem of transaction verification but the determination of risks should not be limited to the quantity of samples but comply with the individually necessary verification procedure. According to this idea certain circumstances could lead to option F: no transaction verification (see comments on option F). In opposite to that e.g. a subsequently provided certificate could lead to a special high risk treatment like option B. A risk-based combination of different options could lead to sufficient transaction verification (see comments on option D).	
Option A	The system should cover only active suppliers, no former or potential suppliers. There can be no permanent data exchange systems with small randomly active suppliers.	
Option A	The system can be in place only where active FSC claims are being produced. The processing with material that is not certified can not be registered.	
Option A	Especially for SME or companies working with small quantities of FSC material individual IT solutions can be exceedingly expensive.	
Option A	A huge problem are conversion factors and measurement units. The accounting systems work with credit advices. The total quantity of material is therefore often being described with different measurement units concerning input and output. As a result an automatic system could not validate the compliance of input and output claims.	
Option A	We still strongly disagree with the idea of the classical OCP database, as even a risk-based reduction of claims would not solve the serious data security problems.	
Option B	<i>"ASI will check the FSC transaction information from each supplier against the organization's internal records and volume summaries"</i> Any transaction verification within a chain of custody can only take place in samples. The diversification even within one product is far too big to be traced back to the origin of the chain.	
Option B	Additional ASI costs have to be covered only by convicted violators of FSC claims.	
Option B	The ASI audits must be understood as compliance audits of the certification bodies.	
Option C	The only documents providing the necessary claim-information also contain very sensitive data about prices. They will not be provided to the certification body as take-away copy.	
Option C	Different certification bodies stand as competitors on the market but would still have to cooperate in the process of transaction verification. This could lead to a conflict in disadvantage of the certificate holder. An involvement of ASI in this process could lead to the necessary neutrality.	
Option C	The quantity of the sample is too big for SME especially for holders of group-certificates.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Option C	The element of risk evaluation is limited to the CPI and leads in case of a non-low-risk classification to a 100% check of claims, which is due to the number of claims, completely unrealistic. The approach must remain on the base of samples.	
Option D	Digital certificates would take the sensitive supplies-customer relationship out of the database. With certain modifications (see other comments on option D) a combination of options C and D could lead to a working system of transaction verification: A sample based transaction verification in the size of a normal audit in the form of digital certificates being put into a modified OCP. The information of quantities of sold material itself is not being considered sensitive.	
Option D	100% of the claims can, due to the number of claims, not be covered with this system. The approach must remain on the base of samples in the size of a regular audit.	
Option D	The proposed term of 30 days is not realistic.	
Option D	The automatically generated ID cannot replace the FSC certificate-number on the invoice document.	
Option E	Desk audits and other proposals do not solve the general problem of data security within the OCP. We strongly disagree with that option.	
Option F	A closed MIS in which the certificate holder generates the output documents for his suppliers himself means no risk for false claims. In that case there is also no need for a transaction verification.	
	<p>The willingness to check the FSC claim to build a strong and robust system is indeed interesting. But that also means quite a huge amount of extra administrative works:</p> <ol style="list-style-type: none"> 1. Most of the IT systems won't be able to directly upload the requested data, and it will mean extra hand works. 2. As all the declaration will be based on humans typing, it doesn't prevent the human error while typing. 	
	<p>What stroke me when reading the paper discussion was that in most of the scenarios, the cross checking is only covering the transaction between certified organizations. But what about sales to end-users?</p> <p>I am part of a paper making company that also convert reels into reams. These reams can be sold to retailers, in this case they can be tracked down, but also directly to end-users, such as big administrations or small office enterprises with a strong environmental dedication.</p> <p>In the case of direct sales, the end-users are not certified most of the time. So these sales won't be tracked, as end-users will not be able or be willing to have extra works for confirming data in any OCP. Should they be forced to go in the OCP, it could also be counterproductive as it could prevent them to order FSC paper.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Part I Section 1 Clause 1.7	<p>We consider option C the most feasible to transaction verification, however it is necessary to consider some adaptations in sample scheme. These adaptations are explained in the comment about FSC-DIR-40-009.</p> <p>The reasons that lead Brazilian EC to choose option C, are:</p> <ul style="list-style-type: none"> • Option A: The possibility of each organization to choose the more feasible verifying system is illusory, because in the end all companies in a commercial relationship would have to adopt the same system, in other words, the freedom to choose a verification transaction system do not exist. • Option B: ASI do not have technical knowledge about the particularities and complexity of COCs in each country, and because of this, would need national experts in these audits. Additionally, an extra audit would be made. These two factors imply in significantly raise of costs of COC certification. • Option D: Despite this option solve confidentiality issues about client data, it is too much complex and would burden even more the organizations. • Option E: The OCP was born to grant a necessary transparency on COC processes, however there are doubts on how FSC would grant visibility for information without let them lose their confidentiality. That is why the OCP platform is so problematic, because it has lost the reason of its creation. Furthermore, OCP is vulnerable in security terms, due to the volume of data which is kept in only one tool and to the extremely confidential content, intended by market agents. For these reasons, OCP became voluntary, however this character would make consumers verify more than one reference, what could even compromise the understanding of claims, driving to contradictions, for example • Option F: It is more than strengthened the need to address this issue, thus, keep the COC system without changes is not an option. 	Adopt Option C with the adaptations explained in the comment about FSC-DIR-40-009.
Page 7	FSC discussion paper reports that problems involving claims are located in North America, Europe and Asia. Based on it, we highlight that the use of CPI is controversial, once countries where the issue was in fact identified would be less investigated, because have CPI higher than 51 (low risk). The classification through CPI would investigate issues only in Asia, in this case. Other situation is that although Brazil has CPI lower than 50, it has an extremely robust fiscal system which counteracts false transactions.	
Page 9 Option C	Option C is reasonable, however the evaluation of 100% of invoices in unspecified-risk countries is infeasible, in regarding to time and audit costs. In low risk countries, the sample of 30 invoices is irrelevant in case of big companies, for example.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>The transaction verification by CBs associates supplier audit period with clients audit period too much, what is infeasible. This overdone association could also happen with audit samples of suppliers and clients, what would have to be coordinate. A way of correct those stalemates would be verifying the volume summary: the organization provides the volume summary (clients and suppliers) to its CB, who will confront with the volume summary of other CBs, in a sample basis. In both cases this sampling approach would be proportional to the organization's FSC transaction volume.</p> <p>Problems involving data security would be null in this option, because the relationship between CBs and their clients are protected by confidentiality contracts. In all FSC's history there are no cases of weakness of those contracts in terms of data security.</p>	
Entire verification problem	<p>We generally appreciate the idea of a risk based approach towards the problem of transaction verification but the determination of risks should not be limited to the quantity of samples but comply with the individually necessary verification procedure. According to this idea certain circumstances could lead to option F: no transaction verification (see comments on option F). In opposite to that e.g. a subsequently provided certificate could lead to a special high risk treatment like option B. A risk-based combination of different options could lead to sufficient transaction verification (see comments on option D).</p>	Entire verification problem
Option A	<p>The system should cover only active suppliers, no former or potential suppliers. There can be no permanent data exchange systems with small randomly active suppliers.</p>	
Option A	<p>The system can be in place only where active FSC claims are being produced. The processing with material that is not certified can not be registered.</p>	
Option A	<p>Especially for SME or companies working with small quantities of FSC material individual IT solutions can be exceedingly expensive.</p>	
Option A	<p>A huge problem are conversion factors and measurement units. The accounting systems work with credit advices. The total quantity of material is therefore often being described with different measurement units concerning input and output. As a result an automatic system could not validate the compliance of input and output claims.</p>	
Option A	<p>We still strongly disagree with the idea of the classical OCP database, as even a risk-based reduction of claims would not solve the serious data security problems.</p>	
Option B	<p><i>"ASI will check the FSC transaction information from each supplier against the organization's internal records and volume summaries"</i></p> <p>Any transaction verification within a chain of custody can only take place in samples. The diversification even within one product is far too big to be traced back to the origin of the chain.</p>	
Option B	<p>Additional ASI costs have to be covered only by convicted violators of FSC claims.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Option B	The ASI audits must be understood as compliance audits of the certification bodies.	
Option C	The only documents providing the necessary claim-information also contain very sensitive data about prices. They will not be provided to the certification body as take-away copy.	
Option C	Different certification bodies stand as competitors on the market but would still have to cooperate in the process of transaction verification. This could lead to a conflict in disadvantage of the certificate holder. An involvement of ASI in this process could lead to the necessary neutrality.	
Option C	The quantity of the sample is too big for SME especially for holders of group-certificates.	
Option C	The element of risk evaluation is limited to the CPI and leads in case of a non-low-risk classification to a 100% check of claims, which is due to the number of claims, completely unrealistic. The approach must remain on the base of samples.	
Option D	Digital certificates would take the sensitive supplies-customer relationship out of the database. With certain modifications (see other comments on option D) a combination of options C and D could lead to a working system of transaction verification: A sample based transaction verification in the size of a normal audit in the form of digital certificates being put into a modified OCP. The information of quantities of sold material itself is not being considered sensitive.	
Option D	100% of the claims can, due to the number of claims, not be covered with this system. The approach must remain on the base of samples in the size of a regular audit.	
Option D	The proposed term of 30 days is not realistic.	
Option D	The automatically generated ID cannot replace the FSC certificate-number on the invoice document.	
Option E	Desk audits and other proposals do not solve the general problem of data security within the OCP. We strongly disagree with that option.	
Option F	A closed MIS in which the certificate holder generates the output documents for his suppliers himself means no risk for false claims. In that case there is also no need for a transaction verification.	
1.7	We choose the option F – no changes, as our company is under transfer system and with the present procedure will fully comply with the transaction verification in time of the audit. While other options will require extra manpower/increase cost to implement the proposed procedure.	
Transaction verification	c. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>d. The effort for putting these datas additionally in extra medium is immense. We are not able to perform this additional expenditure.</p> <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
Transaction verification	<p>e. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database</p> <p>f. The effort for putting these datas additionally in extra medium is immense. We are not able to perform this additional expenditure.</p> <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
1.7	<p>Additionally to the aspect mentioned above:</p> <p>The quoted argumentation to prevent originating errors is pleaded. Selling without valid FSC-certificates is impossible as there is an information if certificates are suspended. Terminated certificates become obvious by checking the expiration date.</p> <p>Generally presuming a totally “black-sheep”-trade without trust and honour is hard to believe and makes companies rethink the decision for FSC.</p>	Delete completely without substitution.
1.7 of FSC-STD-40-004 V3-0 D2-0 and Note for Stakeholders	<p>1.7. is acceptable only if no new systems are demanded. All methods/options presented in the discussion paper on transaction verification (FSC-DIS-40-009 EN) require new systems to be built by the Organization, causing additional costs.</p> <p>Furthermore, the requirements to be met by the “method in place” are described in an additional document (FSC-DIS-40-009 EN). This additional document is in consultation at the same time. Hence, the question which “method in place” is accurate and acceptable is not answered yet. This circumstance makes it difficult to accept the introduction of “methods in place” (meaning “transaction verification systems”) by the CoC-Standard at the present time.</p>	<p>Shelve the plans of introducing “methods in place” (meaning “transaction verification systems”) until we agree about what are accurate and acceptable methods.</p> <p>Delete 1.7 in the present revision.</p>
1.7 of FSC-STD-40-004 V3-0 D2-0 and Note for Stakeholders	<p>1.7. is acceptable only if no new systems are demanded. All methods/options presented in the discussion paper on transaction verification (FSC-DIS-40-009 EN) require new systems to be built by the Organization, causing additional costs.</p> <p>Furthermore, the requirements to be met by the “method in place” are described in an additional document (FSC-DIS-40-009 EN). This additional document is in consultation at the same time. Hence, the question which “method in place” is accurate and acceptable is not answered yet. This circumstance makes it difficult to accept the introduction of “methods in place” (meaning “transaction verification systems”) by the CoC-Standard at the present time.</p>	<p>Shelve the plans of introducing “methods in place” (meaning “transaction verification systems”) until we agree about what are accurate and acceptable methods.</p> <p>Delete 1.7 in the present revision.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Entire verification problem	<p>We generally appreciate the idea of a risk based approach, but the determination of risks should not be limited to the quantity of samples but comply with the individually necessary verification procedure. According to this idea certain circumstances might lead to what is presented with Option F: no transaction verification. We still strongly disagree with the idea of the classical OCP database (Option E), as even a risk-based reduction of claims would not solve the serious data security problems.</p> <p>The other options FSC has provided with the discussion paper unfortunately are very complicated and e.g. auditing requirements are so high that they are not realistic at all.</p> <p>But if FSC has, as it is claimed in chapter 2 of the discussion paper, so many “Whistle Blower”, these good authorities are a perfect argument against “expensive assessment of the whole CoC” and pro “checking in case of concrete evidence”.</p> <p>We hereby ask FSC to evaluate how these false claims can be reduced efficiently without increasing the bureaucracy and costs to certificate holders. The certificate holders' costs cannot simply be increased any more.</p>	
1.7, 2.1 and others	<p>FSC OCP is an octopus for data – in contradiction with data security laws and legal protection of data privacy - that can't be supported at all.</p> <p>Neither any back door – even the smallest one - for FSC-OCP</p>	Delete any hint on OCP in the whole standard
1.7	<p>Additionally to the aspect mentioned above:</p> <p>The quoted argumentation to prevent originating errors is pleaded. Selling without valid FSC-certificates is impossible as there is an information if certificates are suspended. Terminated certificates become obvious by checking the expiration date.</p> <p>Generally presuming a totally “black-sheep”-trade without trust and honour is hard to believe and makes companies rethink the decision for FSC.</p>	Delete completely without substitution.
1.7, 2.1 and others	<p>FSC OCP is an octopus for data – in contradiction with data security laws and legal protection of data privacy - that can't be supported at all.</p> <p>Neither any back door – even the smallest one - for FSC-OCP</p> <p>please have a look on attached comment in german referring to detected deficits in recent COC-system and especially to OCP</p>	Delete any hint on OCP in the whole standard
1.7	<p>Additionally to the aspect mentioned above:</p> <p>The quoted argumentation to prevent originating errors is pleaded. Selling without valid FSC-certificates is impossible as there is an information if certificates are suspended. Terminated certificates become obvious by checking the expiration date.</p> <p>Generally presuming a totally “black-sheep”-trade without trust and honour is hard to believe and makes companies rethink the decision for FSC.</p>	Delete completely without substitution.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	<p>An Additional Comment Period is Needed for Transaction Verification Whitepaper: The release of the Transaction paper at the same time as the revised COC standard has created some confusion as to the comments and feedback that should be proposed on the Transaction Verification Whitepaper. AF&PA believes additional focused outreach is necessary for FSC to receive the feedback from stakeholders on the options presented in the paper. An additional consultation period would also allow FSC to gather feedback from stakeholders on the second phase of research that is alluded to in the whitepaper that would provide FSC with a better understanding of the scale of the problem that FSC is attempting to solve with Transaction Verification.</p>	<p>Open the Transaction Verification Whitepaper for a separate consultation.</p>
	<p>Alternative F is the preferred one. Alt C is the only other alternative that is somewhat realistic.</p>	
Option C	<p>If alternative C is chosen, the sampling frequency should be lowered significantly to keep the costs on a reasonable level.</p>	
1.7	<p>One of the main reasons why organisations choose to get FSC certified and buy FSC certified material is that they do not have to bother about what has happened earlier in the supply chain as the FSC status on the material provides an assurance that the material is responsibly produced and no further controls of the suppliers are needed.</p> <p>This new requirement will create the opposite situation which means that many certified organisations probably will leave the system since one of the main incentives for buying and producing certified material will be gone.</p> <p>It is the certifiers' role to ensure that the CoC system is robust enough and that certified companies comply with the requirements.</p>	<p>Alternatives F in the "Transaction verification: Alternatives for strengthening and streamlining the FSC Chain of Custody" is the preferred one.</p> <p>Alternative C is the only other alternative that is somewhat realistic.</p> <p>If alt C is chosen, the sampling frequency should be lowered significantly to keep the costs on a reasonable level.</p>
Option F	<p>This is the preferred methodology as it does not change the current CoC system, with annual audits happening to the CoC system it is the auditors job to evaluate conformance to the standard and if fraudulent FSC claims are being made by an organization it should become apparent during this audit.</p> <p>Strengthening the CoC system however seem to be the goal of FSC international, working to provide better assurance for FSC transactions between certificate holders. With this in mind Option A, Organizations enter FSC Purchase claims into a verification system would be the preferred method. This however has numerous hurdles to overcome in order to be a tool that provides better assurance of FSC transactions. The following is a list of concerns that need to be addressed before any option can be rolled out or endorsed by us as a Certificate holder</p> <ol style="list-style-type: none"> 1) The OCP must be easy to use and not subject to multiple iterations. If the OCP is difficult to use and changes every year, certificate holders will not adopt it and will view it as yet another burdensome FSC requirement for maintaining certification. 	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>2) All FSC certificate holders must use the system. If even one is unable to utilize the OCP the online system will lose legitimacy as a tool to guarantee authenticity of transactions. With FSC being a global standard and internet infrastructure varying from country to country some certificate holders may not have internet access., rendering the OCP useless.</p> <p>3) Confidential information available on OCP. If competitors can see the volume and customers purchasing from our organization we will not utilize this system. All confidential information must remain confidential.</p> <p>If FSC provides further information to our concerns the OCP system is the best option to go forward with. If the OCP truly can eliminate on-site CoC audits we would be interested in pursuing this option further.</p>	
1.7	<p>FSC has certified less than 5% of the world’s forests (https://ic.fsc.org/preview.2015-fsc-market-info-pack.a-5066.pdf) and name recognition in the United States, the largest market in the world (https://en.wikipedia.org/wiki/List_of_largest_consumer_markets), is absolutely abysmal and still falling. FSC simply doesn’t have enough market share to worry about a few instances of cheating here and there. Spend some money on marketing and stop wasting money on fixing things that aren’t actually broken. Or, if FSC has decided to abandon the US and just concentrate on Europe (see page 16-17 of FSC link above), then please have the common courtesy to state that publicly, so those of us over here who do care can move on to our next best option.</p> <p>Having said all that, the OCP is a very nice option for those who choose to use it. We will be recommending it to our clients. However, it should be a value-add item that FSC certified companies may choose to use; the intent behind it should not be codified in the standards.</p>	Delete 1.7
Executive Summary	<p>This entire document can be summed up as “We think there may possibly, sort of, be maybe, a problem somewhere, so we’re ready to take drastic action”. See comments under 40-004, section 1.7. FSC has way bigger fish to fry than “transaction verification”. This is the definition of “diminishing returns”. When FSC has the panache of “organic” or “free trade” in somewhere other than western Europe, then we can talk. Until then, get a grip.</p>	
5.2	<p>A, D and E are clear and feasible by a CB. The only question is acceptability by the market. A can be very costly</p>	5.2
	<p>B I believe to be interesting as a monitoring highlevel mechanism to identify specific risks, but</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	C is also an alternative but with some risks: it may not always be possible to hide the sample and avoid communication between companies. On the other hand it can increase audit time, length of evaluation and delay time decision, and increase audit costs.	
	My main concern with all these methods is that its use and the methods to apply should be supported by a risk assessment to decide on the method or intensity of sampling, In very low risk companies it could be none	
	<p>The other concern I have is still how to handle the first step of chain of custody, either from FSC certified or for controlled material (especially in these later) where quantity sold in stand is seldom very inaccurate or not up to date (delay between buying in stand and felling can be large) and quantities declared by the seller maybe very different than the ones by the purchaser when it enters the plan. There can have risks here for illegal wood to enter but also differences due to uncertainty of method and time delay. There should be clear requirements in 40 004 for organization to handle these differences when they found them. I was been told (hear say, not statement of fact so please take this information with the uncertainty it deserves) that some CB, in case of these differences allow for a maximum threshold of 20%. If it has more than this quantity companies can not insert them as FSC certified. This I believe is to be an invitation to always put 20% more increases the risk of Non certified material or illegal entering Coc.</p> <p>This risk needs better evaluation and mitigation measures in FSC 40 004 standard</p>	
1.7	<p>Transaction Verification: The concept of Transaction Verification is already addressed throughout the FSC COC standard through a multitude of requirements and should be deleted from the standard (Option F).</p> <p>In the development of the FSC OCP, FSC International has stated that implementation of this platform is being driven by false claims in the marketplace, though there has been a lack of information on the part of FSC to support this claim. The OCP process, as proposed, would impose significant costs on certificate holders in an attempt to prevent these alleged false claims. The required documentation within OCP represents a significant increase in data input, requiring significantly more administrative resources throughout the supply chain than the current system. In essence, the costs to certificate holders appear to outweigh the intended benefits of the platform change.</p> <p>There are also concerns around the potential for unintended release or access to sensitive or proprietary information if access is granted to records.</p>	Utilize Option F – No changes to the current Transaction Verification/COC system.
1.7	Transaction Verification:	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>The only viable options are B, C and F. These options do not pass the ambiguous burden of proof to certificate holders with no idea of the cost that may be incurred.</p> <p>In the development of the FSC OCP, FSC International has stated that implementation of this platform is being driven by false claims in the marketplace, though there has been a lack of information on the part of FSC to support this claim. The OCP process, as proposed, would impose significant costs on certificate holders in an attempt to prevent these alleged false claims. The required documentation within OCP represents a significant increase in data input, requiring significantly more administrative resources throughout the supply chain than the current system. In essence, the costs to certificate holders appear to outweigh the intended benefits of the platform change.</p> <p>There are also concerns around the potential for unintended release or access to sensitive or proprietary information if access is granted to records.</p> <p>We have a strong preference for option B with audits targeted to at risk regions.</p>	
1.7	<p>This section is redundant. Requiring certificate holders to reach into the records and sales processes of their suppliers as prescribed in this section not only undermines the auditing process incorporated by FSC that CBs are expected to follow, but also places an incredible burden, undue responsibility and potential liability upon downstream certificate holders. It is the responsibility of the certificate holder to properly track and report FSC related volumes to their CB; it is the responsibility of the CB to ensure that sufficient auditing is carried out so as to ensure FSC volumes are reported correctly and sales claims are not made inappropriately.</p>	<p>Remove this section; maintain status quo. Use the procedures and policies that are already in place to verify that FSC certified volumes of inputs and outputs are accounted for and reconciled.</p>
Clause 1.7	Currently no need for this clause	Please remove.
