

## PSU Derogation

<b>Code</b>	FSC-DER-2020-012
<b>Requirements</b>	FSC-STD-20-007 V3-0 Clause 5.4.2 FSC-STD-30-005 V1-1 Clause 3.4 FSC-DER-2020-001
<b>Rationale</b>	<p>Considering the extended duration of novel coronavirus (COVID-19) that prevents many certification bodies (CBs) from conducting physical on-site audits for forest management evaluations, FSC has developed a 'hybrid audit' approach that integrates remote audits with on-site inspections.</p> <p>This temporary model is designed to maintain the integrity of the evaluation while avoiding a deadlock in the (re-) issuance, maintenance and transfer of Forest Management certificates.</p>
<b>Terms and definitions</b>	<p><b>Hybrid audit:</b> Combination of a remote desk audit and an on-site inspection.</p> <p><b>Audit team:</b> is made up of one or more auditors, one of whom is appointed to be the audit team leader. When necessary, audit teams are also supported by technical experts and/or further personnel (e.g. interpreter), who assist auditors but do not themselves act as auditors.</p> <p><b>Audit team leader