General	<p>Please apply option F.</p> <p>Scientific evidence for misleading claims on a global scale still has not been provided - surely 4 short paragraphs on page 7 cannot be taken seriously. The majority of this discussion paper concentrates on HOW to do transaction verification not WHY to do it. Unfortunately without presenting the sound evidence and statistics and answering "WHY" question it is impossible to proceed with this requirement. This was an FSC promise to Certificate Holders and still has not been fulfilled – see Transaction Verification Criteria and OCP Roadmap 2015. We are in Quarter 4 and the research on the extent of the problem has not been completed.</p>	
Transaction verification	<p>a. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>b. The effort for putting these datas additionally in extra medium is immense. We are not able to perform this additional expenditure.</p> <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
1.7	<p>This requirement undermines FSC's credibility being unable to solve a problem within the FSC certification system and transferring this responsibility and burden to the certificate holders.</p> <p>And how will this even be credibly audited? Legally, a CB only has the right to audit a client with whom it has a signed agreement, not its client's suppliers.</p>	Delete.
1.7 and NOTE FOR STAKEHOLDER S	Point 1.7. is accepted if companies have the possibility to use cost effective ways to carry out the transaction verification following a risk-based approach.	
General	The options are not yet enough elaborated on in order to be acceptable to the industry. For example, option B seems to be an option fit to address basic problem on false claims: Finding out, where fraud is really taking place, without turning FSC certification more burdensome for honest users of the system. But it would have to be noted that additional costs for ASI should be covered by convicted violators of FSC claims.	
General	<p>The general ideal of a risk based approach is welcome but CEPI believes that lacks a proposal for the overall risk assessment to determine the way to comply with article 1.7 of the standard.</p> <p>Companies should have the flexibility to use the appropriate option or combination of options adapted to its circumstances and risk level. Companies should be able to assess their risk level.</p>	
General	Additional risk criteria should include region, sector and above all previous track record on correctness of claims.	
General	A mandatory of OCP or quasi mandatory introduction of OCP through the supply chain or systems with the same drawbacks in terms of data security and confidentiality is not accepted in the European Paper Industry.	
Transaction verification	<p>a. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database</p> <p>b. The effort for putting these datas additionally in extra medium is immense. We are not able to perform this additional expenditure.</p> <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Transaction Verification in General	<p>FSC has not been sufficiently transparent with regard to issues of system errors and fraud.</p> <p>They are concerned enough about the problem to advance OCP. No demonstrable support from retail trade partners for this technology expressed.</p> <p>Concerns with data privacy and accountability are well founded.</p> <p>The OCP can (and would) be hacked.</p>	<p>Even though FSC started as a market based concept, it does not need to hold so tightly to the idea that inclusion of marketplace value is essential to proper solid wood or fiber tracing within systems striving to meet the evolving definition of due care.</p> <p>In fact, value is a distraction from the issue of industrial log scaling conversion and machine by machine conversion rationales for proper calculation of loss and by product creation.</p> <p>Continue to do what the organization has already done to systemically address fraud, which is risk based auditing of CBS and their clients by ASI. Continue to work more sensibly and scientifically within the concept of risk, including forensic accounting audit methodology.</p>
Section 1.7	<p>The verification and documentation process is way too cumbersome and would be a nightmare to perform for each and every order. We would need to reevaluate whether FSC Certification is practical.</p>	<p>Leave the standard for verification process as is.</p>
Part I Section 1 Clause 1.7	<p>We consider option C the most feasible to transaction verification, however it is necessary to consider some adaptations in sample scheme. These adaptations are explained in the comment about FSC-DIR-40-009.</p> <p>The reasons that lead Brazilian EC to choose option C, are:</p> <ul style="list-style-type: none"> • Option A: The possibility of each organization to choose the more feasible verifying system is illusory, because in the end all companies in a commercial relationship would have to adopt the same system, in other words, the freedom to choose a verification transaction system do not exist. • Option B: ASI do not have technical knowledge about the particularities and complexity of COCs in each country, and because of this, would need national experts in these audits. Additionally, an extra audit would be made. These two factors imply in significantly raise of costs of COC certification. • Option D: Despite this option solve confidentiality issues about client data, it is too much complex and would burden even more the organizations. • Option E: The OCP was born to grant a necessary transparency on COC processes, however there are doubts on how FSC would grant visibility for information without let them lose their confidentiality. That is why the OCP platform is so problematic, because it has lost the reason of its creation. Furthermore, OCP is vulnerable in security terms, due to the volume of data which is kept in only one tool and to the extremely confidential 	<p>Adopt Option C with the adaptations explained in the comment about FSC-DIR-40-009.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>content, intended by market agents. For these reasons, OCP became voluntary, however this character would make consumers verify more than one reference, what could even compromise the understanding of claims, driving to contradictions, for example</p> <ul style="list-style-type: none"> Option F: It is more than strengthened the need to address this issue, thus, keep the COC system without changes is not an option. 	
Page 7	<p>FSC discussion paper reports that problems involving claims are located in North America, Europe and Asia. Based on it, we highlight that the use of CPI is controversial, once countries where the issue was in fact identified would be less investigated, because have CPI higher than 51 (low risk). The classification through CPI would investigate issues only in Asia, in this case. Other situation is that although Brazil has CPI lower than 50, it has an extremely robust fiscal system which counteracts false transactions.</p>	
Page 9 Option C	<p>Option C is reasonable, however the evaluation of 100% of invoices in unspecified-risk countries is infeasible, in regarding to time and audit costs. In low risk countries, the sample of 30 invoices is irrelevant in case of big companies, for example.</p> <p>The transaction verification by CBs associates supplier audit period with clients audit period too much, what is infeasible. This overdone association could also happen with audit samples of suppliers and clients, what would have to be coordinate. A way of correct those stalemates would be verifying the volume summary: the organization provides the volume summary (clients and suppliers) to its CB, who will confront with the volume summary of other CBs, in a sample basis. In both cases this sampling approach would be proportional to the organization's FSC transaction volume.</p> <p>Problems involving data security would be null in this option, because the relationship between CBs and their clients are protected by confidentiality contracts. In all FSC's history there are no cases of weakness of those contracts in terms of data security.</p>	
1.7	<p>Transaction Verification: The concept of Transaction Verification is already addressed throughout the FSC COC standard through a multitude of requirements and should be deleted from the standard (Option F).</p>	<p>Utilize Option F – No changes to the current Transaction Verification/COC system.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>In the development of the FSC Online Claims Platform, FSC International has stated that implementation of this platform is being driven by false claims in the marketplace, though there has been a lack of information on the part of FSC to support this claim. The OCP process, as proposed, would impose significant costs on certificate holders in an attempt to prevent these alleged false claims. The required documentation within OCP represents a significant increase in data input, requiring significantly more administrative resources throughout the supply chain than the current system. In essence, the costs to certificate holders appear to outweigh the intended benefits of the platform change.</p> <p>There are also concerns around the potential for unintended release or access to sensitive or proprietary information if access is granted to records.</p> <p>AF&PA member companies continue to have concerns about the options presented in the Transaction Verification paper that rely on the OCP process (Options A, D, and E). The potential for data breaches and data auditing remains a very strong concern among economic stakeholders. Accounting for 100% of transaction as proposed in the OCP process adds a heavy administrative burden to the FSC COC process, which acts as a barrier to participation for a number of organizations currently utilizing the COC system while providing minimal (if any) benefit to FSC.</p> <p>Assigning the Transaction Verification to ASI (Option B) raises many questions regarding ASI's ability to take on this newly proposed role, how often certificate holders are selected randomly, and what & how much information ASI would require to perform this function.</p> <p>Option C appears to align best with the current FSC COC standard, though for organizations with multiple suppliers and customers, the additional burden would be so massive as to be unmanageable. This is further compounded by varying audit schedules between different FSC COC holders, creating timing challenges for completion of this task.</p> <p>If FSC includes the concept of Transaction Verification, FSC should offer multiple options for compliance to provide some flexibility for the multitude of users of the standard.</p>	
A	<p>This is an option that is highly undesirable. In this option only large companies with a lot of money can afford to set up and maintain a system that meets the requirements. This will also lead to big networks of suppliers and their customers. The customer is then forced to buy materials at this supplier and is forced to work its system. For other suppliers it is forced to work with other systems. The more suppliers you have, the more different systems you have, the more work you have. This is practically impossible and will lead to an unacceptable administrative burden.</p>	A

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
B	<p>This option is very recommendable and the best option of all. It is in line with the existing organisation of FSC. ASI can use a risk based approach and maybe use results of new modern testing methodes (DNA etc.). In our opinion the costs of this option are considerable lower that all other options. We think the costs should be distributed to all CH's because we all benefit of it. Futhermore FSC can use the results for transparent communication about the credibility of the system (look at MSC for some examples!). No other option has this benefit! Another thing to consider is that this option does not need any digital instrumentation. Normally we are not against digital revolution (we have our own client portal etc.), but these things are going fast, and who knows what comes next? A digital sollution can also be a very high risk in terms of the accellerating future developments.</p>	
C	<p>This option may work, but will lead to very high costs for certified companies. Especially companies with a lot of customers can expect an audit that will cost a lot of time (and money!) because their certification body needs to check a lot of incomming invoices from other CB's etc. It also leads to more communication between CB's (which is not necessarilly a bad thing), but somebody has to pay for it: the CH's! We think this option is not feasible considering the amount of work for the CB.</p>	
D	<p>This will lead to a higher admnistrative burden compared to the option E. It only takes away some of the issues about safety etc.</p>	
E	<p>Especially for small companies with a lot of sales orders, the OCP is not suitable. It will take a lot of investment (money) to implement an API and the other options (Excel or by hand) are not a realistic because it takes a lot of work. If the OCP (or any other digital system) will be choosen as mandatory, we foresee a lot of CH's quitting with FSC certification.</p>	
F	<p>This option will not resolve the issue. We want a strong and robust FSC system and therefore we think the problem should be solved. In fact; it should be solved at the place where it occurs, so a risk based approach is needed.</p>	
General	<p>5. For some reason the comparison matrix gives a in most cases a different overview of pro's and con's than we have in mind. This can have several reasons:</p> <ul style="list-style-type: none"> a. We don't know everything that FSC knows b. FSC does not know exactly what the reality for (some) CH's are <p>It probably is a combination of a and b. I think (and hope) the requested feedback of CH during this consultation will lead to a completely different matrix. If the wrong option is choosen, we foresee big problems for the FSC system</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Page 7	FSC discussion paper reports that problems involving claims are located in North America, Europe and Asia. Based on it, we highlight that the use of CPI is controversial, once countries where the issue was in fact identified would be less investigated, because have CPI higher than 51 (low risk). The classification through CPI would investigate issues only in Asia, in this case. Other situation is that although Brazil has CPI lower than 50, it has an extremely robust fiscal system which counteracts false transactions.	
Page 9 Option C	Option C is reasonable, however the evaluation of 100% of invoices in unspecified-risk countries is infeasible, in regarding to time and audit costs. In low risk countries, the sample of 30 invoices is irrelevant in case of big companies, for example. The transaction verification by CBs associates supplier audit period with clients audit period too much, what is infeasible. This overdone association could also happen with audit samples of suppliers and clients, what would have to be coordinate. A way of correct those stalemates would be verifying the volume summary: the organization provides the volume summary (clients and suppliers) to its CB, who will confront with the volume summary of other CBs, in a sample basis. In both cases this sampling approach would be proportional to the organization's FSC transaction volume. Problems involving data security would be null in this option, because the relationship between CBs and their clients are protected by confidentiality contracts. In all FSC's history there are no cases of weakness of those contracts in terms of data security.	
A	Option A and E: Not desired. They will increase the amount of work for CH's and there will be problems in ensuring the data management of all information. It is not a real time system what if the customer wants to sell the product further already while the initial supplier has not yet upload the data. This system might work well at the end of the chain, but it will increase the amount of work for the middle sized production companies.	
B	B might be a good solution in addition, but not as the main solution. ASI does not have enough capacity and will only be able to assess a certain amount of chains. Of course if it could be done in addition with a CB database, the supply chain approach is very valuable.	
C	The CB database is desired, but the proposal needs to be modified. A CB database should not be limited to only the purchase invoice and it should not be risk based on CPI index. The CB database should enable auditors to upload the sales document in the database at the license code of the CH that issued the invoice and the data should enable a link to this invoice on the purchase page of the CH which received the invoice. A distinction should be made between correct invoices and incorrect invoices. A sample of correct purchase and sales invoices can be uploaded. All incorrect invoices found during the audit will be uploaded. Incorrect invoices contain both invoices with an incomplete claim (i.e. FSC 70%) of incorrect claims (FSC Mix credit on the sales invoice although the product is FSC Mix 70%).	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>An auditor can then access the database prior to the audit and look at the CH page. On the purchase level all links to correct and incorrect invoices are available. For incorrect invoices the CB can control whether a notification of non-conforming products were received. On the sales level correct and incorrect document will be available uploaded by other CB's. The auditor can then then verify whether sold products were indeed produced from eligible basic materials.</p> <p>This will enable the desired supply chain verification and could be done together with ASI.</p> <p>As a consultant of many CH's and an auditor I think this would give us the opportunity to ensure the credibility of FSC. I think it will decline the amount of power CH's now feel, because they often think: let's see whether the auditor find it. When I ask for random sales invoices just to check whether other invoices do not contain any FSC claims, they sometimes become very sweaty, because they do not expect that.</p> <p>I think the CB database is the best way to ensure that 'the good do not need suffer because of the bad', but that the companies that are willingly doing something wrong will be discovered by the CB. During audits I sometimes feel the need for the additional information as described above.</p> <p>Note: I would really like to think along with you to set up such a database. I have earlier mentioned my ideas to Kim and Emily. I have been discussing this with other people as well and I have a clear view on how I think it would work for both CH an CB's. Please contact me at 0031 641 472 355 or via fvanderveen@eLigna.nl if you want to know more. I find this a very important issue since the credibility of FSC has been worrying me the last couple of years, and I find that very sad since I work with FSC since 2002.</p>	
D	The digital certificate could be an Idea but will not cover the claims on invoices of which no certificate is made. I am not sure if we should change the current system based on legal documents to a system with certificates. This has not my preference.	
F	I understand that some addition is needed but the current basis we have is strong if we add some checkpoint. This should not effect the registration of CH's.	
General	It is very important that FSC will not be a burden for the ones that are doing a good job now. They are the ones that make FSC strong and we should not lose those CH's, because we ask additional administration.	
1.7, p9	Elopak prefer a system for transaction verification through random sampling by certification bodies (option C in FSC-DIS-40-009). We argue that random sampling will represent a sufficient "risk" for those who might be tempted to commit fraud. They are likely to be revealed through such random sampling.	Option C

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	<p>The proposed addition of the Transaction Verification requirement will make the COC requirements extremely burdensome.</p> <p>Even with the distribution of the FSC-DIS-40-009 document, FSC has still yet to provide detailed examples of systemic fraudulent COC transactions. Further, with multiple options open for compliance with this proposed standard, the complexity for companies to conduct business and achieve and maintain certification would make meeting the standard extremely difficult.</p> <p>Too much ambiguity exists in the proposed Transaction Verification options. Multiple certificate holders could have different approaches to transaction verification which will result in uncertainty during auditing and allow certificate holders to potentially have to verify transactions with multiple customers in different ways.</p> <p>By moving forward with this program, FSC is going to make the overall COC process extremely complex and burdensome, putting their program at risk of not being sustainable. Further, many certificate holders (including Evergreen Packaging) already have detailed, established, and audited systems for credit tracking and the requirement for new options such as the OCP increases complexity as certificate holders would realistically have to maintain two different credit tracking systems.</p> <p>We also have concerns with the OCP begin able to handle all FSC certificate holder transactions.</p> <p>When you look at efforts to improve forestry certification, stakeholders are looking for ways to make the program more efficient and this proposed change is going in a direction of less efficiency and more complexity. Requiring use of the OCP by all certificate holders results in a “one size fits all” approach which will also increase inefficiencies and direct costa and time at the certificate holder level.</p>	<p>FSC should work with the Certifying Bodies to identify specific areas of concern with respect to COC transactions and increase auditing intensity in those areas. This is a risk assessment and mitigation issue and should not be a universal change to the COC standard.</p>
	<p>FFIF still sees that the option F "No change to the current CoC system" is the only acceptable option.</p> <p>We have asked from FSC more exact information and source of information related to errors and false claims within FSC. However, FSC has not been able to provide that. The certificate holders need to get more information of the number of errors and cases of inaccurate product claims.</p> <p>The certificate holders have asked different options and now FSC has provided them. Unfortunately, all the options suggested are very complicated and e.g. auditing requirements are so high that they are not realistic at all. The document has been made in the way that all the other methods but OCP (method E) are very expensive and complicated. On the other hand, the costs and bureaucracy of OCP are clearly underestimated. FFIF sees this is not a way FSC should communicate on possible methods.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>FFIF emphasises that it is time to study how the errors could be reduced without increasing the bureaucracy and costs to certificate holders. The certificate holders' costs cannot simply be increased any more. From the certificate holders' point of view it looks like FSC is not ready to show the real problems and their locations but is ready to - again - increase the costs of all certificate holders around the world - especially those who are following the CoC standard very carefully. The Global Strategy of FSC emphasises user friendly and cost efficient solutions and CoC standard revision is one part of that. However, this strategic goal does not come true at all as developing the transaction verification. Moreover, it is important to highlight that sever problems are caused by Organizations having no CoC certificate. Transaction verification has no role to touch this problem.</p>	
1.7	<p>The fundamental purpose of the FSC CoC system is to provide credible assurance that products carrying the FSC logo actually originate or from FSC certified forests or consist of wood that can be classified as reclaimed or controlled wood.</p> <p>The gaps identified by the FSC in the CoC system, making it impossible to prevent inaccurate and fraudulent claims, constitute a serious risk to the credibility and integrity of the FSC system, as the CoC system clearly fails to deliver on it's most basic function. In the light of these conclusions, one of the primary purposes of the revision of the CoC standard must be to re-establish a strong and credible CoC system. Of the potential solutions presented in the Transaction Verification Advice note, we believe that the OCP is the only measure that will effectively close the gaps in the CoC system. We would therefore like to see it made mandatory for all CoC certified organisations to use the OCP.</p>	
1.7 of FSC-STD-40-004 V3-0 D2-0 and Note for Stakeholders	<p>1.7. is acceptable only if no new systems are demanded. All methods/options presented in the discussion paper on transaction verification (FSC-DIS-40-009 EN) require new systems to be built by the Organization, causing additional costs.</p> <p>Furthermore, the requirements to be met by the "method in place" are described in an additional document (FSC-DIS-40-009 EN). This additional document is in consultation at the same time. Hence, the question which "method in place" is accurate and acceptable is not answered yet. This circumstance makes it difficult to accept the introduction of "methods in place" (meaning "transaction verification systems") by the CoC-Standard at the present time.</p>	<p>Shelve the plans of introducing "methods in place" (meaning "transaction verification systems") until we agree about what are accurate and acceptable methods.</p> <p>Delete 1.7 in the present revision.</p>
Entire verification problem	<p>We generally appreciate the idea of a risk based approach, but the determination of risks should not be limited to the quantity of samples but comply with the individually necessary verification procedure. According to this idea certain circumstances might lead to what is presented with Option F: no transaction verification. We still strongly disagree with the idea of the classical OCP database (Option E), as even a risk-based reduction of claims would not solve the serious data security problems.</p> <p>The other options FSC has provided with the discussion paper unfortunately are very complicated and e.g. auditing requirements are so high that they are not realistic at all.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>But if FSC has, as it is claimed in chapter 2 of the discussion paper, so many “Whistle Blower”, these good authorities are a perfect argument against “expensive assessment of the whole CoC” and pro “checking in case of concrete evidence”.</p> <p>Moreover, it is important to highlight that sever problems are caused by Organizations having no CoC certificate. Transaction verification has no role to touch this problem. And transaction verification will not help either to “catch these errors (...) especially if purposeful fraud is taken place” (see wording in chapter 1 “Background” of discussion paper) – even if the method chosen was OCP.</p> <p>Besides, we have asked from FSC more exact information and source of information related to errors and false claims within FSC, but FSC has not been able to provide that until today. From the certificate holders' point of view it looks like FSC is not ready to show the real problems and their locations but is ready to - again - increase the costs of all certificate holders around the world - especially those who are following the CoC standard very carefully. We hereby ask FSC to evaluate how these false claims can be reduced efficiently without increasing the bureaucracy and costs to certificate holders. The certificate holders' costs cannot simply be increased any more.</p>	
1.7	<p>In general the companies consulted in meetings in DK understand that the criteria is needed and justified. However, there is a wish, that the benefits of using OCP is made more clear in the standard (e.g. by visually identifying which criteria would be considered automatically met.) Also adding the notion about the suggested option (discussion paper page 16) only to be audited every second year should be added to the standard in at least a note and not only be included in the accreditation standard draft.</p>	<p>Show visually which criteria would not be audited when using the OCP.</p>
1.7	<p>It is important that it is clarified in the standard that an internal sale between units does not need to meet the requirement.</p>	<p>Add clarification.</p>
General	<p>There is no doubt that transaction verification criteria is needed and that the risk in FSC must be minimized. However, FSC must decide what it is going for: sample control or full security? Is the aim to minimize risk or to eliminate it? Currently the options offer both and are thus not very comparable. Option B and C are the sample options and do not offer the same level of security as option A and E. They are not even in the same ball game. It is very hard to provide meaningful consultation on something, which is this much in between.</p> <p>The proposal is that FSC first identifies that it will implement transaction verification and then settle on full security or sample methods and then consult on the suggested setups for the chosen approach.</p>	
General	<p>Could the OCP product group list include an input material category? If it did, all of 4.2 in the CoC standard could be met through the OCP with no additional work.</p>	
Option A	<p>Why does other systems always have to be ISO 27 001 if they are in low risk areas? Isn't this imposing an extra cost just to</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	ensure that OCP gets uptake and thereby depriving companies from using systems already in place?	
Option B	This is not really an option, is it? The company does not know whether it will face such an audit and thus cannot use it as a framework for complying with the criteria proposed?	
Option C	Option C seems very doable and with limited additional work for companies already using the sample method for invoices.	
Option C	It is not very clear how this model is done in practice in the description – will there be a time lack of up to 12 months between the audits of the two companies or does to certification body contact each sampled company as the sample is being made? This would mean a lot of extra work for all; both for the CB when contacting suppliers and for suppliers facing calls from multiple CBs due to a multitude of clients.	
Option C + E	It would be good if there was a combination between C and E where larger low risk companies could do sample control over the OCP (and thus save audit costs and do a more real time verification.) This would be easier manageable and it would lower the security challenges because not all of the suppliers and volumes were collected on an external cloud.	
Option E	If a company uses option E and implement OCP, how are they then protected against having to do extra work, if their suppliers or costumers do not use the OCP? Would they still have to spend time and money on verifying other companies claim verification outside the OCP?	
Option E	It would be good to underline that the OCP can be used for other systems + non-certified input as well (e.g. PEFC / EUTR requirements).	
Option F	Delete the option, as it is not really an option.	
Section 6, page 16	A list of the criteria to be considered as automatically met if the OCP is fully implemented in the company would be helpful. This would make it easier to see, where costs would be saved on audits and preparing for audits to make up for the extra time spend on implementing the OCP in everyday life.	
Section 6, page 16	Strong support for the option to waive audits. This is considered a major benefit. However why does a company have to have been certified for three years to qualify? Wouldn't suspensions or terminations within the last three years be enough, while newly certified companies could move directly into the cycle of only having audits every second year?	
General	There is a need to clarify what requirements for volume verification for pre and post consumer paper is? Who adds the volumes to the systems and what is considered proof? (There is not amount on invoices from suppliers.) How often must they be registered?	
General	Is there a plan to expand the OCP to be able to handle credit accounts and controlling them? If: when is it?	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Option A	<p>If an organisation authorises its supplier(s) to enter the FSC transaction data into the OCP/equivalent on its behalf and errors are later discovered – which organisation would incur the non-conformity?</p> <p>This option does seem to offer the greatest flexibility.</p>	Option A
Option B	<p>Paragraph 2 is confusing – whether the non-conformity was as a result of the CB’s failure to ensure effective supply chain mechanism for the client or whether the non-conformity was with the certificate holder, would need to be tightly defined and clear parameters given. Competency would need to be proved, along with adequate training etc.</p>	Option B
Option C	<p>This option is very much in line with the risk-based approach FSC is being encouraged to take but will surely lead to increased audit costs and it is not clear how the need for collaboration between CBs will be ensured/addressed. It could to negate the role of OCP completely – unless there is the possibility to choose more than one option, i.e. those that want to can go down Option A and those that don’t can opt for random sampling?</p>	Option C
Option E	<p>This option has already sustained heavy resistance from CH’s and this is unlikely to change.</p>	Option E
N/A	<p>Box 1. Clause 1.7 from the second draft of FSC-STD-40-004 V3 states that Transaction verification can be achieved in various ways ‘such as through FSC online Claims Platform 9ocp.fsc.org), manual verification (e.g. material account records specific to each FSC-Certified trading partners are made available upon request by the respective trading partner or CB)’ however, manual verification does not seem to figure as an Option for Transactional Verification in and of itself. It may feature in Option B, however, it does not, as suggested in Box.1 exist as a stand-alone option.</p>	N/A
1.7	<p>The “note for stakeholders” really needed to include a link and more direction to the discussion paper. It was unclear to many stakeholders where to find this and how to comment on it.</p>	<p>Future drafts must be reviewed to ensure important links to information are provided.</p>
FSC-DIS-40-009	<p>It is clear that many stakeholders are still very confused about why we need transaction verification. More outreach and clear connections to the messaging around the background will need to be provided. Perhaps through short explanatory videos.</p>	<p>Increase outreach through short videos and better communication tools on the COC revision webpage explaining the background and options.</p>
FSC-DIS-40-009	<p>The implementation of the transaction verification requirement must be longer than the typical standard transition timeline. FSC stands to face a great deal of attrition from the FSC system if this is not managed carefully and slowly, allowing companies to implement changes over an extended period of time.</p>	<p>Allow an extended implementation period for implementation. At least 3 years.</p>
FSC-DIS-40-009	<p>Stakeholders are very concerned about this new requirement for transaction verification moving forward without another proposal being consulted on before finalization and implementation. Many have suggested an additional 30 day consultation on the next proposal. The options need to be refined and more details provided so stakeholders can understand what the final proposal to the board will be.</p>	<p>Conduct a 30 day follow-up consultation on the next COC draft and proposal for transaction verification.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
FSC-DIS-40-009 Options	Overall FSC will likely need to introduce a suite of various options for how certificate holders can conform to the requirement for transaction verification. Mandating just one option does not reflect the complexity of the system as there is not a one size fits all approach at this time. While OCP may be a tool that many will choose because of the ability to streamline audits, it will not be the tool of choice for many others. FSC should consider which options help reduce the risks of fraudulent claims and allow for any of these to be used.	Refine the options to propose a few different ways companies can meet transaction verification. Send the final proposal out for another 30 day consultation.
FSC-DIS-40-009 Option A	FSC should maintain this option in their final proposal for transaction verification. The OCP and alternative equivalent systems should be allowed to be used to meet this requirement.	Include this option in final proposal.
FSC-DIS-40-009 Option B	ASI supply chain audits must be included as an option for certificate holders. However, FSC needs to develop a funding proposal for this program as the cost cannot be put back on certification bodies and their clients.	Include this option in final proposal and develop a funding proposal for the program.
FSC-DIS-40-009 Option C	This option is completely unrealistic. This will create huge additional administrative burdens and cost increases for certification bodies that will go directly back to certificate holders. There are also many issues here around data security and confidentiality.	Remove this as a potential option.
FSC-DIS-40-009 Option D	This option should also be maintained in the final proposal as it helps resolve the issues around data security for those that are concerned about it. My one concern is that this option seems to only work if everyone has to do it since it requires action on both ends. Not sure if this can be more clearly functionalized into a database where it didn't need action on both ends but allowed for automatic approval after 14 days, similar to how OCP automatically accepts claims after this time period.	Include this option, but further revise it to allow for single use when needed.
Part I Section 1 Clause 1.7	<p>We consider option C the most feasible to transaction verification, however it is necessary to consider some adaptations in sample scheme. These adaptations are explained in the comment about FSC-DIR-40-009.</p> <p>The reasons that lead Brazilian EC to choose option C, are:</p> <ul style="list-style-type: none"> • Option A: The possibility of each organization to choose the more feasible verifying system is illusory, because in the end all companies in a commercial relationship would have to adopt the same system, in other words, the freedom to choose a verification transaction system do not exist. • Option B: ASI do not have technical knowledge about the particularities and complexity of COCs in each country, and because of this, would need national experts in these audits. Additionally, an extra audit would be made. These two factors imply in significantly raise of costs of COC certification. • Option D: Despite this option solve confidentiality issues about client data, it is too much complex and would burden even more the organizations. • Option E: The OCP was born to grant a necessary transparency on COC processes, however there are doubts on how FSC would grant visibility for information without let them lose their confidentiality. That is why the OCP platform is so problematic, because it has lost the reason of its creation. Furthermore, OCP 	Adopt Option C with the adaptations explained in the comment about FSC-DIR-40-009.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>is vulnerable in security terms, due to the volume of data which is kept in only one tool and to the extremely confidential content, intended by market agents. For these reasons, OCP became voluntary, however this character would make consumers verify more than one reference, what could even compromise the understanding of claims, driving to contradictions, for example</p> <ul style="list-style-type: none"> • Option F: It is more than strengthened the need to address this issue, thus, keep the COC system without changes is not an option. 	
1.7	<p>There should be a system that the auditor should receive documents from CH's which may be shared with other CB's to have an integrated approach on controlling the legal status of the documents</p>	<p>The company shall have a system in place to ensure that documents on which the FSC claims of the basic materials and the final products are communicated, are legal documents that are also submitted to the legal accountants to and where the TAX payments are based on.</p> <p>In case one doubts about the authenticity of the legal status of the received documents, this will be researched further and the document will be made available to the CB</p>
1.7	<p>The fact that it is allowed to share invoices need to be written in the policy of association. I also mention this is the webinar about the policy of association.</p>	
<p>PART I: Universal Requirements, p. 9, Point 1.7 and NOTE FOR STAKEHOLDERS</p>	<p>FFIF sees that the point 1.7. is acceptable only if no new systems are demanded. All the possible methods suggested in the discussion paper on transaction verification require new systems to be built by the Organization, causing a minimum 100.000 € costs for a multisite for example. This cannot be the case. The FSC Global Strategy aims to streamline normative framework and make it more user-friendly and cost-efficient. CoC standard revision is an important part of the Global Strategy implementation. Unfortunately, these new tools to verify transactions are not in line with the goal of the Strategy. They only cause bureaucratic and other costs to CoC certificate holders, which carefully follow the normative requirements. In addition, severe problems are caused by the Organizations without FSC CoC and transaction verification does not solve those problems at all.</p>	
1.7	<p>Note for Stakeholders Box – some explanation of statement 1.7 will be required in this standard</p>	<p>Outcome of the discussions and resultant guidance should be incorporated here in the standard</p>
Option C	<p>Stakeholders observed that Option C (Certification Bodies collect a sample of purchase transaction documents) would be ideal, but not in the real daily practice and on the ground.</p> <p>In fact, CB representatives argued that it's really hard to think about a positive, open, horizontal dialogue and cooperation among different (and mutually competing) CBs.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>Even in the case of fruitful and full collaboration among CBs, option C would be hardly work on the ground, because of many organizational matters (e.g. different procedures, organizational charts, etc.,) that may differ among different CBs.</p> <p>There would be also major issues concerning privacy and security conditions in handling sensitive and confidential information.</p>	
Options B and C	<p>In order to mitigate, at least partially, some of the main issues related to option C (see previous comment), it might be useful to broaden the ASI's mandate, somehow combining option C with option B.</p> <p>In such a way, some supply-chain audits would be performed by ASI on its own, whereas other verifications would be carried out by CBs on behalf of ASI, eventually focussing on some particular and specific "rings" of the supply chains, with ASI coordinating CBs' operations.</p> <p>This combined approach would rise the statistical significance of sample verification (that has been considered being a relevant weakness in Options B and C), still without introducing a "systematic" burden for all CHs.</p>	
Options A, D, E	<p>Stakeholders do not consider these options viable, as they argue that the overall approach should be reversed, as the burden of proof should not weigh on CHs (indeed, they already sustain extra-costs for being certified).</p> <p>FSC already designed some instruments (e.g. FSC-POL-01-004 V2-0 EN) to ask CHs to formally demonstrate their commitments towards FSC values. On the other hand, inaccurate claims (not sourcing from fraud attempts) can be more effectively challenged through "ordinary" measures (e.g. strengthening "traceability" requirements, enforcing more accurate/frequent audits, etc.), therefore avoiding to make the transaction verification requirement (definitely, the OCP) compulsory.</p> <p>In the end, stakeholders argue that cannot be responsibility of CHs (particularly, those already acting correctly) and CBs to replace local appointed Authorities in contrasting legal frauds, as this role should be played by local/international legal legislative systems and relevant institutional actors. As a matter of fact, to this point, FSC requires that local/international legal frameworks shall be respected. To the stakeholders' opinion, legal prevention/contrast of/to frauds would fall outside the FSC certification scope.</p>	
Option(s) to be preferred	<p>In the light of all the above-mentioned comments, option F (primarily) and option B (secondarily) have been definitely and unanimously preferred by stakeholders.</p>	
Traceability VS. transaction verification	<p>Some stakeholders insisted on the opportunity to introduce/strengthen requirements concerning material "traceability", instead of asking for use of OCP or similar transaction control measures.</p> <p>To this point, requirements by Marine Stewardship Council have been adopted as a term of comparison, as</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>“traceability” is considered being a pillar in such a standard, as it follows:</p> <p><i>The organisation shall have a traceability system that allows:</i></p> <p><i>4.1.1 Any product or batch sold as certified to be traced back from the sales invoice to a certified supplier.</i></p> <p><i>4.1.2 Any products identified as certified upon receipt to be traced forward from point of purchase to point of sale.</i></p> <p><i>4.1.3 Traceability records shall be able to link certified product at every stage between purchase and sale, including receipt, processing, transport, packing, storage, and dispatch.</i></p>	
Transaction verification & other requirements	<p>It might be useful to introduce audits with a very short advice, in order to incite CH management representatives to keep the internal FSC system always updated, and staff constantly trained.</p> <p>In fact, consultants observed that often this is not the case, and inaccurate claims would often arise from unfavourable situations that could be easily overcome through the enforcement of more effective and, eventually, more frequent audits.</p>	
OCP	<p>It's not clear to interested stakeholders how the OCP deals with consolidation of FSC sales to non-certified purchasers. In fact, the latter would not accept FSC sales through the OCP, as the non-certified purchasers will downgrade FSC inputs to non-certified inputs. In this way, discrepancies in the volume summaries and transaction verification may arise. It is a relevant issue to be kept into consideration.</p>	
OCP	<p>It's not clear to interested stakeholders how the OCP deals with group certificates, and whether the Central Office is allowed, or it is not, to monitor and look at sales/purchases consolidated by each group member. If missing, this function should be implemented and it is a relevant issue to be kept into consideration.</p>	
	<p>There is a strong preference for option B amongst the CH's, the main arguments being:</p> <ul style="list-style-type: none"> - The main problem is claim fraud (the other types of origination errors are not so serious as to justify the set up of a complex system) - Option B puts the focus where needed (well selected supply chains particularly in high risk areas) - Option B spares CH's that are hardly or not part of the problem - Option B hardly leads to higher costs for CH's - CB's shall report any fraud claims to ASI 	
	<p>And a fair amount of CH's present at the two meetings are in favour of option F</p>	
	<p>Some larger companies (both CH's as well as non-CH's) do see benefits of a (voluntary) application of the OCP; a building company considers the OCP as a tool to systematically collect and store all FSC-related data; a large non-CH considers the OCP as a tool to collect and verify all of its FSC-certified purchases</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Another option was proposed: make a database for CB's and have them upload those invoices from CH's where they suspect origination errors/ those invoices they consider as untrustworthy; the CB of the supplier or the customer can then check the corresponding documents in the administration of their clients (CH's).	
	CH's still wonder how serious the problem is, particularly in Western Europe.	
Option B	The costs of supply chain audits should be paid by offenders and should not raise the AAF considerably.	
Option B	In case ASI comes across fraud claims: the fraudulent company shall pay all audit expenses. But what about the other financial consequences (e.g. a financial claim by clients further down the chain: who is to pay for those expenses, who is to be held responsible?	
Entire verification problem	We generally appreciate the idea of a risk based approach towards the problem of transaction verification but the determination of risks should not be limited to the quantity of samples but comply with the individually necessary verification procedure. According to this idea certain circumstances could lead to option F: no transaction verification (see comments on option F). In opposite to that e.g. a subsequently provided certificate could lead to a special high risk treatment like option B. A risk-based combination of different options could lead to sufficient transaction verification (see comments on option D).	
Option A	The system should cover only active suppliers, no former or potential suppliers. There can be no permanent data exchange systems with small randomly active suppliers.	
Option A	The system can be in place only where active FSC claims are being produced. The processing with material that is not certified can not be registered.	
Option A	Especially for SME or companies working with small quantities of FSC material individual IT solutions can be exceedingly expensive.	
Option A	A huge problem are conversion factors and measurement units. The accounting systems work with credit advices. The total quantity of material is therefore often being described with different measurement units concerning input and output. As a result an automatic system could not validate the compliance of input and output claims.	
Option A	We still strongly disagree with the idea of the classical OCP database, as even a risk-based reduction of claims would not solve the serious data security problems.	
Option B	"ASI will check the FSC transaction information from each supplier against the organization's internal records and volume summaries" Any transaction verification within a chain of custody can only take place in samples. The diversification even within one product is far too big to be traced back to the origin of the chain.	
Option B	Additional ASI costs have to be covered only by convicted violators of FSC claims.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Option B	The ASI audits must be understood as compliance audits of the certification bodies.	
Option C	The only documents providing the necessary claim-information also contain very sensitive data about prices. They will not be provided to the certification body as take-away copy.	
Option C	Different certification bodies stand as competitors on the market but would still have to cooperate in the process of transaction verification. This could lead to a conflict in disadvantage of the certificate holder. An involvement of ASI in this process could lead to the necessary neutrality.	
Option C	The quantity of the sample is too big for SME especially for holders of group-certificates.	
Option C	The element of risk evaluation is limited to the CPI and leads in case of a non-low-risk classification to a 100% check of claims, which is due to the number of claims, completely unrealistic. The approach must remain on the base of samples.	
Option D	Digital certificates would take the sensitive supplies-customer relationship out of the database. With certain modifications (see other comments on option D) a combination of options C and D could lead to a working system of transaction verification: A sample based transaction verification in the size of a normal audit in the form of digital certificates being put into a modified OCP. The information of quantities of sold material itself is not being considered sensitive.	
Option D	100% of the claims can, due to the number of claims, not be covered with this system. The approach must remain on the base of samples in the size of a regular audit.	
Option D	The proposed term of 30 days is not realistic.	
Option D	The automatically generated ID cannot replace the FSC certificate-number on the invoice document.	
Option E	Desk audits and other proposals do not solve the general problem of data security within the OCP. We strongly disagree with that option.	
Option F	A closed MIS in which the certificate holder generates the output documents for his suppliers himself means no risk for false claims. In that case there is also no need for a transaction verification.	
Quality Management System/ Transaction Verification 1.7	We believe Transaction Verification is the responsibility of the third-party audit process, and already addressed by multiple requirements within the Standard. FSC-DIS-40-009 presented several options to meet the requirement, and we have listed our comments on each option, in order of highest to lowest support: <u>Option F</u> —No change to current CoC system, is our preferred outcome.	Delete requirement for Transaction Verification System.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p><u>Option C</u> puts the task on CB's, beyond what is currently required in the standard. While this aligns with our opinion that transaction verification is the responsibility of the CB's, the requirements of this option present a paperwork challenge for auditors, increased auditing costs to certificate holders, and a potential delay in closing annual surveillance audits. Audits occur throughout the year, and one CB may not have the data available from another CB for several months, possibly into the following year. Further, with a sample size of 30 transactions—covering potentially 30 suppliers—the task quickly becomes unmanageable.</p> <p><u>Option B</u> puts the task on ASI to conduct supply chain audits. This option poses more questions than answers. Does ASI have the capability to take on this additional role? How is risk assessed? How often are certificate holders chosen? Are there limitations to how often one can be chosen at random? The assessment time per supply chain member seems low, and depending on the size of the supply chain, could result in considerable costs.</p> <p><u>Options D and E</u> propose using the Online Claims Platform. This method is time consuming without adding any value to a certificate holder's chain of custody program. The ability to consolidate transactions and enter on a quarterly basis is an improvement over individual or monthly entries. Security remains a potential concern.</p> <p><u>Option A</u> allows any system, similar to the OCP, to be used. This method is not feasible, as each certificate holder could use a different system, compounding the additional work required by suppliers to provide the transaction data.</p>	
G		The introduction text need to be harmonized with intend d) so that it is clear that the certified supply chain does not encompass the full supply chain of labelled products
T		If in all phases material need to be separated (physically or temporally) or need to be identifiable, than this is contradicting the basic principle of the percentage and credit system – at least in specific phase of transformation.
T		Clarification on the level of product classification needed.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Entire verification problem	We generally appreciate the idea of a risk based approach towards the problem of transaction verification but the determination of risks should not be limited to the quantity of samples but comply with the individually necessary verification procedure. According to this idea certain circumstances could lead to option F: no transaction verification (see comments on option F). In opposite to that e.g. a subsequently provided certificate could lead to a special high risk treatment like option B. A risk-based combination of different options could lead to sufficient transaction verification (see comments on option D).	
Option A	The system should cover only active suppliers, no former or potential suppliers. There can be no permanent data exchange systems with small randomly active suppliers.	
Option A	The system can be in place only where active FSC claims are being produced. The processing with material that is not certified can not be registered.	
Option A	Especially for SME or companies working with small quantities of FSC material individual IT solutions can be exceedingly expensive.	
Option A	A huge problem are conversion factors and measurement units. The accounting systems work with credit advices. The total quantity of material is therefore often being described with different measurement units concerning input and output. As a result an automatic system could not validate the compliance of input and output claims.	
Option A	We still strongly disagree with the idea of the classical OCP database, as even a risk-based reduction of claims would not solve the serious data security problems.	
Option B	<i>"ASI will check the FSC transaction information from each supplier against the organization's internal records and volume summaries"</i> Any transaction verification within a chain of custody can only take place in samples. The diversification even within one product is far too big to be traced back to the origin of the chain.	
Option B	Additional ASI costs have to be covered only by convicted violators of FSC claims.	
Option B	The ASI audits must be understood as compliance audits of the certification bodies.	
Option C	The only documents providing the necessary claim-information also contain very sensitive data about prices. They will not be provided to the certification body as take-away copy.	
Option C	Different certification bodies stand as competitors on the market but would still have to cooperate in the process of transaction verification. This could lead to a conflict in disadvantage of the certificate holder. An involvement of ASI in this process could lead to the necessary neutrality.	
Option C	The quantity of the sample is too big for SME especially for holders of group-certificates.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Option C	The element of risk evaluation is limited to the CPI and leads in case of a non-low-risk classification to a 100% check of claims, which is due to the number of claims, completely unrealistic. The approach must remain on the base of samples.	
Option D	Digital certificates would take the sensitive supplies-customer relationship out of the database. With certain modifications (see other comments on option D) a combination of options C and D could lead to a working system of transaction verification: A sample based transaction verification in the size of a normal audit in the form of digital certificates being put into a modified OCP. The information of quantities of sold material itself is not being considered sensitive.	
Option D	100% of the claims can, due to the number of claims, not be covered with this system. The approach must remain on the base of samples in the size of a regular audit.	
Option D	The proposed term of 30 days is not realistic.	
Option D	The automatically generated ID cannot replace the FSC certificate-number on the invoice document.	
Option E	Desk audits and other proposals do not solve the general problem of data security within the OCP. We strongly disagree with that option.	
Option F	A closed MIS in which the certificate holder generates the output documents for his suppliers himself means no risk for false claims. In that case there is also no need for a transaction verification.	
1.7 of FSC-STD-40-004 V3-0 D2-0 and Note for Stakeholders	1.7. is acceptable only if no new systems are demanded. All methods/options presented in the discussion paper on transaction verification (FSC-DIS-40-009 EN) require new systems to be built by the Organization, causing additional costs. Furthermore, the requirements to be met by the “method in place” are described in an additional document (FSC-DIS-40-009 EN). This additional document is in consultation at the same time. Hence, the question which “method in place” is accurate and acceptable is not answered yet. This circumstance makes it difficult to accept the introduction of “methods in place” (meaning “transaction verification systems”) by the CoC-Standard at the present time.	Shelve the plans of introducing “methods in place” (meaning “transaction verification systems”) until we agree about what are accurate and acceptable methods. Delete 1.7 in the present revision.
Entire verification problem	We generally appreciate the idea of a risk based approach, but the determination of risks should not be limited to the quantity of samples but comply with the individually necessary verification procedure. According to this idea certain circumstances might lead to what is presented with Option F: no transaction verification. We still strongly disagree with the idea of the classical OCP database (Option E), as even a risk-based reduction of claims would not solve the serious data security problems. The other options FSC has provided with the discussion paper unfortunately are very complicated and e.g. auditing requirements are so high that they are not realistic at all. But if FSC has, as it is claimed in chapter 2 of the discussion paper, so many “Whistle Blower”, these good authorities are a perfect	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>argument against “expensive assessment of the whole CoC” and pro “checking in case of concrete evidence”.</p> <p>Moreover, it is important to highlight that sever problems are caused by Organizations having no CoC certificate. Transaction verification has no role to touch this problem. And transaction verification will not help either to “catch these errors (...) especially if purposeful fraud is taken place” (see wording in chapter 1 “Background” of discussion paper) – even if the method chosen was OCP.</p> <p>Besides, we have asked from FSC more exact information and source of information related to errors and false claims within FSC, but FSC has not been able to provide that until today. From the certificate holders' point of view it looks like FSC is not ready to show the real problems and their locations but is ready to - again - increase the costs of all certificate holders around the world - especially those who are following the CoC standard very carefully. We hereby ask FSC to evaluate how these false claims can be reduced efficiently without increasing the bureaucracy and costs to certificate holders. The certificate holders' costs cannot simply be increased any more.</p>	
	<p>Stakeholders are encouraged to provide comments to the discussion paper FSC-DIS-40-009 EN describing alternatives for strengthening and streamlining the FSC COC system.</p> <p>The document describes different options for transaction verification with big differences in the level of surveillance of the transactions and resulting big differences in the security and credibility of the FSC COC system. The presented options vary from the actions of today over solutions for sampling verification to solutions for complete verification of all transactions.</p> <p>This makes it very difficult for stakeholders to point out the preferred practical options.</p> <p>First of all FSC should make a first agreement on the level of surveillance of the transactions and afterwards discuss among the stakeholders the various practical options fulfilling this decision.</p> <p>If FSC decides to have a complete verification of all transactions Grakom prefers the OCP system (option E) to avoid that the small companies must navigate in multiple systems defined by the suppliers. If option A is decided it must be an option for all companies to use the OCP for registration of transactions independent of eventual suppliers using their own system. The economic burden for the verification of the transactions in the two different systems should be placed on the company not using OCP.</p> <p>If FSC decides to have a verification based on sampling Grakom considers option D as the preferred solution at the moment.</p>	
1.7	<p>Transaction Verification: The concept of Transaction Verification is already addressed throughout the FSC COC standard through a multitude of requirements and should be deleted from the standard (Option F).</p> <p>In the development of the FSC OCP, FSC International has stated that implementation of this platform is being</p>	Utilize Option F – No changes to the current Transaction Verification/COC system.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>driven by false claims in the marketplace, though there has been a lack of information on the part of FSC to support this claim. The OCP process, as proposed, would impose significant costs on certificate holders in an attempt to prevent these alleged false claims. The required documentation within OCP represents a significant increase in data input, requiring significantly more administrative resources throughout the supply chain than the current system. In essence, the costs to certificate holders appear to outweigh the intended benefits of the platform change.</p> <p>There are also concerns around the potential for unintended release or access to sensitive or proprietary information if access is granted to records.</p> <p>GPI has concerns about the options presented in the Transaction Verification paper that rely on the OCP process (Options A, D, and E). The potential for data breaches and data auditing remains a very strong concern. Accounting for 100% of transaction as proposed in the OCP process adds a heavy administrative burden to the FSC COC process, which could act as a barrier to participation in the COC system while providing minimal (if any) benefit to FSC.</p> <p>Assigning the Transaction Verification to ASI (Option B) raises many questions regarding ASI's ability to take on this newly proposed role, how often certificate holders are selected randomly, and what & how much information ASI would require to perform this function. Option C appears to align best with the current FSC COC standard, though for organizations with multiple suppliers and customers, the additional burden would be so massive as to be unmanageable. This is further compounded by varying audit schedules between different FSC COC holders, creating timing challenges for completion of this task.</p> <p>If FSC includes the concept of Transaction Verification, FSC should offer multiple options for compliance to provide some flexibility for the multitude of users of the standard.</p>	
Transaction verification programm	a) the effort of generating, updating or storing this data additionally in a further medium is immense. As a company Helber Holz is not in a position to carry the additional expenditure associated.	
Transaction verification programm	b) For data protection reason I will not allow sensitive datas to be stored in an anonymous cloud or data base	
Transaction verification programm	We expect that option B is already in place, it not we prefer option F: no change to the current CoC system, which does not require transaction verification	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	The indirect introduction of the – as of today optional - OCP via the new 40-004 standard as a tool to monitor the flow of goods between companies is seen as very critical. Besides the twofold work evolving from the double entries of all flow of goods the security of data placed online is still a major insecure point. Not all companies will be willing to take the double work for data management.	Another method to monitor the flow of goods between companies should be implemented that does not include entering sensitive data into an insecure online space.
1.7	In general the companies consulted in meetings in DK understand that the criteria is needed and justified. However, there is a wish, that the benefits of using OCP is made more clear in the standard (e.g. by visually identifying which criteria would be considered automatically met.) Also adding the notion about the suggested option (discussion paper page 16) only to be audited every second year should be added to the standard in at least a note and not only be included in the accreditation standard draft.	Show visually which criteria would not be audited when using the OCP.
1.7	It is important that it is clarified in the standard that an internal sale between units does not need to meet the requirement.	Add clarification.
General	<p>There is no doubt that transaction verification criteria is needed and that the risk in FSC must be minimized. However, FSC must decide what it is going for: sample control or full security? Is the aim to minimize risk or to eliminate it? Currently the options offer both and are thus not very comparable. Option B and C are the sample options and do not offer the same level of security as option A and E. They are not even in the same ball game. It is very hard to provide meaningful consultation on something, which is this much in between.</p> <p>The proposal is that FSC first identifies that it will implement transaction verification and then settle on full security or sample methods and then consult on the suggested setups for the chosen approach.</p>	
General	Could the OCP product group list include an input material category? If it did, all of 4.2 in the CoC standard could be met through the OCP with no additional work.	
Option A	Why does other systems always have to be ISO 27 001 if they are in low risk areas? Isn't this imposing an extra cost just to ensure that OCP gets uptake and thereby depriving companies from using systems already in place?	
Option B	This is not really an option, is it? The company does not know whether it will face such an audit and thus cannot use it as a framework for complying with the criteria proposed?	
Option C	Option C seems very doable and with limited additional work for companies already using the sample method for invoices.	
Option C	It is not very clear how this model is done in practice in the description – will there be a time lack of up to 12 months	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	between the audits of the two companies or does to certification body contact each sampled company as the sample is being made? This would mean a lot of extra work for all; both for the CB when contacting suppliers and for suppliers facing calls from multiple CBs due to a multitude of clients.	
Option C + E	It would be good if there was a combination between C and E where larger low risk companies could do sample control over the OCP (and thus save audit costs and do a more real time verification.) This would be easier manageable and it would lower the security challenges because not all of the suppliers and volumes were collected on an external cloud.	
Option E	If a company uses option E and implement OCP, how are they then protected against having to do extra work, if their suppliers or costumers do not use the OCP? Would they still have to spend time and money on verifying other companies claim verification outside the OCP?	
Option E	It would be good to underline that the OCP can be used for other systems + non-certified input as well (e.g. PEFC / EUTR requirements).	
Option F	Delete the option, as it is not really an option.	
Section 6, page 16	A list of the criteria to be considered as automatically met if the OCP is fully implemented in the company would be helpful. This would make it easier to see, where costs would be saved on audits and preparing for audits to make up for the extra time spend on implementing the OCP in everyday life.	
Section 6, page 16	Strong support for the option to waive audits. This is considered a major benefit. However why does a company have to have been certified for three years to qualify? Wouldn't suspensions or terminations within the last three years be enough, while newly certified companies could move directly into the cycle of only having audits every second year?	
1.7, 2.1 and others	FSC OCP is an octopus for data – in ctradiction with data security laws and legal protection of data privacy - that can't be supported at all. Neither any back door – even the smallest one - for FSC-OCP	Delete any hint on OCP in the whole standard
1.7	Additionally to the aspect mentioned above: The quoted argumentation to prevent originating errors is pleaded. Selling without valid FSC-certificates is impossible as there is an information if certificates are suspended. Terminated certificates become obvious by checking the expiration date. Generally presuming a totally “black-sheep”-trade without trust and honour is hard to believe and makes companies rethink the decision for FSC.	Delete completely without substitution.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	The matching of claims should be done by ASI. No more extra work for Stakeholders. Extra work for stakeholders does not contribute in the simplification of the FSC policy	Keep it simple !
Page 8, table 1	<p>First of all we prefer NO change to FSC-STD-40-004.</p> <p>In case of the matching of claims, we believe this should be done by ASI as they control their accreditations. (option B)</p> <p>No more extra work for Stakeholders.</p> <p>Extra work for stakeholders does not, in any way, contribute to the simplification of the FSC policy.</p> <p>Keep it simple to get a wide spread stakeholders support on FSC 'policy</p>	
FSC-DIS-40-009 EN	Up to now there is too little information available to describe the transaction problem. Such information should be made available first, so that the options could be evaluated in order to find the most suitable one to address the problem.	
FSC-DIS-40-009 EN	Strengthening and increase of the effectiveness of ASI surveillance (modified option B). Findings through audits on incompliances of suppliers should be collected and surveilled. ASI need to surveil that suppliers address such incompliances. In case of enduring incompliances ASI need to act!	
FSC-DIS-40-009 EN	The risk approach is only implemented within each option, but not to determine which option should be applied. There is the need to have a participatory process to identify applicable risk criteria in order to answer the question which option is suitable.	
FSC-DIS-40-009 EN	<p>Suggestion to introduce a risk approach as follows: in case of low risk situations – option F in case of situations with risk – option C.</p> <p>Options A, D or E only voluntary. Modification of option C: No 100% check of invoices, increased relevance for this option, generally on the basis of delivery documents or invoices with blackened prices. Strengthening of option B in order to increase generally quality of audits.</p>	<p>Suggestion to introduce a risk approach as follows: in case of low risk situations – option F in case of situations with risk – option C.</p> <p>Options A, D or E only voluntary. Modification of option C: No 100% check of invoices, increased relevance for this option, generally on the basis of delivery documents or invoices with blackened prices. Strengthening of option B in order to increase generally quality of audits.</p>
FSC-DIS-40-009 EN	<p>Our preferred solution is clearly <u>Option E</u>, for business models established usually in paper merchant business (low risk: no production, no material mix, transfer only, 1:1 allocation ERP(SAP) item number to physical product along the supply chain, etc.</p> <p>Alternatively <u>Option C</u>, in cases that the suppliers' Certification Body defines the supplier as low risk.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	Cases when CH has recovered material or controlled wood will be worst to check	1.7 The organization shall have a method in place to allow the certification body to verify that the organization's recorded FSC input claims match recorded FSC certified output claims of its supplier(s) including FSC claims and all other inputs status (recovered material or CW)
Entire Paper	<p>This paper was released in conjunction with an already complex standard and is too in depth to review along with the current changes in the new CoC standard. Intent of transaction verification and process for each method is also complex and difficult to understand. For the most part this is being overlooked and different sectors are negative towards options at a time where all options need to be more closely examined.</p> <p>Please consider a second separate consultation specific to transaction verification so that options and issues can be closely discussed and examined.</p>	Entire Paper
Overview and Options	<ol style="list-style-type: none"> 1. The paper includes the issue but does not indicate how transaction verification will actually impact outcomes within the supply chain. Additionally, no metrics are in place to track this change. 2. There is no acceptable system in place for smallholders/loggers/small certificates that do not actively use internet resources or are field based operations bringing wood to market. Is transaction verification needed for this market sector when the certificate holder sourcing from these certificates knows the forestland is certified? 3. It is unclear if only the proposed options are allowed or if other options that the certificate holder and supply chain develop will be allowed? More options need to be permitted to allow flexibility and ease of uptake with the system. 4. Certificate holders should not have to develop systems at their cost and burden. <p>Option A: - If the company proposed alternative system to the OCP meets the intent of transaction verification ISO 27001 certification should not be required. This intent should be that if a certificate holder already has a system in place that they do not need to develop to meet transaction verification that they disclose this system to highlight that they are meeting a transaction verification method and the auditing body approves that system after it has been proven that transaction verification occurs.</p> <p>Option B: The cost of this option is undisclosed. We are not in support of any option that adds undue cost to the certificate holder platform.</p> <p>Option C: This option needs to remain as permissible moving forward. The sampling rate for low risk areas needs to be as minimal as possible to provide incentives to allow companies to</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>cooperate with transaction verification in low risk areas and have minimal added cost and time for CB's, Cert Holders, and certified suppliers.</p> <p>Option D: Incentives should be added included reduced audit criteria for certificate holders using this option.</p> <p>Option E: For both this and option A brokers are not taken into consideration. Streamlined options for broker certificates should be allowed in low risk supply chains to minimize indirect costs of certification and bringing certified products to market.</p>	
<p>Part I Section 1 Clause 1.7</p>	<p>We consider option C the most feasible to transaction verification, however it is necessary to consider some adaptations in sample scheme. These adaptations are explained in the comment about FSC-DIR-40-009.</p> <p>The reasons that lead Brazilian EC to choose option C, are:</p> <ul style="list-style-type: none"> • Option A: The possibility of each organization to choose the more feasible verifying system is illusory, because in the end all companies in a commercial relationship would have to adopt the same system, in other words, the freedom to choose a verification transaction system do not exist. • Option B: ASI do not have technical knowledge about the particularities and complexity of COCs in each country, and because of this, would need national experts in these audits. Additionally, an extra audit would be made. These two factors imply in significantly raise of costs of COC certification. • Option D: Despite this option solve confidentiality issues about client data, it is too much complex and would burden even more the organizations. • Option E: The OCP was born to grant a necessary transparency on COC processes, however there are doubts on how FSC would grant visibility for information without let them lose their confidentiality. That is why the OCP platform is so problematic, because it has lost the reason of its creation. Furthermore, OCP is vulnerable in security terms, due to the volume of data which is kept in only one tool and to the extremely confidential content, intended by market agents. For these reasons, OCP became voluntary, however this character would make consumers verify more than one reference, what could even compromise the understanding of claims, driving to contradictions, for example • Option F: It is more than strengthened the need to address this issue, thus, keep the COC system without changes is not an option. 	<p>Adopt Option C with the adaptations explained in the comment about FSC-DIR-40-009.</p>
<p>Page 7</p>	<p>FSC discussion paper reports that problems involving claims are located in North America, Europe and Asia. Based on it, we highlight that the use of CPI is controversial, once countries where the issue was in fact identified would be less investigated, because have CPI higher than 51 (low risk). The classification through CPI would investigate issues only in Asia, in this case. Other situation is that although Brazil has CPI lower than 50, it has an extremely robust fiscal system which counteracts false transactions.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Page 9 Option C	<p>Option C is reasonable, however the evaluation of 100% of invoices in unspecified-risk countries is infeasible, in regarding to time and audit costs. In low risk countries, the sample of 30 invoices is irrelevant in case of big companies, for example.</p> <p>The transaction verification by CBs associates supplier audit period with clients audit period too much, what is infeasible. This overdone association could also happen with audit samples of suppliers and clients, what would have to be coordinate. A way of correct those stalemates would be verifying the volume summary: the organization provides the volume summary (clients and suppliers) to its CB, who will confront with the volume summary of other CBs, in a sample basis. In both cases this sampling approach would be proportional to the organization's FSC transaction volume.</p> <p>Problems involving data security would be null in this option, because the relationship between CBs and their clients are protected by confidentiality contracts. In all FSC's history there are no cases of weakness of those contracts in terms of data security.</p>	
1.7	<p>The fundamental purpose of the FSC CoC system is to provide credible assurance that products carrying the FSC logo, actually originate from FSC certified forests or consist of wood that can be classified as reclaimed or controlled wood. The gaps identified by the FSC in the CoC system, making it impossible to prevent inaccurate and fraudulent claims, constitute a serious risk to the credibility and integrity of the FSC system, as the CoC system clearly fails to deliver on it's most basic function. In the light of these conclusions, one of the primary purposes of the revision of the CoC standard must be to re-establish a strong and credible CoC system. Of the potential solutions presented in the Transaction Verification Advice note, we believe that the OCP is the only measure that will effectively close the gaps in the CoC system. OCP should be mandatory for all CoC certified organisations using the credit system.</p> <p>Only the uniform implementation of OCP will guard against fraud in single-site, multi-site and shared credit accounts.</p> <p>I support OCP as currently the most effective and fraud-proof system proposed for FSC.</p>	
Transaction Verification Options C) and D)	<p>The options C) and D) are made impossible for companies in countries with a CPI lower than 50 because of the required sampling rate of 100% for sales documents or digital certificates in audits (which could need days of document checks for larger companies). A sample of 30 as expected for countries with a PCI higher than 50 seems realistic. However, in case the sampling rate is not reduced for countries with a CPI lower than 50 this option is not implementable and only the use of the OCP or the ASI audits are realistic. Since the OCP shall not be made mandatory, only the ASI option seems to be implementable.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	Lack of consistent, system wide transaction verification is a serious flaw in the CoC system, which fundamentally undermines the FSC system, as it's a source of deliberately fraudulent claims. Nothing short of a mandatory volume control system can close this gaping loophole. Therefore the Online Claims Platform should be made mandatory, as no other viable options have been put forward. As a complementary measure the ASI should carry out systematic supply-chain audits, from the forest to the end consumer, in order to check the system for potential discrepancies.	
Entire verification problem	<p>We generally appreciate the idea of a risk based approach, but the determination of risks should not be limited to the quantity of samples but comply with the individually necessary verification procedure. According to this idea certain circumstances might lead to what is presented with Option F: no transaction verification. We still strongly disagree with the idea of the classical OCP database (Option E), as even a risk-based reduction of claims would not solve the serious data security problems.</p> <p>The other options FSC has provided with the discussion paper unfortunately are very complicated and e.g. auditing requirements are so high that they are not realistic at all.</p> <p>But if FSC has, as it is claimed in chapter 2 of the discussion paper, so many "Whistle Blower", these good authorities are a perfect argument against "expensive assessment of the whole CoC" and pro "checking in case of concrete evidence".</p> <p>Moreover, it is important to highlight that sever problems are caused by Organizations having no CoC certificate. Transaction verification has no role to touch this problem. And transaction verification will not help either to "catch these errors (...) especially if purposeful fraud is taken place" (see wording in chapter 1 "Background" of discussion paper) – even if the method chosen was OCP.</p> <p>Besides, we have asked from FSC more exact information and source of information related to errors and false claims within FSC, but FSC has not been able to provide that until today. From the certificate holders' point of view it looks like FSC is not ready to show the real problems and their locations but is ready to - again - increase the costs of all certificate holders around the world - especially those who are following the CoC standard very carefully. We hereby ask FSC to evaluate how these false claims can be reduced efficiently without increasing the bureaucracy and costs to certificate holders. The certificate holders' costs cannot simply be increased any more.</p>	
1.7 of FSC-STD-40-004 V3-0 D2-0 and Note for Stakeholders	1.7. is acceptable only if no new systems are demanded. All methods/options presented in the discussion paper on transaction verification (FSC-DIS-40-009 EN) require new systems to be built by the Organization, causing additional costs.	<p>Shelve the plans of introducing "methods in place" (meaning "transaction verification systems") until we agree about what are accurate and acceptable methods.</p> <p>Delete 1.7 in the present revision.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Furthermore, the requirements to be met by the “method in place” are described in an additional document (FSC-DIS-40-009 EN). This additional document is in consultation at the same time. Hence, the question which “method in place” is accurate and acceptable is not answered yet. This circumstance makes it difficult to accept the introduction of “methods in place” (meaning “transaction verification systems”) by the CoC-Standard at the present time.	
1.7 of FSC-STD-40-004 V3-0 D2-0 and Note for Stakeholders	1.7. is acceptable only if no new systems are demanded. All methods/options presented in the discussion paper on transaction verification (FSC-DIS-40-009 EN) require new systems to be built by the Organization, causing additional costs. Furthermore, the requirements to be met by the “method in place” are described in an additional document (FSC-DIS-40-009 EN). This additional document is in consultation at the same time. Hence, the question which “method in place” is accurate and acceptable is not answered yet. This circumstance makes it difficult to accept the introduction of “methods in place” (meaning “transaction verification systems”) by the CoC-Standard at the present time.	Shelve the plans of introducing “methods in place” (meaning “transaction verification systems”) until we agree about what are accurate and acceptable methods. Delete 1.7 in the present revision.
Part I: Universal Requirements, Section 1.7, p 9	Kimberly-Clark does not agree with the proposal that “The organization shall have a method in place to allow the certification body to verify that the organization’s recorded FSC input claims match recorded FSC certified output claims of its supplier’s.” Kimberly-Clark has robust systems for tracking all of its purchases of FSC certified materials and FSC Controlled Wood and FSC claims on sales documents.	
	Kimberly-Clark remains very concerned about implementing a computerized system to verify all of its FSC transactions that is highly complex, administratively burdensome and costly for large companies with tens of thousands of transactions annually, has potential system security issues, has low risk- benefit and will not stop all types or deliberate fraud in the system. We have good systems in place to track our FSC fiber purchases at over 20 individual facilities operating under 17 chain of custody certificates. The challenge is the real need to implement a system to reconcile and verify purchases from all our fiber suppliers. We do not support any of the individual proposed options for transaction verification and continue to call for no change to the current CoC system in line with the new FSC Strategic Plan for more outcome-oriented (what will transaction verification really accomplish?) and risk-based approaches. The verification of claims being made and the processes and procedures that a company has in place remains the job of the certification body.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>Since it is very unlikely that any single option will be adopted and that some blend of options will need to be incorporated into the next draft of the chain of custody certified and the contentiousness among members of some of these proposed options, it is suggested that there be a third round of public consultation before the revised chain of custody is finalized and approved by the Board.</p>	
<p>Part I Section 1 Clause 1.7</p>	<p>We consider option C the most feasible to transaction verification, however it is necessary to consider some adaptations in sample scheme. These adaptations are explained in the comment about FSC-DIR-40-009.</p> <p>The reasons that lead Brazilian EC to choose option C, are:</p> <ul style="list-style-type: none"> • Option A: The possibility of each organization to choose the more feasible verifying system is illusory, because in the end all companies in a commercial relationship would have to adopt the same system, in other words, the freedom to choose a verification transaction system do not exist. • Option B: ASI do not have technical knowledge about the particularities and complexity of COCs in each country, and because of this, would need national experts in these audits. Additionally, an extra audit would be made. These two factors imply in significantly raise of costs of COC certification. • Option D: Despite this option solve confidentiality issues about client data, it is too much complex and would burden even more the organizations. • Option E: The OCP was born to grant a necessary transparency on COC processes, however there are doubts on how FSC would grant visibility for information without let them lose their confidentiality. That is why the OCP platform is so problematic, because it has lost the reason of its creation. Furthermore, OCP is vulnerable in security terms, due to the volume of data which is kept in only one tool and to the extremely confidential content, intended by market agents. For these reasons, OCP became voluntary, however this character would make consumers verify more than one reference, what could even compromise the understanding of claims, driving to contradictions, for example • Option F: It is more than strengthened the need to address this issue, thus, keep the COC system without changes is not an option. 	<p>Adopt Option C with the adaptations explained in the comment about FSC-DIR-40-009.</p>
<p>Page 7</p>	<p>FSC discussion paper reports that problems involving claims are located in North America, Europe and Asia. Based on it, we highlight that the use of CPI is controversial, once countries where the issue was in fact identified would be less investigated, because have CPI higher than 51 (low risk). The classification through CPI would investigate issues only in Asia, in this case. Other situation is that although Brazil has CPI lower than 50, it has an extremely robust fiscal system which counteracts false transactions.</p>	
<p>Page 9 Option C</p>	<p>Option C is reasonable, however the evaluation of 100% of invoices in unspecified-risk countries is infeasible, in regarding to time and audit costs. In low risk countries, the sample of 30 invoices is irrelevant in case of big companies, for example.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>The transaction verification by CBs associates supplier audit period with clients audit period too much, what is infeasible. This overdone association could also happen with audit samples of suppliers and clients, what would have to be coordinated. A way to correct those stalemates would be verifying the volume summary: the organization provides the volume summary (clients and suppliers) to its CB, who will confront with the volume summary of other CBs, in a sample basis. In both cases this sampling approach would be proportional to the organization's FSC transaction volume.</p> <p>Problems involving data security would be null in this option, because the relationship between CBs and their clients are protected by confidentiality contracts. In all FSC's history there are no cases of weakness of those contracts in terms of data security.</p>	
Transaction verification, Chapter 3	<p>1-We generally appreciate no changes on the current CoC system, which does not require transaction verification – for low risk countries .</p> <p>2-For high risk countries we suggest a transaction verification during supply-chain audits on a sampling basis.</p> <p>3 – The Option A, D and E should be cancelled. We generally reject the idea of the implementation of any database as the OCP.</p>	<p>1 – Option F: uphold</p> <p>2- Option B or C: alternative for high risk countries</p> <p>3 – Option A, D and E: Cancellation</p>
General	<p>First of all something basic in relation to transactions in relation to OCP:</p> <p>With doubt there were cases, in which inaccurate claims on timber sales were made. Also without doubt there were cases in which false claims were made on purpose, including with fraudulent intentions in order to acquire orders for which FSC was specified. However everyone who knowledgeable on business making knows that such false claims in cases were the risk for discovery or damage is high, could be identified by skeptical clients or competitors.</p> <p>We don't believe that such fraud is widespread enough to generate mistrust in the COC system that is high enough to damage the credibility.</p> <p>In our opinion many cases are caused by the very difficult accomplishment of a complex matter. We ourselves have experienced that sellers have showed a certificate and believed that this certificate covers all his transactions. He just did not know that his certificate only relates to the data entry in the not very known FSC certificate database and the scope defined by product groups and species. The sale is true for procurers who are not aware on first glance about such criteria. Therefore we express our strong request that the scope in terms of products and species is mentioned on the certificate itself. We believe that this would be the simplest way to prevent misunderstandings from the beginning.</p> <p>We also see the issue, that in many cases the used IT systems don't cover all special situations, especially in mixed deliveries when claims were switched between item lines for which they were not</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>meant, or that volume accounts were not managed with due care or out dated or other cases.</p> <p>We share your fear that false claims would sow doubts about the COC system, and sometimes such doubts are substantiated. However we don't believe that this is caused by criminal intentions, but more by the disability to control the full topic and to overcome all challenges. The target should be to lower the complexity, make the issues more understandable and clearer and to avoid additional hurdles.</p>	
Page 12	<p>Here we express our opinion in relation to the options for transaction verification</p> <p>Option A: The clients lists all sourcing transactions in OCP and the seller confirms: Taking the situation of our clients into consideration this system cannot work. Each week we deliver hundrets of item lines with FSC claim. Most clients are not certified, have even not ordered certified material and would not want to take on the efforts to enter date in OCP. It would be very difficult, if not impossible to double check our output with our clients input. From our side we don't have any interest to register our inputs. The number of book entries would be far lower, but a centralized registration would require unjustified costs on IT or even manual entries. Even more difficult is the situation on data security, in relation to our suppliers and clients, which we could – even with best will – not guarantee. And on a side note: You guarantee IT security in accordance with ISO 27001, but foster actively whistle blowers. Sorry but this does not enhance trust on our side.</p> <p>Option B and C: Check on documentation on site – as this is currently the case – and additionally external check on documentation of our business partners: In principle there is no reason not to opt for this. And in suspicious cases justified. We were convinced that in such cases even now this approach would be taken. However to install this procedure routinely in all audits, deems to be unjustifiable costly and you are also of this opinion. It could well be that it is not working at all.</p> <p>Option D: OCP entray with a transaction number (like a TAN-Banking number?) and undisclosed names of business partners: In our opinion such a system even has a higher level of bureaucracy and generates more complexity and intransparency with all parties involved and does not omit the need to register centrally transactions in OCP, what we reject in principle.</p> <p>Option E: The seller lists all sales transactions in OCP and the buyer confirms In our opinion this is the same than option A and would require in our views an automized data transfer with propably no feedback.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>Also the confirmation on our own certified purchases would increase the administrative costs by more than two times – not to comment on the data security.</p> <p>Option F: Status quo This option is in our views the only one that can be accepted. What are the audits good for if they don't generate a performance and trust in COC? You should increase clarity on the certificates. Explain in understandable short form (information sheet) the most relevant purposes of the registration and accounting, surveille yourselves on the audits the accounting procedures an monitor yourselves the on-site controls and their effectiveness. In the new COC standard you have prescribe that at least monthly own controls should take place. You should not mistrust, but trust that certificate holders have a good will and train if necessary. We are convinced that you could focus than only on a few suspicious cases and don't mistrust your own certification system.</p>	
	<p>I propose process B for Transaction Verification, i.e. carried out by ASI.</p> <p>Many companies I manage in the Ligna Group Scheme are not getting the return on their investment in certification to justify any more time spent. If the need is to do something, then it should be intelligence led, carried out by ASI.</p>	
<p>PART I: Universal Requirements, p. 9, Point 1.7 and NOTE FOR STAKEHOLDERS</p>	<p>Metsä Group sees that the point 1.7. is acceptable only if no new systems are demanded. All the possible methods suggested in the discussion paper on transaction verification require new systems to be built by the Organization, causing a minimum 100.000 € costs for a multisite for example. This cannot be the case. The FSC Global Strategy aims to streamline normative framework and make it more user-friendly and cost-efficient. CoC standard revision is an important part of the Global Strategy implementation. Unfortunately, these new tools to verify transactions are not in line with the goal of the Strategy. They only cause bureaucratic and other costs to CoC certificate holders, which carefully follow the normative requirements. In addition, severe problems are caused by the Organizations without FSC CoC and transaction verification does not solve those problems at all.</p>	
	<p>Metsä Group still sees that the option F "No change to the current CoC system" is the only acceptable option.</p> <p>We have asked from FSC more exact information and source of information related to errors and false claims within FSC. However, FSC has not been able to provide that. The certificate holders need to get more information of the number of errors and cases of inaccurate product claims.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>The certificate holders have asked different options and now FSC has provided them. Unfortunately, all the options suggested are very complicated and e.g. auditing requirements are so high that they are not realistic at all. The document has been made in the way that all the other methods but OCP (method E) are very expensive and complicated. On the other hand, the costs and bureaucracy of OCP are clearly underestimated. Metsä Group sees this is not a way FSC should communicate on possible methods.</p> <p>Metsä Group emphasises that it is time to study how the errors could be reduced without increasing the bureaucracy and costs to certificate holders. The certificate holders' costs cannot simply be increased any more. From the certificate holders' point of view it looks like FSC is not ready to show the real problems and their locations but is ready to - again - increase the costs of all certificate holders around the world - especially those who are following the CoC standard very carefully. The Global Strategy of FSC emphasises user friendly and cost efficient solutions and CoC standard revision is one part of that. However, this strategic goal does not come true at all as developing the transaction verification. Moreover, it is important to highlight that sever problems are caused by Organizations having no CoC certificate. Transaction verification has no role to touch this problem.</p>	
<p>PART I: Universal Requirements, p. 9, Point 1.7 and NOTE FOR STAKEHOLDER S And 1.7 TV</p>	<p>Metsa Wood UK predominately trades FSC certified raw material and products and also operate a small volume credit account. The greater volume of this traded material is upgraded and is ultimately consumed within our PEFC % account as non-controversial material. Whilst we understand that the generation of false claims is an issue within the system, it is predominately further back in the supply chain and predominately but not necessarily within countries with a CPI score of < 50.</p> <p>Of the options presented in FSC-DIS-40-009 EN:</p> <p>Option A</p> <ul style="list-style-type: none"> • Extremely costly to develop and integrate into our own internal system. • ISO 27001-certified will increase costs even more. • Increased admin cost due to additional transaction information required. • <p>Option B</p> <ul style="list-style-type: none"> • Preferred option (from A – E) but only triggered by an incident or complaint, not randomly selected <p>Option C</p> <ul style="list-style-type: none"> • What will this additional sampling and audit cost? <p>Option D</p> <ul style="list-style-type: none"> • Same cost implications as option A <p>Option E</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<ul style="list-style-type: none"> Extremely costly to develop and integrate into our own internal system. Increased cost due to additional transaction information required. <p>Option F</p> <ul style="list-style-type: none"> Preferred option overall and FSC should concentrate on getting their house in order with transactions from FM's and Primary Processors where origination errors mainly occur. 	
1.7 (FSC-STD-40-004 V3-0 D2-0)	<p>The current draft just provides that an organization shall have a method in place, but there is not any method described in the draft and there is no information on how certification bodies should check the transaction verification.</p> <p>Six different methods are described in a separate discussion paper (FSC-DIS-40-009), but even these methods are just different possibilities and they are still in consultation.</p> <p>An evaluation according to 1.7 is not possible at the moment.</p>	Delete 1.7 from the current draft.
	<p>MM disagrees with the idea of the classical OCP database (option E) and all the other described methods (except option F) are very complicated and e.g. auditing requirements are so high that they are not realistic at all.</p> <p>Just option F "No change to the current CoC system" is acceptable.</p>	
Clause 1.7	<p>As a company, we do our own verifications, have a good system in place with our Agility system, and sample purchase orders and supplier invoices for both internal and CB audits annually. Seeing as we have had little to no errors on this year after year, we believe that the added measures would create costly and redundant clerical work for the hardworking individuals who already do a great job of verifying suppliers invoices.</p>	<p>We propose option F, to leave transaction verification off the next standard. If this were not an option, then option C to collect samples would be our next viable option. We do agree that if this requirement stands, that FSC should give stakeholders several options to meet this standard. We would also like to see collected data showing the impact, risk, and number of transactions that were mishandled.</p>
FSC-DIS-40-009 EN	<p>Up to now there is too little information available to describe the transaction problem. Such information should be made available, so that the options could be evaluated in order to find the most suitable solution for the problem.</p>	
FSC-DIS-40-009 EN	<p>Comment to option B: Audit findings on non-compliances of suppliers should be collected and monitored. ASI needs to monitor suppliers to ensure that they solve such non-compliances. In cases where non-compliances are not solved ASI needs to act!</p>	
FSC-DIS-40-009 EN	<p>The risk approach is only implemented within each option, but not to determine which option should be applied. There is a need for a participatory process to identify applicable risk criteria in order to answer the question which option is suitable.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
FSC-DIS-40-009 EN	<p>Suggestion to introduce a risk approach as follows: in the case of low risk situations – option F in the case of situations with risk – option C.</p> <p>Options A, D or E only voluntary. Modification of option C: No 100% check of invoices, increased relevance for this option, generally on the basis of delivery documents or invoices with blackened prices. Strengthening of option B in order to increase general quality of audits.</p>	<p>Suggestion to introduce a risk approach as follows: in the case of low risk situations – option F in the case of situations with risk – option C.</p> <p>Options A, D or E only voluntary. Modification of option C: No 100% check of invoices, increased relevance for this option, generally on the basis of delivery documents or invoices with blackened prices. Strengthening of option B in order to increase general quality of audits.</p>
FSC-DIS-40-009 EN	<p>Up to now there is too little information available to describe the transaction problem. Such information should be made available, so that the options could be evaluated in order to find the most suitable solution for the problem.</p>	
Clause 1.7	<p>NEPCon strongly support introduction of this requirement. We are confident that this gap in the system is very dangerous for FSC brand and we have justified concerns that it is definitely used by companies. We have experience that even European companies may break the rules if they desperately need to sell FSC products and do not have sufficient input volumes.</p> <p>Our only recommendation is to make OCP compulsory for most of the companies. Any of alternatives do not provide the same guarantee and it will become almost impossible for CB to audit all these different alternative systems.</p>	
	<p>We would prefer option F, No changes. We already put considerably more hours into the paperwork and tracking of all FSC orders.</p> <p>We do understand why you would like to strengthen the system. If changes must be made we would prefer option C.</p> <p>All options using the OCP are not acceptable to us. Based on the volume of material we purchase and ship to our customers this would require at least one more full time employee. I did have conversation with Emily Crumley on this subject on 10/28/15.</p> <p>I would be glad to discuss this further with anyone from FSC or SCS.</p>	
FSC-DIS-40-009	<p>Preferred solution is Option F, for business models established usually in paper merchant business (low risk: no production, no material mix, transfer only, 1:1 allocation ERP(SAP) item number to physical product along the supply chain, etc.</p> <p>Alternative Option C, in cases suppliers CB* defines supplier as low risk.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	* Even though a CH is based in a 50-minus CPI region, it should be possible to rate them as low risk. Otherwise we allow I kind of "clan liability" (German: Sippenhaft) instead of encouraging them to reach a low-risk status.	
	<p>Transfer system shall be seen as "low risk*" in general. Transparency is much higher than at % and Credit system. Audit requirements shall take this into consideration.</p> <p>(* by using the term "low risk", I don't reflect to "low risk" in context to CPI 50+)</p>	
Chapter 3 and whole document	<p>The document shows six different options for TV. They are in their structure total different and leads to different developments of FSC in future:</p> <p>Option B: Accreditation Services International (ASI) conducts supply-chain audits on a sampling basis</p> <p>This option strengthens the rule of ASI and leads to an independent structure comparable to "FSC police". We see it as a useful option to identify "black sheep's" within FSC.</p> <p>Option C: Certification Bodies collect a sample of purchase transaction documents during audits and reassessments, which are then verified by the supplier's Certification Body.</p> <p>This option closes the actual existing gap between supplier and customer and follows the idea of certification, checking of samples within an annual audit. We prefer this solution and it is in the tradition of classic certification processes.</p> <p>The other options lead over to a product tracing system which change FSC system fundamental. The rule of certification buddies became minor and in the end all actions are visual to an anonymous organisation. The risk of losing the control over our own data is for us much higher then the win of safety and transparency. These options are for our needs not acceptable.</p> <p>In consideration of these facts options C fulfils our needs of safe process and protect us from loss of data control.</p>	
1.7	I think it is general not a good idea to manage the Transaction verification outside of the document! It is a really important, comprehensive and work-intensive topic for the COC-Standard. So everybody should see the real impact of this clause in the COC-Standard.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
PART I: Universal Requirements, p. 9, Point 1.7 and NOTE FOR STAKEHOLDER S	Metsä Group sees that the point 1.7. is acceptable only if no new systems are demanded. All the possible methods suggested in the discussion paper on transaction verification require new systems to be built by the Organization, causing a minimum 100.000 € costs for a multisite for example. This cannot be the case. The FSC Global Strategy aims to streamline normative framework and make it more user-friendly and cost-efficient. CoC standard revision is an important part of the Global Strategy implementation. Unfortunately, these new tools to verify transactions are not in line with the goal of the Strategy. They only cause bureaucratic and other costs to CoC certificate holders, which carefully follow the normative requirements. In addition, severe problems are caused by the Organizations without FSC CoC and transaction verification does not solve those problems at all.	
1.7 (FSC-STD-40-004 V3-0 D2-0)	The current draft just provides that an organization shall have a method in place, but there is not any method described in the draft and there is no information on how certification bodies should check the transaction verification. Six different methods are described in a separate discussion paper (FSC-DIS-40-009), but even these methods are just different possibilities and they are still in consultation. An evaluation according to 1.7 is not possible at the moment.	Delete 1.7 from the current draft.
1.7	As long as research about false claims and frauds is not readily carried out by FSC, and as long as the methods for transaction verification are not defined and field tested, we don't accept clause 1.7 in the standard.	Delete clause 1.7
Whole document	Finish research about frauds and false claims, especially with regard to regions and industry sectors, deliver comprehensible results, make field tests and feasibility studies on options for transaction verification and then (afterwards) think about new criteria (1.7) in the FSC COC standard, if necessary at all. The question, which option is reasonable should be risk-based.	
Transaction Verification	We are not sure how wood outputs from vendors can match wood inputs to their customers for the following reasons, to name a few: <ul style="list-style-type: none"> • Count errors (+ or -) in pcs, Board Feet (BF), etc. and/or samples taken from imports by customs as samples, and/or insignificant overshipments. • Differences in methods of measurement. • Rejected material, particularly that falls within an allowable percentage requiring no claim. We allow up to a 2% difference +/- before we make a claim.	Please include language regarding + or – tolerances.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
FSC certified organizations will be required to have a method in place to allow their certification body (Rainforest Alliance) to verify that their input claims match the output claims of their suppliers.		
1.7	<p>The fundamental purpose of the FSC CoC system is to provide credible assurance that products carrying the FSC logo, actually originate from FSC certified forests or consist of wood that can be classified as reclaimed or controlled wood. The gaps identified by the FSC in the CoC system, making it impossible to prevent inaccurate and fraudulent claims, constitute a serious risk to the credibility and integrity of the FSC system, as the CoC system clearly fails to deliver on it's most basic function. In the light of these conclusions, one of the primary purposes of the revision of the CoC standard must be to re-establish a strong and credible CoC system. Of the potential solutions presented in the Transaction Verification Advice note, we believe that the OCP is the only measure that will effectively close the gaps in the CoC system. OCP should be mandatory for all CoC certified organisations using the credit system.</p> <p>Only the uniform implementation of OCP will guard against fraud in single-site, multi-site and shared credit accounts.</p> <p>I support OCP as currently the most effective and fraud-proof system proposed for FSC.</p>	
1.7	<p>The fundamental purpose of the FSC CoC system is to provide credible assurance that products carrying the FSC logo, actually originate from FSC certified forests or consist of wood that can be classified as reclaimed or controlled wood. The gaps identified by the FSC in the CoC system, making it impossible to prevent inaccurate and fraudulent claims, constitute a serious risk to the credibility and integrity of the FSC system, as the CoC system clearly fails to deliver on it's most basic function. In the light of these conclusions, one of the primary purposes of the revision of the CoC standard must be to re-establish a strong and credible CoC system. Of the potential solutions presented in the Transaction Verification Advice note, we believe that the OCP is the only measure that will effectively close the gaps in the CoC system. OCP should be mandatory for all CoC certified organisations using the credit system.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Only the uniform implementation of OCP will guard against fraud in single-site, multi-site and shared credit accounts. I support OCP as currently the most effective and fraud-proof system proposed for FSC.	
Entire verification problem	We generally appreciate the idea of a risk based approach towards the problem of transaction verification but the determination of risks should not be limited to the quantity of samples but comply with the individually necessary verification procedure. According to this idea certain circumstances could lead to option F: no transaction verification (see comments on option F). In opposite to that e.g. a subsequently provided certificate could lead to a special high risk treatment like option B. A risk-based combination of different options could lead to sufficient transaction verification (see comments on option D).	
Option A	The system should cover only active suppliers, no former or potential suppliers. There can be no permanent data exchange systems with small randomly active suppliers.	
Option A	The system can be in place only where active FSC claims are being produced. The processing with material that is not certified can not be registered.	
Option A	Especially for SME or companies working with small quantities of FSC material individual IT solutions can be exceedingly expensive.	
Option A	A huge problem are conversion factors and measurement units. The accounting systems work with credit advices. The total quantity of material is therefore often being described with different measurement units concerning input and output. As a result an automatic system could not validate the compliance of input and output claims.	
Option A	We still strongly disagree with the idea of the classical OCP database, as even a risk-based reduction of claims would not solve the serious data security problems.	
Option B	<i>"ASI will check the FSC transaction information from each supplier against the organization's internal records and volume summaries"</i> Any transaction verification within a chain of custody can only take place in samples. The diversification even within one product is far too big to be traced back to the origin of the chain.	
Option B	Additional ASI costs have to be covered only by convicted violators of FSC claims.	
Option B	The ASI audits must be understood as compliance audits of the certification bodies.	
Option C	The only documents providing the necessary claim-information also contain very sensitive data about prices. They will not be provided to the certification body as take-away copy.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Option C	Different certification bodies stand as competitors on the market but would still have to cooperate in the process of transaction verification. This could lead to a conflict in disadvantage of the certificate holder. An involvement of ASI in this process could lead to the necessary neutrality.	
Option C	The quantity of the sample is too big for SME especially for holders of group-certificates.	
Option C	The element of risk evaluation is limited to the CPI and leads in case of a non-low-risk classification to a 100% check of claims, which is due to the number of claims, completely unrealistic. The approach must remain on the base of samples.	
Option D	Digital certificates would take the sensitive supplies-customer relationship out of the database. With certain modifications (see other comments on option D) a combination of options C and D could lead to a working system of transaction verification: A sample based transaction verification in the size of a normal audit in the form of digital certificates being put into a modified OCP. The information of quantities of sold material itself is not being considered sensitive.	
Option D	100% of the claims can, due to the number of claims, not be covered with this system. The approach must remain on the base of samples in the size of a regular audit.	
Option D	The proposed term of 30 days is not realistic.	
Option D	The automatically generated ID cannot replace the FSC certificate-number on the invoice document.	
Option E	Desk audits and other proposals do not solve the general problem of data security within the OCP. We strongly disagree with that option.	
Option F	A closed MIS in which the certificate holder generates the output documents for his suppliers himself means no risk for false claims. In that case there is also no need for a transaction verification.	
1.7	This requirement undermines FSC's credibility being unable to solve a problem within the FSC certification system and transferring this responsibility and burden to the certificate holders. And how will this even be credibly audited? Legally, a CB only has the right to audit a client with whom it has a signed agreement, not its client's suppliers.	Delete.
1.7	Transaction verification creates additional complexity and costs for conforming certificate holders. Existing Certification Body annual surveillance audits evaluate sufficiency and integrity of certified inputs and their transfers or sales. We support Option F identified in in discussion paper FSC-DIS-40-009 EN.	Eliminate new clause.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Transaction verification	<p>a. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database</p> <p>b. The effort for putting these datas additionally in extra medium is immense. We are not able to perform this additional expenditure.</p> <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
Transaction verification	<p>a. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database</p> <p>b. The effort for putting these datas additionally in extra medium is immense. We are not able to perform this additional expenditure.</p> <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
Transaction verification	<p>a. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database</p> <p>b. The effort for putting these datas additionally in extra medium is immense. We are not able to perform this additional expenditure.</p> <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
Transaction verification	<p>a. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database</p> <p>b. The effort for putting these datas additionally in extra medium is immense. We are not able to perform this additional expenditure.</p> <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
Transaction verification	<p>c. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database</p> <p>d. The effort for putting these datas additionally in extra medium is immense. We are not able to perform this additional expenditure.</p> <p>We expect that option B is already in place, else we prefer</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Option F: No Change to the current CoC system, which does not require transaction verification.	
Transaction verification	<p>e. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database</p> <p>f. The effort for putting these datas additionally in extra medium is immense. We are not able to perform this additional expenditure.</p> <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
Transaction verification	<p>g. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database</p> <p>h. The effort for putting these datas additionally in extra medium is immense. We are not able to perform this additional expenditure.</p> <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
1.7	<p>Regarding OCP</p> <p>Transaction information is central to business enterprises, and it is not a kind of information that can be stored in outside database. Even with the security measures, the risk cannot be completely eliminated.</p>	<ul style="list-style-type: none"> ▪ We oppose the standard revision that assumes use of OCP. ▪ Certification bodies should devise auditing methods under the existing system to prevent untruthful transactions. For example, it is possible to detect untruthful transactions by sampling several transactions during audits and verifying the transaction information. Thus the current system should not be changed. We consider the Option F is most preferable.
1.7 Option A	This is an acceptable option.	
1.7 Option B	<p>RA supports this type of supply chain audit, but believes the option should not be a sole means of verifying transaction verification. The methodology of having ASI conduct supply chain audits is a critical enforcement step to ensure an FSC system with minimal false claims. This option should not be choice of certificate holders, rather be a component of the overall FSC CoC system that is orchestrated by ASI (sampling of FSC portfolio) and paid by FSC through the funds collected for the AAF. This will ensure that costs are spread out through the system, and not given to one randomly selected certificate holder.</p>	<p>Remove option from transaction verification alternate options and instead build the supply chain audits into the overall FSC system as a means of enforcement.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7 Option C	RA strongly believes that option is not feasible. The option would require CBs to sample from many suppliers which might all have different CBs. This option would increase the amount of audit time (supplier sampling follow up would have to occur outside of the on-site audit) and therefore increase in cost. Timeliness requirements of the accreditation standards for conducting and completing audits will then depend on the response of another CB. This option will require CBs to work together to complete an audit, something unprecedented.	This option should be removed.
1.7 Option D	This option is acceptable for those certificate holders that want anonymity.	
1.7 Option E	This is an acceptable option, but should not be mandated as the only option.	
1.7 Option F	RA strongly believes that this option is not acceptable. Transaction Verification is a needed component of the FSC system. A methodology to catch false claims will actually ease the job of a certificate holder and alert them when there are potential errors that can cause both a reputational and financial risk if not caught and addressed.	
1.7	100% sampling of transactions can be a varying number of transactions from one certificate to another. There may be some certificates where checking 100% of transactions could equal an exhaustive task for auditors with no real benefit. FSC should consider a different rate of sampling depending on the score of CPI throughout the system, however 100% is not a necessary sampling size. It puts the onus on CBs to catch mistakes/errors instead of auditing the company's transaction verification system and its effectiveness.	FSC should consider a sampling method to check company transaction verification systems no matter what the CPI score. There simply must be a higher sampling rate for CPI scores below 50, not 100%. Consider more than 2 sampling rate intensities for scores above 70, scores between 40-70 and below 40.
Page 5	Verification between buyer & seller in the Paper Trade This does not always correlate because paper volumes are not always the same as those produced/delivered by the manufacturing mill. Also volumes purchased are often invoiced on usage, so there is always a variance throughout the term of the contract	Drop the procedure.
Page 7	Fibre Analysis of Timber Whilst this proposal may be satisfactory for the timber industry – a similar exercise with paper is rarely conclusive. Such analysis may identify specific timber type, but cannot determine geographical origin – therefore species is not identified. Where the origin of the pulp is known (if from a non-integrated mill) then the geographical origin can at best be approximated.	Use this testing procedure for Timber only, but do not make it mandatory for the Paper Industry
Page 7	Fibre Analysis of Timber (PAPER)	What do FSC propose to do about FSC certified Recycled papers where it's impossible to identify raw material/timber source or type?

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Page 7	Fibre Analysis of Timber(PAPER)	We would NOT be prepared to accept the involvement of Alibaba as a reliable source in terms of analytical research on Paper
Page7/8	Proposed Options of OCP Implementation	A=Online Claims Platform in a different format=still a cost to certificate holders and they are doing FSC work for them.
Page 7/8	Ditto	D=see same comment as above and = E as well. It's back to the supplier doing it for their customers as well! Also in D – what's the point if the customer name is not included?
Page 7/8	Ditto	Vote for F = no additional verification Once again, FSC are attempting to increase the workload of certificate holders (CHs) to justify their claims of improved validation of certified material. FSC have spent a considerable amount of £££ on the OCP, and seemingly cannot now justify dropping it. This is totally unfair on CHs, who in the paper/printing industry simply do not have the personnel to carry out the extra work anymore, nor can they justify the extra costs incurred using any of the proposed options. The net result will be more CHs dropping their FSC certification in favour of the user friendly PEFC. This can already be confirmed in the case of one major publisher.
Transaction verification	<p>c. As a trading company we have to reject a system which allows our clients to comprehend, from which producers we are buying our products. The effect will be, that our clients will directly getting in contact with our suppliers and we are loosing our business existence. We are prohibit to enter our sensitive datas in an anonymous cloud or anonymous database. For data security reasons our board of directors will prohibit to put these sensitive datas in an anonymous cloud or anonymous database</p> <p>d. The effort to install and observe in our system a single delivery system and putting these datas additionally in extra medium is not to create in our company nowadays, because it will lead to massive restructurings. The effort for putting these datas additionally in extra medium is immense. We are not able to perform this additional expenditure.</p> <p>We would prefer the nowadays standard which means that option B is already in place, otherwise we will prefer</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>Option F: No Change to the current CoC system, which does not require transaction verification.</p> <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
Option C	<p>Stakeholders observed that Option C (Certification Bodies collect a sample of purchase transaction documents) would be ideal in an imaginary world, but not in the real daily practice and on the ground.</p> <p>In fact, CB representatives argued that it's really hard to think about a positive, open, horizontal dialogue and cooperation among different (and mutually competing) CBs.</p> <p>Even in the case of fruitful and full collaboration among CBs, option C would be hardly work on the ground, because of many organizational matters (e.g. different procedures, organizational charts, etc.,) that may differ among different CBs.</p> <p>There would be also major issues concerning privacy and security conditions in handling sensitive and confidential information.</p>	
Options B and C	<p>In order to mitigate, at least partially, some of the main issues related to option C (see previous comment), it might be useful to broaden the ASI's mandate, somehow combining option C with option B.</p> <p>In such a way, some supply-chain audits would be performed by ASI on its own, whereas other verifications would be carried out by CBs on behalf of ASI, eventually focussing on some particular and specific "rings" of the supply chains, with ASI coordinating CBs' operations.</p> <p>This combined approach would rise the statistical significance of sample verification (that has been considered being a relevant weakness in Options B and C), still without introducing a "systematic" burden for all CHs.</p>	
Options A, D, E	<p>Stakeholders do not consider these options viable, as they argue that the overall approach should be reversed, as the burden of proof should not weigh on CHs (indeed, they already sustain extra-costs for being certified).</p> <p>FSC already designed some instruments (e.g. FSC-POL-01-004 V2-0 EN) to ask CHs to formally demonstrate their commitments towards FSC values. On the other hand, inaccurate claims (not sourcing from fraud attempts) can be more effectively challenged through "ordinary" measures (e.g. strengthening "traceability" requirements, enforcing more accurate/frequent audits, etc.), therefore avoiding to make the transaction verification requirement (definitely, the OCP) compulsory.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>In the end, stakeholders argue that cannot be responsibility of CHs (particularly, those already acting correctly) and CBs to replace local appointed Authorities in contrasting legal frauds, as this role should be played by local/international legal legislative systems and relevant institutional actors. As a matter of fact, to this point, FSC requires that local/international legal frameworks shall be respected. To the stakeholders' opinion, legal prevention/contrast of/to frauds would fall outside the FSC certification scope.</p>	
Option(s) to be preferred	<p>In the light of all the above-mentioned comments, option F (primarily) and option B (secondarily) have been definitely and unanimously preferred by stakeholders.</p>	
Traceability VS. transaction verification	<p>Some stakeholders insisted on the opportunity to introduce/strengthen requirements concerning material "traceability", instead of asking for use of OCP or similar transaction control measures.</p> <p>To this point, requirements by Marine Stewardship Council have been adopted as a term of comparison, as "traceability" is considered being a pillar in such a standard, as it follows:</p> <p><i>The organisation shall have a traceability system that allows:</i></p> <p><i>4.1.1 Any product or batch sold as certified to be traced back from the sales invoice to a certified supplier.</i></p> <p><i>4.1.2 Any products identified as certified upon receipt to be traced forward from point of purchase to point of sale.</i></p> <p><i>4.1.3 Traceability records shall be able to link certified product at every stage between purchase and sale, including receipt, processing, transport, packing, storage, and dispatch.</i></p>	
Transaction verification & other requirements	<p>It might be useful to introduce audits with a very short advice, in order to incite CH management representatives to keep the internal FSC system always updated, and staff constantly trained.</p> <p>In fact, consultants observed that often this is not the case, and inaccurate claims would often arise from unfavourable situations that could be easily overcome through the enforcement of more effective and, eventually, more frequent audits.</p>	
OCP	<p>It's not clear to interested stakeholders how the OCP deals with consolidation of FSC sales to non-certified purchasers. In fact, the latter would not accept FSC sales through the OCP, as the non-certified purchasers will downgrade FSC inputs to non-certified inputs. In this way, discrepancies in the volume summaries and transaction verification may arise. It is a relevant issue to be kept into consideration.</p>	
OCP	<p>It's not clear to interested stakeholders how the OCP deals with group certificates, and whether the Central Office is allowed, or it is not, to monitor and look at sales/purchases consolidated by each group member. If missing, this function should be implemented and it is a relevant issue to be kept into consideration.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	<p>We strongly favor option F from the discussion paper: no change at this time to the FSC standard or policy, and no new requirements for certificate holders, Certification Bodies, or ASI relative to transaction verification.</p> <p>We understand the concern and we agree that it is not right for some players to get away with wanted cheating and that the playing field should be level. However, FSC's business case is sorely incomplete and not quantitative thus far. If Asia is the problem, then that is where efforts should be focused. Fraudulent behaviour should be dealt with rapidly and unequivocally, without having to change the standard or penalize the majority of organizations that are abiding by the rules.</p> <p>Given the resources that this requirement could potentially take, along with the business confidentiality concerns, at the very least, FSC should complete and analyse the "second phase of research...to gain a better understanding of the scale of the problem, by region and by industry sector," as alluded to in the discussion paper before making any proposals relative to this issue.</p> <p>All of the options have the potential to add significant cost and complexity, along with having the very deep concerns about protection of business sensitive information. Additionally, added complexity increases the likelihood of honest mistakes, and it discourages organizations from undertaking or maintaining certification.</p> <p>Some of our concerns with the identified options are:</p> <p>Options A, D, & E, the OCP options – We repeat, heavy administrative burden, cost, & complexity, along with concerns of protection of business confidentiality. It is not necessary to account for 100% of transactions to address the concern. Any proposal that requires a 100% accounting of transactions is not going to be workable.</p> <p>Option B, the ASI option – We see real potential for abuse and high cost, especially if it is your organization that gets targeted. Who decides what complaints are valid and warrant an ASI audit? Furthermore, there needs to be more information about how ASI will go about conducting these audits and exactly what and how much information ASI will have access to. Is the scope of these audits intended to be 100% of transactions, or a reasonable sample? Again, 100% is not necessary and would not be workable. We also think the language around the possibility of CBs being issued non-conformities may be problematic for them.</p>	<p>The proposed requirements to have a method in place to allow the certification body to verify that the organization's recorded FSC input claims match recorded FSC certified output claims of its suppliers should be dropped.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Option C, the CB option - This may sound reasonable in concept, but the volume and resulting additional audit costs of this could get out of hand. Organizations with multiple suppliers & customers, times 30, could have an overwhelming volume of information requests to respond to. Again, need to direct focus on where there is a documented problem, and have much lower sample requirements where there is not. Sales documents used for this purpose must not include very sensitive information such as pricing, so organizations will have to figure out a way to mask this information. Just this, for example, could have to be a manual process for many organizations, with significant added administrative cost.	
1.7	<p>The Soil Association was to comment on the previous inclusion of this requirement. The Soil Association still awaits all the elements of the OCP Roadmap to be delivered/demonstrated to CBs as was proposed for 2014 (attached to this document in email).</p> <p>Similarly the Soil Association still awaits the results of the second survey regarding claims management to be released and for a proper discussion group to be created. The extent of this problem and <u>the requirement for this section has not been proven.</u></p>	<p>TO REMOVE THIS SECTION</p> <p>To deliver the activities outlined in the OCP Roadmap</p> <p>To establish a formal discussion group to outline the key issues which are likely to include introducing a risk profile for certain products, e.g. plywood from China and securing the claims management of these items.</p>
1.7	The request appears to be straightforward and may suggest that reference to supplier sales documents may be adequate. However reference to the Note for Stakeholders shows that this may not be the case. It is certainly not clear. Should the Certificate Holder look to do this manually and request a copy of the MAR from their suppliers, this would not be acceptable to the supplier. Who then would the CAR be raised against?	TO REMOVE THIS SECTION in line with the above.
ALL	STRONGLY SUGGEST OPTION F and then when proven, following steps highlighted above (1.7) then B.	
ALL	We would like clarification on the relevance of the CPI Index when evaluating legality (it can be influenced and has been shown not to necessarily accurately reflect the relevant situation in a country). The background of setting CPI is not completely transparent, and their use of old bank reports and similar sources is potentially flawed.	
Option C and potentially Option D	We would like clarification on how auditing i.e. 100% of invoices is practical or feasible at any audit involving high numbers of purchases. Has it been proven that certificate holders should or could be expected to carry the time and financial costs of such potentially enormous audits (and, subsequently the CBs)?	
1.7 and	Point 1.7. is accepted if companies have the possibility to use cost effective ways to carry out the transaction verification following a risk-based approach.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
NOTE FOR STAKEHOLDER S		
General	The options are not yet enough elaborated on in order to be acceptable to the industry. For example, option B seems to be an option fit to address basic problem on false claims: Finding out, where fraud is really taking place, without turning FSC certification more burdensome for honest users of the system. But it would have to be noted that additional costs for ASI should be covered by convicted violators of FSC claims.	
General	Option B should be focused on known suspects or regions of suspect fraud – organisation should not be expected to progress further checks they do already, hence a simplified system where the current auditor selected one or two random invoices and can “drop” them into a FSC server against that supplier name, this activity may be carried out at many other customers of the randomly selected supplier, in which case the invoices are placed into the same server account. When the supplier has his CB auditing their system the CB can randomly select two or three invoices to check if they contain the same information – if yes, he approves the audit and deletes the remaining invoices from the system, if the information is not the same, he reports to ASI	
Transaction verification	<p>c. For data security reasons our board of directors will prohibit to put these sensitive data in an anonymous cloud or anonymous database</p> <p>d. The effort for putting these data additionally in extra medium is immense. We are not able to perform this additional expenditure.</p> <p>We expect that option B is already in place, else we prefer Option F: No Change to the current CoC system, which does not require transaction verification.</p>	
1.7	While we understand FSC’s concerns and intent of adding 1.7 to the standard, it is important to note that auditing transaction verification in conjunction with volume control has the potential to take a considerable amount of extra time at each audit. This is true even for simple operations, but certainly for complex or large operations. This means that a) the cost of the audit will increase, and b) other parts of the audit, such as trademarks and physical material handling will suffer in an attempt to cover the entire standard in a reasonable amount of time. While it is expected that a FM audit will cross over multiple days, it is certainly not accepted that most COC audits will last more than one day (only for very complex audits or audits with multiple sites is this common).	Reconsider the burden this adds to the audit in relation to retaining certificate holders. This should only be applicable in certain high-risk areas, not for all certificate holders.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Options A , C, D	<p>These options all require some CHs to undergo 100% sampling of their invoices – e.g. if they are in a country with a low CPI. This is not a possible scenario. What if the CH has 1000 transactions in an audit year? Additionally, an ISO-based audit is necessarily a sample-based audit. Therefore, requiring 100% sampling is fundamentally changing the nature of the relationship between CH and CB. Finally, in order to accomplish 100% sampling, the time required, and thus the costs to the CH, will increase – sometimes very substantially. For example, to complete 100% sampling of a CH with hundreds of transactions, an extra day or two may need to be added. What is the value of this?</p>	
Option D	<p>This seems like a good option. However, requiring a sampling of 30 digital claims seems like a very arbitrary number. Why not 20? Or 40? What is the rationale behind choosing 30? There should be a percentage requirement with an upper threshold, or some other more logical method for choosing sample size.</p>	
	<p>Any option which requires more work on the part of the CH must have a very clear added value to the CH as well. Otherwise, there will likely be a significant attrition of CHs – and not just those who are acting fraudulently.</p>	
	<p>SEWSF still sees that the option F "No change to the current CoC system" is the only acceptable option.</p> <p>FSC usage of a purchaser and seller is audited by certification bodies and thereby obeying of FSC rules is safeguarded. If non-FSC certified companies are misusing FSC brand, there will be absolutely no impact on new OCP rules in the CoC std, because they are not using the std! OCP is a remedy for a wrong patient and makes healthy patients falling ill.</p> <p>We have asked from FSC more exact information and source of information related to errors and false claims within FSC. However, FSC has not been able to provide that. The certificate holders need to get more information of the number of errors and cases of inaccurate product claims.</p> <p>The certificate holders have asked different options and now FSC has provided them. Unfortunately, all the options suggested are very complicated and e.g. auditing requirements are so high that they are not realistic at all. The document has been made in the way that all the other methods but OCP (method E) are very expensive and complicated. On the other hand, the costs and bureaucracy of OCP are clearly underestimated. SEWSF sees this is not a way FSC should communicate on possible methods.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	SEWSF emphasises that it is time to study how the errors could be reduced without increasing the bureaucracy and costs to certificate holders. The certificate holders' costs cannot simply be increased any more. From the certificate holders' point of view it looks like FSC is not ready to show the real problems and their locations but is ready to - again - increase the costs of all certificate holders around the world - especially those who are following the CoC standard very carefully. The Global Strategy of FSC emphasises user friendly and cost efficient solutions and CoC standard revision is one part of that. However, this strategic goal does not come true at all as developing the transaction verification. Moreover, it is important to highlight that sever problems are caused by Organizations having no CoC certificate. Transaction verification has no role to touch this problem.	
Trans. Verification	The current system should be sufficient in locations that have had no know abuse of the system.	
Trans. Verification	If a system is ultimately going to be chose it should be the option C. If done properly it should not add a tremendous amount of extra work and time to the scope of the audit. Auditors should be able to request the total amount of FSC product sold to a customer from that customer (buyer) before the audit date with the auditee (seller). At that time the auditor can request from the organization a sales total for the last year. These numbers should match. In areas where abuse is non-existent this sample size can be very small. Organizations with only a few customers would be very easy to audit and should not have to pay for organizations that have high numbers of customers. Therefore, a fee could be added to the audit price that is determined by the amount of FSC buying customers that a company has.	
Transaction verification: Background	<p>It is still unclear how much cases and in which extent (Volume, value) and in which geographical locations have occurred.</p> <p>It is the task of auditors to identify incompliances.</p> <p>The occurrence of incompliances, assumed that they have happened in noteworthy quantity or extend, has not been identified by the auditors.</p> <p>Having said this there is the impression that instead of the elimination of the causes (inaccurate performance of the auditors), measures are under way that follow the principle "giving everyone a slice of the pie" (Gießkannenprinzip) and that the involved parties incur high costs.</p> <p>In politics one can see the following: „if something goes wrong we need a new law!“</p> <p>But often the laws are sufficient, but need to be enforced consequently.</p> <p>Example: There are speed limits, but only few people comply with them, because there are too little controls.</p> <p>Transferred on the case of FSC:</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>The standard is good enough, as it prescribes that material balances need to be documented. Such material balances need to describe on the level of for example article, what type and volume of input and what output happened.</p> <p>If the auditor does not check such material balances, we should not be surprised if errors are identified.</p> <p>Question:</p> <p>How does the FSC want to ensure a consistent implementation of audit requirements by auditors?</p>	
Transaction verification: Options for transaction verification	<p>" Organizations and suppliers with a CPI of greater than 51 are considered low risk. If, however, an organization is low risk but a supplier of FSC products has a CPI score less than 50, then FSC-certified trade from this particular supplier will not be considered as low risk."</p> <p>This means:</p> <ul style="list-style-type: none"> - more than 51 is defined - less than 50 is defined <p>(heretical) question:</p> <p>Is it useful to look for suppliers with a CPI of 50 or 51, as no prescription is defined in this case?</p>	
Transaction verification	<p>" ... 100 percent of FSC transactions will be verified by the Certification Body of low-risk organizations which also have unspecified-risk suppliers. "</p> <p>Also here a the principle "giving everyone a slice of the pie" (Gießkannenprinzip) can be observed:</p> <p>Some persons cause an error and others have to pay for it.</p> <p>Question:</p> <p>How high are the costs for such a verification?</p>	
Transaction verification: Options for transaction verification	<p>If an SAP system is recognized, option "A" seem to be acceptable.</p> <p>Question:</p> <p>To what does the requirement of an ISO 27001 certificate relate?</p> <ul style="list-style-type: none"> - an SAP product? - the software/hard ware that is contracted from a outsourcing contractor - in relation to the internal use of SAP? 	
1.7	<p>Regarding OCP</p> <p>Transaction information is central to business enterprises, and it is not a kind of information that can be stored in outside database. Even with the security measures, the risk cannot be completely eliminated.</p>	<ul style="list-style-type: none"> • We oppose the standard revision that assumes use of OCP.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		<ul style="list-style-type: none"> • Certification bodies should devise auditing methods under the existing system to prevent untruthful transactions. For example, it is possible to detect untruthful transactions by sampling several transactions during audits and verifying the transaction information. Thus the current system should not be changed. We consider the Option F is most preferable.
1.7	<p>OCP or the other method in place:</p> <p>There is concern among Swedish companies that FSC are adding extra work load on companies and at the same time actually undermine its own existence.</p> <p>The major reason for a supplier to get FSC COC certified is because customers need to be assure that their suppliers fulfil the FSC requirements and that a third part have controlled this.</p> <p>It is still unclear what ...a method in place... actually mean but if it mean that a CB from a customer need to control something already controlled by another CB we are not in favor We support that certificate holders make sample based information on transactions available to CBs and/or ASI. We do, however, not support the notion that certificate holders are required to engage in the actual transaction verification, by implementing systems to that effect or by doing the verification manually. This means that the relevant options -as presented in the separate paper on transaction verification – would be C complemented by B.</p>	<p>Clarify what “..a method in place..” demands in practice, to the effect that it requires certificate holders to make sample based information on transactions available during CoC audits.</p>
1.7	<p>The concern about errors and imbalances in claims should not be addressed through additional requirements for CH. The existing auditing and oversight elements of the COC process are the proper way to deal with these issues. If there are significant concerns, CB should be focusing attention on this topic during audits and handing down non-conformances accordingly. Forcing all CH to do additional auditing and verification is unreasonable and serves to punish the companies that are following the Standards. The purpose of the audit process is to identify issues and ensure they are addressed. If there are persisting concerns about claims, then the focus should be on CBs and audit findings, not compliant CH. Regarding the concern about non-certified companies making FSC claims, CH are already required to confirm the existence and validity of supplier certificates. Audits should confirm that this is indeed occurring. Regarding the concern about companies not recording their FSC sales, this is currently within the scope of the existing audit process. There is no need to add another requirement to address this issue.</p> <p>The proposed requirement leaves the choice of method to the CH to manage transaction verification. As discussed in FSC-DIS-40-009, transaction verification proposed options will either be done thru the supplier side or thru the customer side. That will mean that the CH may have different methods to implement for their transaction verifications depending on what the customer and/or supplier have chosen as their own method for transactions verification. If FSC</p>	<p>Option F – maintaining status quo is our preferred option thus remove this requirement.</p> <p>If status quo is not an option then Option C could be an acceptable method. However, a pilot test to determine the feasibility and the audibility of this option would be required. Tembec is willing to participate in such a pilot test.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>intends to keep this requirement, then it has to be an option that is acceptable to all CH and It cannot adds costs, effort and burden to a relatively manageable CoC process.</p> <p>The entire concept of the OCP or other proposed options of transaction verification is unrealistic and will burden CoC process by requiring extra input of data, paperwork, and audit effort with no expected gain in credibility of the system. There are 5 options proposed (excluding option F) to meet this requirement. Option A (OCP or alternative system to connect organization and suppliers), option D (modified OCP – digital transaction certificate for customer) and option E (OCP for purchase transactions), all link back to imposing OCP to CH in whatever form it is proposed. Tembec has systems for tracking inputs and outputs to determine the efficiency of our processes and sales systems for invoicing and delivery of products. Whatever electronic platform is proposed, it has to be linkable to already existing systems that organizations already use. If not, no matter the option, it is adding an additional burden on the CH to meet this requirement.</p> <p>Supplier sources and identification is often considered very proprietary information. Suppliers will be very unwilling to share much of this info with their customers. From the customer side (option D-modified OCP), not all FSC-certified products sales are sold to customer that are requesting FSC-certified products. These customers are getting these FSC products because the product has an FSC on-product label and is sold with the corresponding FSC claim. A digital transaction certificate will mean nothing to them as they are not involved in the FSC system.</p> <p>Proposed Option B (ASI audit upstream and downstream and trace transaction from one CH to another) is unacceptable as this is not ASI job to do. They are the watchdog of the overall FSC process. It is the CB thus option C (CB collects samples of transaction and verifies with supplier CB) may work but this is just adding to the cost and effort to the audit process. It seems that the root issue may be that FSC does not trust the audit process, or the concept of audits and corrective actions. If this is the case, then the focus should be on the 20-011 Standard and the accreditation process.</p> <p>In regards to this whole issue, FSC seems to be worried about the few exceptions that may exist, coupled with 100% accuracy in 100% of transactions. The focus on the issue should be on dealing with non-conforming companies (single them out and deal with them in a public way as an example if need be), rather than on forcing all conforming companies (by far the majority) to do significant additional work. They should be rewarded for being in conformance, not punished with more bureaucracy. In terms of achieving 100% accuracy in 100% of transactions, this seems out of touch. If there are minor discrepancies, these should not be a reason to force everyone to take on significant new bureaucratic processes.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	The obligation placed on the certificate holder to allow CB to match input claims to our supplier output claims will add effort and cost for all parties that we do not believe are necessary.	
Background	If as described in the FSC-DIS-40-009 – Transaction verification: Alternatives for strengthening and streamlining the FSC Chain of Custody there are flagrant misuse of FSC claim and/or origination errors then this becomes a case by case issue where measures such as certificate suspension are taken against the CH. The misuse of the FSC name from a few should not make it so that such a requirement is impose on all CH.	
3.	The proposed requirement leaves the choice of method to the CH to manage transaction verification. As discussed in FSC-DIS-40-009, transaction verification proposed options will either be done thru the supplier side or thru the customer side. That will mean that the CH may have different methods to implement for their transaction verifications depending on what the customer and/or supplier have chosen as their own method for transactions verification. If FSC intends to keep this requirement, then it has to be an option that is acceptable to all CH and It cannot adds costs, effort and burden to a relatively manageable CoC process.	
Options A, D & E	Most organizations have systems for tracking inputs and outputs to determine the efficiency of their processes and sales systems for invoicing and delivery of products, Different organization, and different systems. Whatever electronic platform is proposed, it has to be linkable to already existing systems that organizations already use. If not, no matter the option, it is adding an additional burden on the CH to meet this requirement.	
General	Making all FSC certified Companies submit online documentation of their transactions, because a few organizations do fraudulent transactions is unreasonable. I for see a very difficult reconciliation process which will take significant coordination between companies. The customer, where the ultimate quantity of Certified Materials gets delivered will not participate at all. I see this as added costs and difficulties for those companies which follow the rules and activity which will have little impact on the amount of fraud which is perpetuated at the end user.	
3	It must be verified that claims are truthful. All transactions must be easily verifiable. Limited sampling is not enough. Thus, A/D/E are the only acceptable options, or some other scheme where CB:s plus FSC gets access to the full transaction lists for all interacting CoC organizations in a standardized format. Option E is preferred.	
1.7 TV	The organization shall have a method in place to allow the certification body to verify that the organization’s recorded FSC input claims match recorded FSC certified output claims of its supplier(s).	It would be useful to use the phrase “transaction verification” here somewhere (even in brackets) as this is the phrase everyone is using and therefore people will recognise it more.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7 TV	The risk based approach allowed to meet the TV requirements is a positive step forward, making sure that those with the most risk have to do the most to comply.	N/A
1.7 TV	Options presented in Table 1 for TV- This is a positive development from FSC as it provides the possible solutions that different types of organisations can use to meet this clauses requirements.	N/A
1.7 TV	There are no details or procedures outlined for how a company chooses which TV option to use. Also need to be clear about whether different TV options can be used for different supply chains or whether it is one TV system across the organisation.	FSC needs to present clear procedures for how a business can choose which method it uses to comply with TV and whether this method(s) is supply chain specific or company wide.
1.7 TV TV Option A	TV Option A- unclear why an alternative system needs to be ISO27001 equivalent.	Remove requirement for an alternative system to be ISO27001 equivalent.
1.7 TV TV Option A	Does the following..... Certificate holder sites in countries with a CPI score of 51 or higher will enter FSC transaction data into the OCP on a quarterly basis as a minimum requirement. Certificate holder sites in countries with a CPI of 50 or lower will enter FSC transaction data into the OCP by the end of each month as a minimum requirement. The Certification Body of the organizations' trading partners will verify all the information entered into the OCP or alternative system during annual surveillance audits. ...need to be done as an additional if using the alternative system? i.e. upload data to OCP as well as using alternative system	If no suggest move to OCP section.
1.7 TV TV Option B & C	Both of these are retrospective checks on TV- do they need to be made more frequently?	
1.7 TV TV Option B & C	It is unclear how these 2 methods of TV would be funded or what rules will be in place to ensure CBs do not overcharge here.	More specifics on how these methods of TV will be funded, especially any cost implications for CH's.
1.7 TV TV Option C	100% of TV on invoices from suppliers based in CPI<50 seems a little extreme case.	Remove the requirement for TV on 100% of transactions and lower this to a more cost effective sample that can bring about similar confidence levels in identification of whether there are problems. Appropriate sample rate should be agreed between CB and CH based on FSC guidelines- perhaps using CPI in different bands; e.g. CPI between 40-50= sample rate of between 60-70%.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
		There should also be a way to store this information on suppliers so that CBs have access to this centrally and can look at this to help them develop an appropriate level of sampling.
1.7 TV TV Option D	Modified OCP now could be more acceptable to businesses now as it can provide efficiency savings for companies by helping to reduce operational costs in other areas of FSC CoC management. E.g. automated supplier status changes.	N/A
1.7 TV TV Option D	See comment 2 rows above- applies here as well.	
1.7 TV	It is unclear across all options how the annual check by CB's will address the problem of identification of misleading/fraudulent quicker than currently happens.?	Clearer explanation or change of system requirements to show how a mis-match in transaction claims will be identified and dealt with.
1.7 TV	Waiving of Onsite audits- what is the estimated impact on costs of audit- how much can these be reduced by?	Clearer guidance about how much savings can be made by waiving of onsite audits.
1.7 TV Section 6 of TV paper	Continuous 3 years seems a little too long for waiving of audit.	Suggest this is changed to 2 years.
PART I: Universal Requirements, p. 9, Point 1.7 and NOTE FOR STAKEHOLDER S	SEWSF sees that the point 1.7. is acceptable only if no new systems are demanded. All the possible methods suggested in the discussion paper on transaction verification require new systems to be built by the Organization, causing a minimum 100.000 € costs for a multisite for example. This cannot be the case. The FSC Global Strategy aims to streamline normative framework and make it more user-friendly and cost-efficient. CoC standard revision is an important part of the Global Strategy implementation. Unfortunately, these new tools to verify transactions are not in line with the goal of the Strategy. They only cause bureaucratic and other costs to CoC certificate holders, which carefully follow the normative requirements. In addition, severe problems are caused by the Organizations without FSC CoC and transaction verification does not solve those problems at all.	
Chapter 2	FSC tries to justify the need for action without comprehensive explanation of the problem. Chapter 2 is unconvincing. Finish research and provide quantitative numbers for the extent of the problem before taking any action.	
Whole concept	Transaction Verification – if needed at all – should be implemented risk-based without affecting thousands of certificate holders who don't have and don't cause any problems.	
Option B	Option B (ASI) should be done in cases of suspect. Fraudulent companies should pay for it.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Option C	The certification bodies should be enabled to pass document to the supplier's CB (Option C) and should do it in high risk situations (which has to be defined on the basis of research results).	
Option F and all others	Don't take any action until research about false claims and frauds is not readily carried out by FSC, and as long as the methods for transaction verification are not defined in detail and field tested. Feasibility studies are necessary.	
Options	<p>UPM sees that from the options in the discussion paper the option F "No change to the current CoC system" is currently the only acceptable one.</p> <p>The certificate holders have asked different options and now FSC has provided them. Unfortunately, all the options suggested are very complicated and e.g. auditing requirements are so high that they are not realistic at all. The document has been made in the way that all the other methods but OCP (method E) are very expensive (estimated minimum 100.000€ in case of multisite) and complicated. On the other hand, the costs and bureaucracy of OCP are clearly underestimated. UPM sees this is not a way FSC should communicate on possible methods.</p> <p>Further, we have asked from FSC more exact information and source of information related to errors and false claims within FSC, but FSC has not been able to provide that information until today.</p> <p>It needs to be studied how the errors could be reduced without increasing the bureaucracy and costs to certificate holders. The certificate holders' costs cannot simply be increased any more. From the certificate holders' point of view it looks like FSC is not ready to show the real problems and their locations but is ready to - again - increase the costs of all certificate holders around the world - especially those who are following the CoC standard very carefully. The Global Strategy of FSC emphasises user friendly and cost efficient solutions and CoC standard revision is one part of that. However, this strategic goal does not come true at all as developing the transaction verification. Moreover, it is important to highlight that sever problems are caused by Organizations having no CoC certificate. Transaction verification has no role to touch this problem.</p> <p>The certificate holders need to get more information of the number of errors and cases of inaccurate product claims.</p>	
FSC-DIS-40-009. Option A, D, E	<p>NOT recommended options.</p> <p>These scenarios are too time expensive for companies. Scenario A is also cost expensive. The use of OCP cannot be mandatory; a lot of companies will leave FSC certification due to too much work or doubts about security. Some small companies do not use the pc and the web! These options are too expensive for little companies.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
FSC-DIS-40-009. Option B	This could be a good option; I agree to start with samples of transactions, based on risk analysis. My only worry is about the costs that the CH will have to afford. This option is feasible only if not additional costs will be charged to companies.	
FSC-DIS-40-009. Option C	This could be also an option. CB could collect a sample of incoming and sales invoices and cooperate if necessary with another CB for the verification of these transactions. The sample size, however, cannot be too large in order not to get the audit time longer and get high costs for companies. The audit time should not be affected by this additional sampling.	
FSC-DIS-40-009. Option F	This is also a scenario to take into account. FSC credibility won't be affected, FSC can investigate single cases if really evidence of fraud are collected. With OCP or any other systems, it is anyway impossible to avoid fraud: if a company deliberately want to fraud the system there is no way to discover.	
FSC-DIS-40-009	When the company has physical possession of FSC materials, the on site audit cannot be waived under any conditions. It's the only way to verify how the material is stocked, if there is correspondence among what is stored and what is declared in the management system. Also the check of conversion factors is a crucial part of the job of auditors, since in the OCP or in any management system the units between inputs and outputs could be different and only checking the production data and verifying the site the data can be reconciled and checked.	
1.7	While we appreciate the language allowing different options for meeting this requirement we believe it is unnecessary for Verso as there is no evidence of fraud. Nonetheless a few proposed changes to the options in 40-009 are:	Option B: Allow for transparent process of selection. Option C: Allow for minimized audit date for companies selecting this option. Option F: Allow this option for companies low risk areas of the world with good audit history.
General	For data protection reasons we reject OCP and all other systems where informations are collected in a main data base.	
Options A,C,D,E	Options A, C, D and E cannot be achieved because of data protection reasons and high additional personnel requirement.	
Options B and F	We support Option B, only if it will performed as risk-based approach. The risk assessment should allow "No need for TV" (Option F) as a possible result for very low risk transaction situations.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Option E	<p>Option E: The OCP appears to have many benefits for organisations that purchase FSC Certified products, however has limited application for COC holders who verify product either under the FSC-STD-40-005 or FSC-STD-40-007, in which case you are relying on COC Certified customers only to verify the claim through the supply chain. If the organisation sells 100% of it's products as certified and has limited CoC Certified customers, it becomes apparent that these transactions are not being verified.</p> <p>In which case is supplying certificate holder still required to undergo an invoice verification process as per option C; minimum review of 30 invoices (incoming/outgoing) and related supply chain evidence?</p> <p>Is there a more suitable option for primary manufacturers of product who are verifying inputs for FSC claims?</p>	
Option D	<p>Option D would be considered as appropriate for our primary manufacturing sites if the OCP automatically generated a Digital transaction certificate to the nominated customer email address when details are entered. Relying on the supplier to send the certificate manually seems unrealistic.</p>	
Option B	<p>Option B: I think this should be carried out based on 'risk'. Since figures are available of the potential areas for risk, this should be done concurrently with any option that is considered by FSC International. Removing the sale of counterfeit materials and those sold with incorrect or misleading claims will inevitably increase the demand for the product for certified and legitimate traders. I am concerned however on the increase this will have on the administration fee for economic members.</p>	
1.7	<p style="text-align: center;">Transaction Checking</p> <p>This clause focuses around the OCP issue and has been widely debated in the UK as being overkill for the risk. Any changes should be risk based, placing additional work for certificate holders if the risk is low is disproportionate.</p> <p>Checks by the CB's is the simplest way of checking on a complaint basis.</p> <p>FSC has not brought any financial benefit into our business, and any increase in cost or time would negate having FSC certification. So simple, low cost without any additional work is the option that should be adopted.</p>	
1.7, 2.1 and others	<p>FSC OCP is an octopus for data – in contradiction with data security laws and legal protection of data privacy - that can't be supported at all.</p> <p>Neither any back door – even the smallest one - for FSC-OCP</p>	Delete any hint on OCP in the whole standard
1.7	<p>Additionally to the aspect mentioned above:</p> <p>The quoted argumentation to prevent originating errors is pleaded. Selling without valid FSC-certificates is impossible as there is an information if certificates are suspended. Terminated certificates become obvious by checking the expiration date.</p>	Delete completely without substitution.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Generally presuming a totally “black-sheep”-trade without trust and honour is hard to believe and makes companies rethink the decision for FSC.	
Chapter 2	Currently there are too little information available which describe the transaction problem and the general need of a special transaction verification.	
Options	We welcome the possibility of several transaction verification options beside OCP. First the potential of audits should be increased for example like in option C described.	
Options	We only accept option F	
Part 1, Clause 1.7, Page 9	We believe that Option F. would be best for the OCP. It should not be the Certificate Holders responsibility to prove innocence when they have not done anything wrong. If there are organizations caught lying about claims and credits they should be penalized. It is not fair to put more burden on organizations that are making honest claims.	There should be no changes to the way claims are made.
1.7	Transaction Verification: The concept of Transaction Verification is already addressed throughout the FSC COC standard through a multitude of requirements and should be deleted from the standard (Option F).	Utilize Option F – No changes to the current Transaction Verification/COC system.
1.7	An additional comment period is needed for the Transaction Verification Whitepaper: The release of the Transaction paper at the same time as the revised COC standard has created some confusion as to the comments and feedback that should be proposed on the Transaction Verification	Open the Transaction Verification Whitepaper for a separate consultation.
Options	<p>WWF strongly agrees that transaction verification is needed. An independent centralized system for transaction verification seems the most efficient way to ensure the integrity of the FSC CoC system. However, there are practical and logistical drawbacks to such a “one-size-fits-all” system. In addition, any system should allow organizations to provide required information in a way that does not require significant additional administrative burden or duplicate entering of information.</p> <p>Of the options for transaction verification presented in FSC-DIS-40-009 EN,</p> <p>Option A is the one WWF prefers. It seems the most realistic, to strengthen the system while recognizing that some companies might have other robust transaction verification systems already in place. The drawback with this option is that you do not have a 100% independent centralized system, so you cannot evaluate full system integrity or ensure traceability up to the forest.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>Option D in theory this would seem to address concerns raised by some stakeholders about disclosure of sensitive information and the associated risk. However, in practice this option does not seem viable, as it could open up the system to even more human error and thus more inaccurate claims. Also it could create more work for CH's as digital transaction certificates would need to be re-entered into the system by hand.</p> <p>Option E in theory this seems to be most robust system, but it is not feasible or practical to make OCP mandatory, especially since this is meant to be transaction verification rather than a full traceability system. However, more organizations could be motivated to use OCP if they can upload the required information automatically from their own system into OCP in a way that the administrative burden of entering data manually into an external system is avoided and there is confidence on the security associated to the management of data. The more incentives that FSC can provide for companies to use OCP, such as via waiving annual or on-site audits for lower-risk sites, the more companies may actually utilize OCP.</p> <p>Option F is not feasible given the need for improved transaction verification.</p> <p>Note: Given that this is a significant change in the system, it could be useful to allow a phase-in period to help assess implications and adapt the system to maximize system integrity and feasibility of implementation for certificate holders.</p>	
Clause 1.7	<p>The clause 1.7 with the formulation "...have a method in place..." is not enough described to be able to interpreting the practical outcome of the clause. We cannot make a reasonable conclusion of how this will impact our company and therefore is it, from our perspective, not feasible to include in the clause in the new standard.</p> <p>As a FSC-certificate holder and user, we are not in the situation to accept the suggested type of verification system that includes a 100% registration of delivery invoice to an online based system. This would be connected with a significant increase in work burden in the daily handling of FSC certified wood. Company information (such as supplier and prices) is strictly confidential and cannot to full extent be uploaded to an online based platform controlled of a third party.</p> <p>We consider the outcome of transaction verification (higher cost and higher work effort) to be devastating for our organisation in comparison to the determined benefits.</p> <p>Transaction verification does not lead to streamlining the FSC CoC system, but to the opposite.</p> <p>As we conduct risk- and plausibility analysis on our entire suppliers, in which also have passed annual audits, and purchase certificated commodities to a higher cost, we therefore consider it unreasonable to charge our organisation for the cost of verifying the claims registered by our supplier.</p>	Delete clause

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	<p>FSC is not listening on this topic. This requirement to force companies and CB's to directly link/ handshake all transactions between buyer and seller will be very onerous, expensive and unwarranted. In North America, this is not an issue (falsified claims). FSC needs to do market research to support the necessity of this requirement. The point of having CBs and qualified auditors and an auditing process is to verify that transactions are accurate and correct. The system in currently working in North America.</p> <p>FSC risks alienating all of the CoC holders and drastically increasing costs across the board. This will likely result in FSC losing significant membership and market share.</p>	Drop the OCP and transaction handshake requirements.
1.7	<p>Obviously FSC has proof for single cases of frauds and false claims, but research about it is not finished yet, especially with regards to regions and industry sectors. Therefore any action to introduce Transaction Verification has no sufficient justification (yet).</p> <p>Better training of auditors worldwide would reduce the problem substantially. This should be pushed with the same power than any other effort.</p>	<p>Delete clause 1.7</p> <p>Ensure better training of auditors worldwide.</p> <p>Work on Motion 52.</p>
PART I: Universal Requirements, p. 9, Point 1.7 and NOTE FOR STAKEHOLDERS	<p>UPM sees that the point 1.7. is acceptable only in case certificate holders have the possibility to use cost effective ways to carry out the transaction verification. Currently all options, except F on the discussion paper on transaction verification (FSC-DIS-40-009) are such that significant burden and costs will land on certificate holders (estimated at least 100.000€ in case of multiple sites). This is not in line with the FSC Global Strategy that aims to streamline normative framework and make it more user-friendly and cost-efficient. CoC standard revision is an important part of the Global Strategy implementation. It is not acceptable that certificate holders carefully following the normative requirements get additional costs. In addition, severe problems are caused by the Organizations without FSC CoC and transaction verification does not solve those problems at all.</p>	Delete 1.7 unless option F is selected from the discussion paper or further cost-effective solutions are developed.
General	<p>My first issue with this proposal is that you are basically admitting that the Chain of Custody standard currently in use has been a flawed system since your origin. We have vigorous annual on-site audits each year from our Accreditation body, and our auditors observe our FSC inventory recording system, and our outputs. We have never received a corrective action claiming anything related to false claims, our corrective actions usually include typos from our accounting department forgetting that the verbiage is "FSC Mix" and not "Mixed". According to page 6 of the discussion paper: "The verification of FSC transactions between buyer and seller is not currently a requirement in the FSC CoC standard". So checking invoices from my vendors, auditing my inventory, and monitoring our outputs doesn't verify a transaction? If the FSC has been concerned about false FSC claims for years, why were the accreditation bodies always so interested and strict with minor violations, yet would be completely oblivious</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>the potential for much greater misuse as you are claiming. Also, proposal "A" installs the OCP, yet waives any on site audit requirements? Yes, I would like to reduce the amount of money I pay my certification agency for travel and auditing, but not requiring on site audits? Seems like you are fixing one potential problem and opening it up to much more abuse.</p> <p>During my last on-site audit, my auditor stated FSC was enduring a standards audit from ANSI, and I'm assuming that this current proposal is in response to their findings. Had this not been brought up during previous standards audits? Why hadn't FSC themselves realized this risk prior and acted accordingly? I feel as though the knee-jerk reaction now will only hurt the FSC image and brand in the marketplace.</p> <p>My one main suggestion for FSC after reading this proposal would be to create some sort of relief for companies that buy strictly domestic lumber. Your proposal states multiple times that regions in the Amazon Basin, Central Africa, and Southeast Asia are the main areas that account for illegal logging in the world. Why should Unalam and our domestic suppliers who have been following US and international laws for decades be punished? There are only 2 mills in the entire US that are even certified to sell me FSC Southern Yellow Pine. Several of our western Douglas Fir suppliers in the past have dropped certifying because of the red tape involved in maintaining certification. Our suppliers are dwindling. If more hurdles are introduced into this system, I fear that our Southern Pine suppliers might drop their certification as well.</p> <p>Although I would love to use an OCP from the standpoint of ease of use, I'm hesitant to believe that FSC can make this database functional and not bug-riddled. Over the past 9 year of being certified, it has been a struggle for FSC to just maintain the info.fsc.org website. In the past I have seen my contact info, product groups and approved species lists updated incorrectly. Once this website is active who do we contact for troubleshooting issues? How responsive will this support be? If there is an error with the claims website, or it is down, what are the alternatives? I also have concerns with the security of the website, and whether or not my competitors will be able to view my transactions. Confidentiality is a huge concern for us.</p> <p>Another main point this proposal is seeking to address is the problem in which entities are selling FSC certified material without a valid certificate. We sell directly to contractors in most cases, many of whom are not FSC certified or are even vaguely familiar with Chain of Custody standards. Why isn't the USGBC monitoring this? Why are they not checking the validity of claims. I see contractors trying to increase their LEED points by falsely claiming local wood sourcing. Why is the USGBC not cracking down on this? We have also lost large jobs that were spec'd as requiring FSC lumber to competitors who were not Chain of Custody certified. Why is this not being looked into? Why are contractors exempt from being required to have COC certification?</p> <p>Many of your options state that with these new proposals a sampling of 30 FSC transactions will need to be verified by a certification body each year. Just for some perspective, during all</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>of 2015 my company purchased 3 loads of FSC lumber. So under these new options, my company would be gone through with a fine tooth comb, while other much larger organizations who would be able to falsify claims on a widely larger basis would be limited to a sample of 30 transactions. Seems like you are going after the wrong stakeholders.</p> <p>In summation, I like the "idea" of an online claims platform, but I am hesitant to say any transition to this will go smoothly and I believe there are other issues that FSC needs to address as well.</p>	
Chart, page 14	<ul style="list-style-type: none"> The chart on page 14 states that the current system (F) does not have a manner of confirming the validity of suppliers' certificate scope in real time. Is the info.fsc.org website not current? Why does my auditor constantly remind me that I need to check this database before every purchase if you are saying the data isn't current. 	
Option B	<ul style="list-style-type: none"> Option B would add significant costs to our organization. Our accreditation body is located in the Northeast, while all of our lumber suppliers are located either in the Southern US or the Pacific Northwest. Travel expenses to audit these locations would put us at a competitive disadvantage 	
General	<ul style="list-style-type: none"> I see that the OCP website is already out of Beta. Will there be no additional testing before the platform actually goes live? 	
General	<ul style="list-style-type: none"> Not really for FSC, but my Accreditation Agency sent me this proposal for comments on 10/22/15 and comments were due 10/31/15. Why wasn't this proposal sent on 9/1/15 when it was first released? 	
Outsourcing	<ul style="list-style-type: none"> How does this pertain to outsourcing? I get lumber treated at Non-FSC facilities that I have an outsourcing agreement with. Will these transactions be entered into the OCP? 	
Fiber Testing	<ul style="list-style-type: none"> Fiber testing for the Southern Yellow Pine and Douglas Fir that I purchase seems like an unneeded expense. The properties of the glue we use to manufacture beams precludes us from substituting with other species. We are building large engineered structure, and our structures would fail if other species were used. 	
OCP	<p>My main concern in respect of the CoC revision is that the use of the OCP becomes mandatory. I do not believe that FSC will have a credible chain of custody system without it and the organisation has invested very heavily to develop it.</p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Having worked on the CW revision for 4 years traceability is absolutely critical. For CoC it is hard to think of a better and more effective tool regards	
1.7	Introduces (yet again) the thoroughly discredited concept of “Transaction Verification” and (yet again) attempts to require implementation of the ill-considered Online Claims Platform.	Abandon the OCP in favor of Option B (or perhaps C) in TV discussion paper.
1.7	Please see detailed commentary and recommendations published here: http://mxwood.com/transaction-verification-glimmer-hope/	
Entire verification problem	<p>We generally appreciate the idea of a risk based approach, but the determination of risks should not be limited to the quantity of samples but comply with the individually necessary verification procedure. According to this idea certain circumstances might lead to what is presented with Option F: no transaction verification. We still strongly disagree with the idea of the classical OCP database (Option E), as even a risk-based reduction of claims would not solve the serious data security problems.</p> <p>The other options FSC has provided with the discussion paper unfortunately are very complicated and e.g. auditing requirements are so high that they are not realistic at all.</p> <p>But if FSC has, as it is claimed in chapter 2 of the discussion paper, so many “Whistle Blower”, these good authorities are a perfect argument against “expensive assessment of the whole CoC” and pro “checking in case of concrete evidence”.</p> <p>Moreover, it is important to highlight that several problems are caused by Organizations having no CoC certificate. Transaction verification has no role to touch this problem. And transaction verification will not help either to “catch these errors (...) especially if purposeful fraud is taken place” (see wording in chapter 1 “Background” of discussion paper) – even if the method chosen was OCP.</p> <p>Besides, we have asked from FSC more exact information and source of information related to errors and false claims within FSC, but FSC has not been able to provide that until today. From the certificate holders' point of view it looks like FSC is not ready to show the real problems and their locations but is ready to - again - increase the costs of all certificate holders around the world - especially those who are following the CoC standard very carefully. We hereby ask FSC to evaluate how these false claims can be reduced efficiently without increasing the bureaucracy and costs to certificate holders. The certificate holders' costs cannot simply be increased any more.</p>	
General	We still reject any kind of OCP.	
General	We still reject any kind of OCP.	
General; Options B and F	<p>This statement expresses the wide spread concerns and a formal point of view of a majority of the bodies representing the trade and manufacturing sector of FSC-certified wood products regarding the introduction of the Transaction Verification (TR) in the revised FSC CoC Standard, FSC STD 40-004 V3-0 D2-0.</p> <p>The opinion in this statement is based on formal information on the Transaction Verification</p>	<p>We however understand that FSC International has to take serious measures to assure its credibility. Therefor we suggest that FSC International invests in a robust project where ASI investigates some of</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>provided by FSC in general, discussions of FSC certificate holders with representatives of FSC in the Netherlands, discussions within several boards within the sector and discussions with individual member companies about the implications of the implementation of the Transaction Verification and proposed alternatives to strengthen and streamline the FSC Chain-of-Custody.</p> <p>This statement focuses on the main constraints of the Transaction Verification. Detailed information on technical issues can be provided if necessary.</p> <p><i>General statement</i></p> <p>We appreciate the genuine wish of FSC International to strengthen the credibility of the FSC system and the streamlining of the Chain-of-Custody.</p> <p>It is however to our opinion that the responsibility of verification is a core responsibility of FSC as system holder and should not be placed at its certificate holders. The introduction of the proposed Transaction Verification system by FSC places disproportional responsibility with FSC certificate holders which induces extra administrative and financial pressure for the certificate holders. On top of this, the proposed options A to E fail to eliminate or avoid the a) selling or passing of FSC-certified material without a valid certificate, or b) selling or passing of FSC-certified material with incorrect FSC transaction claims, or c) absence of recording, or incorrectly recording of information about a sale of FSC-certified products in a certificate holders' internal accounting system. This because all options are based on subsequent verification and therefore do not provide the intended assurance.</p> <p>As a result of the above, several FSC Certificate holders have already indicated to us and certification bodies that they will strongly reconsider their certificate for economic reasons alone if the TR is coming into effect as proposed.</p>	<p>the supply chains that are currently designated as "suspicious", involving intensive audits, executed by certification bodies currently not involved in FSC auditing, and in that way make possible a thorough analyses based on extensive field data, resulting in an evaluation of the current FSC Chain-of-Custody system and proposed Transaction Verification system. This contrary to present option B, where certificate holders are held billable for the costs made by ASI, instead of FSC. Taking into account the above we therefore strongly oppose to the introduction of the Transaction Verification system in its present form. Unless option B will be based on thorough analyses and evaluation of high risk supply chains, as suggested above, and does not pose unnecessary burden on certificate holders, we plea for option F. We are open for discussion in this matter in order to find an acceptable way to strengthen the credibility of the FSC system and streamline the current FSC Chain-of-Custody.</p> <p>We look forward to your response to this statement.</p>
Options A, D, E	As for the options A, D and E, they again introduce very high extra administrative costs for all certificate holders, due to new investments in staffing and IT-systems.	
Option C	Option C also increases the administrative costs for all FSC certificate holders as it requires extra checks by certification bodies, which is not part of the current contracts between certificate holder and certification body.	
OCP	<p>Further we have to conclude that all other objections expressed earlier in relation to the Online Claims Platform (OCP)* remain in full force and effect.</p> <p><i>* Trade and Industry Statement on the development and implementation of the FSC Online Claims Platform, April 4th, 2014.</i></p>	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Page 7	FSC discussion paper reports that problems involving claims are located in North America, Europe and Asia. Based on it, we highlight that the use of CPI is controversial, once countries where the issue was in fact identified would be less investigated, because have CPI higher than 51 (low risk). The classification through CPI would investigate issues only in Asia, in this case. Other situation is that although Brazil has CPI lower than 50, it has an extremely robust fiscal system which counteracts false transactions.	
Page 9 Option C	<p>Option C is reasonable, however the evaluation of 100% of invoices in unspecified-risk countries is infeasible, in regarding to time and audit costs. In low risk countries, the sample of 30 invoices is irrelevant in case of big companies, for example.</p> <p>The transaction verification by CBs associates supplier audit period with clients audit period too much, what is infeasible. This overdone association could also happen with audit samples of suppliers and clients, what would have to be coordinate. A way of correct those stalemates would be verifying the volume summary: the organization provides the volume summary (clients and suppliers) to its CB, who will confront with the volume summary of other CBs, in a sample basis. In both cases this sampling approach would be proportional to the organization's FSC transaction volume.</p> <p>Problems involving data security would be null in this option, because the relationship between CBs and their clients are protected by confidentiality contracts. In all FSC's history there are no cases of weakness of those contracts in terms of data security.</p>	
Part I Section 1 Clause 1.7	<p>We consider option C the most feasible to transaction verification, however it is necessary to consider some adaptations in sample scheme. These adaptations are explained in the comment about FSC-DIR-40-009.</p> <p>The reasons that lead Brazilian EC to choose option C, are:</p> <ul style="list-style-type: none"> • Option A: The possibility of each organization to choose the more feasible verifying system is illusory, because in the end all companies in a commercial relationship would have to adopt the same system, in other words, the freedom to choose a verification transaction system do not exist. • Option B: ASI do not have technical knowledge about the particularities and complexity of COCs in each country, and because of this, would need national experts in these audits. Additionally, an extra audit would be made. These two factors imply in significantly raise of costs of COC certification. • Option D: Despite this option solve confidentiality issues about client data, it is too much complex and would burden even more the organizations. • Option E: The OCP was born to grant a necessary transparency on COC processes, however there are doubts on how FSC would grant visibility for information without let them lose their confidentiality. That is why the OCP platform is so problematic, because it has lost the reason of its creation. Furthermore, OCP is vulnerable in security terms, due to the volume of data which is kept in only one tool and to the extremely confidential content, intended by market agents. For these reasons, OCP became voluntary, however this character would make consumers verify more than one reference, what could even 	Adopt Option C with the adaptations explained in the comment about FSC-DIR-40-009.

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	<p>compromise the understanding of claims, driving to contradictions, for example</p> <ul style="list-style-type: none"> Option F: It is more than strengthened the need to address this issue, thus, keep the COC system without changes is not an option. 	
1.7	<p>We strongly support any mechanism, which increases the traceability beyond only one certificate holder, to look into traded FSC volumes within the whole chain. All steps in that directions will increase transparency and with that the credibility of FSC certification.</p> <p>Only the uniform implementation of a transaction verification system, like the OCP, will guard against fraud in single-site, multi-site and shared credit accounts.</p> <p>Thus any system wide mandatory is supported.</p>	
1.7	<p>The practical implications of this paragraph have to be considered carefully. Where the OCP is in place this is straight forward but getting access to the records at the supplier is something that will be difficult for the organisation to ensure.</p> <p>Some kind of system needs to be developed.</p>	<p>Workable systems need to be developed before this requirement becomes mandatory or the 40-004 standard has to have a requirement that samples of invoices shall be made available to certified customers on request by this customers' CBs (Provided that the invoices are relevant to the audit).</p>
1.7	<p>Lack of consistent, system wide transaction verification is a serious flaw in the CoC system, which fundamentally undermines the FSC system, as it's a source of deliberately fraudulent claims. Nothing short of a mandatory volume control system, such as the Online Claims Platform, can close this gaping loophole. All of the alternative solutions presented in the 'Transaction Verification discussion paper' are simply insufficient. As a complementary measure the ASI should carry out systematic supply-chain audits, from the forest to the end consumer, in order to check the system for potential discrepancies.</p>	-
1.7	<p>The only viable options are B, C, and F. These options do not pass the ambiguous burden of proof to certificate holders with no idea of the cost that may be incurred. The degree to which system integrity has been compromised is still not at all transparent. This situation was arrived at due to poor control practices in the past.</p> <p>It is not reasonable to ask or expect the economic chamber to solely bear the cost of this program. The FSC system as a whole should bear this cost. We have a strong preference for option B with audits targeted to at risk regions. F remains a valid option because ASI currently has the latitude to conduct supply chain audits and should be doing this.</p>	
Clause 1.7	<p>Introduction of this transaction verification requirement must be practical enough for CHs to implement. All the options currently proposed do not seem practical at all, and we are very much afraid this new requirement is to be a trigger for many Japanese CHs to withdraw from FSC system.</p>	<p>FSC national initiatives should conduct thorough research in each country to decide on the risk of false transaction, rather than depending on CPI.</p> <p>(FSC seems to have conducted some research in some areas in the world, but at least we are not aware that there was one in Japan, and the risk level in Japan does not seem to have been properly defined.)</p> <p>If the risk is evaluated as very low in some countries, CHs in those countries should be exempt from this requirement, or a least very low sampling should be applied.</p>

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
Overall	<p>Our overall impression on the “options for transaction verification” is that everything other than OCP is so impractically difficult to implement that it is like we are forced to choose OCP as the only choice.</p> <p>However, as already indicated in the past, a lot of CHs are very much reluctant to adopt OCP, and if FSC forces CHs to use OCP, a lot of CHs (especially in Japan) will drop out of FSC system.</p> <p>Yet, all the other options proposed here are too impractical for CHs (especially for those in Japan) to accept, and many of them will leave FSC anyway.</p> <p>We understand that FSC needs to minimize the risk of inaccurate or fraudulent certification claims in order to maintain the credibility of FSC system. At the same time, FSC should also understand that too much requirements on CHs may drive them away from the FSC system and it may destroy FSC market in some countries (especially where CPI is not low and where market recognition of FSC is not necessarily high, such as in Japan). Those CHs would feel it is unfair that they would be forced to pay to cover the inaccuracy and fraudulency which they are not directly responsible for.</p>	<p>FSC national initiatives should conduct thorough research in each country to decide on the risk of false transaction, rather than depending on CPI.</p> <p>(FSC seems to have conducted some research in some areas in the world, but at least we are not aware that there was one in Japan, and the risk level in Japan does not seem to have been properly defined.)</p> <p>If the risk is evaluated as very low in some countries, CHs in those countries should be exempt from this requirement, or a least very low sampling should be applied.</p>
3. Proposed options Option C 2 nd paragraph Line 4	Even if an organization itself is located in a country with a CPI of greater than 51 (e.g. Japan) and have a very good control system, only if the organization has a supplier located in a country with a CPI lower than 50, the organization is automatically classified as high risk.	Such automatic classification only based on the CPI should not be employed.
3. Proposed options Option C 3 rd paragraph	If an organization has an unspecified-risk supplier, 100% of FSC transaction will be verified by the CB, which means, if the organization has hundreds and thousands of FSC transactions, all of those hundreds and thousands of FSC transactions must be verified by the CB. That is impractical.	
3. Proposed options Option C 4 th paragraph	<p>Sampling of 30 FSC transactions are very big for low risk organizations.</p> <p>This would require much longer audit duration, and would surely motivate CHs to withdraw from FSC.</p>	
4. How are CB going to audit Option C 1 st paragraph	<p>Sampling size would be from 30 cases (for low-risk organization) to hundreds and thousands (if unspecified-risk supplier is identified) per CH. And CB will need to contact all the suppliers’ CBs worldwide in order to verify all of these invoices sampled. If we have 700 CHs, we will have as many invoices as 700 times 30 to hundreds and thousands to verify.</p> <p>Besides, we will receive contacts from many other CBs for the invoices that they are to verify.</p> <p>How much time do CBs need to spend just on verifying transactions?</p> <p>This is simply impractical.</p>	
5. Comparison matrix 7 th question “Direct cost to CHs”	<p>In case of Option B, would ASI directly ask CHs to pay? Probably not. CBs would probably be asked to invoice CHs, but it would be extremely difficult to convince them they are responsible for the costs.</p> <p>In case of Option C, CBs would need to ask for greatly increased audit fees, and CHs would be very unlikely to accept it.</p>	
1.7	Currently too open ended, and un-clear, with supporting documentation being consulted separately. Unclear what an “output claim” is and whether this is simply an invoice, or another document. Emphasise to FSC, that if a company is making any false claims on their invoices, then this is fraud and a legal issue.	

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
	Concerned that this clause will be used to make OCP compulsory.	
1.7 and NOTE FOR STAKEHOLDERS	Point 1.7. is accepted if companies have the possibility to use cost effective ways to carry out the transaction verification following a risk-based approach.	
General	There continues to be a lack of clear analysis has to the precise size of the problem which TV is trying to fix. Much could be achieved by simply requiring CB's to share with other CB's, audit findings and other limited information within a supply chain – this would easily identify any gross fraud regarding claims.	
General	The options are not yet enough elaborated on in order to be acceptable to the industry. For example, option B seems to be an option fit to address basic problem on false claims: Finding out, where fraud is really taking place, without turning FSC certification more burdensome for honest users of the system. But it would have to be noted that additional costs for ASI should be covered by convicted violators of FSC claims.	
General	The general ideal of a risk based approach is welcome but Confor believes that lacks a proposal for the overall risk assessment to determine the way to comply with article 1.7 of the standard. Companies should have the flexibility to use the appropriate option or combination of options adapted to its circumstances and risk level. Companies should be able to assess their risk level.	
General	Additional risk criteria should include region, sector and previous track record on correctness of claims	
General	A mandatory or quasi mandatory introduction of OCP or systems with the same drawbacks in terms of data security and confidentiality is not accepted in the UK industry. By encouraging major end users to adopt OCP this will force small companies in the supply chain to also use OCP regardless of risk or cost.	
General	OCP has not yet been fully trialled – uploading into the system is relatively straghtgorward – it is much more difficult to verify data in the system uploaded by a customer against invoices submitted. I am unaware that this has been trialled at any scale or in a “live” situation.	
1.7	Very serious problems that have been identified in the current CoC system, which undermine the credibility of FSC as a whole. It is not an option to continue to allow the major verification gaps in the system to persist. The only measure contemplated to date that will effectively address these problems is the Online Claims Platform. Use of the OCP must be made mandatory for all CoC certified organisations. We request that this be reflected in the new standards.	Make OCP a mandatory requirement
1.7	Very serious problems that have been identified in the current CoC system, which undermine the credibility of FSC as a whole. It is not an option to continue to allow the major verification gaps in the system to persist. The only measure contemplated to date that will effectively address these problems is the Online Claims Platform. Use of the OCP must be made mandatory for all CoC certified organisations. We request that this be reflected in the new standards.	Make OCP a mandatory requirement

Reference	Comment (Justification / rationale for change)	Proposed change (additions, modifications, deletions)
1.7	The fundamental purpose of the FSC CoC system is to provide credible assurance that products carrying the FSC logo, actually originate from FSC certified forests or consist of wood that can be classified as reclaimed or controlled wood. The gaps identified by the FSC in the CoC system, making it impossible to prevent inaccurate and fraudulent claims, constitute a serious risk to the credibility and integrity of the FSC system, as the CoC system clearly fails to deliver on it's most basic function. In the light of these conclusions, one of the primary purposes of the revision of the CoC standard must be to re-establish a strong and credible CoC system. Of the potential solutions presented in the Transaction Verification Advice note, we believe that the OCP is the only measure that will effectively close the gaps in the CoC system. We would therefore like to see it made mandatory for all CoC certified organisations to use the OCP.	
1.7	Very serious problems that have been identified in the current CoC system, which undermine the credibility of FSC as a whole. It is not an option to continue to allow the major verification gaps in the system to persist. The only measure contemplated to date that will effectively address these problems is the Online Claims Platform. Use of the OCP must be made mandatory for all CoC certified organisations. We request that this be reflected in the new standards.	Make OCP a mandatory requirement
1.7	We strongly support any mechanism, which increases the traceability beyond only one certificate holder, to look into traded FSC volumes within the whole chain. All steps in that directions will increase transparency and with that the credibility of FSC certification. Only the uniform implementation of a transaction verification system, like the OCP, will guard against fraud in single-site, multi-site and shared credit accounts. Thus any system wide mandatory is supported.	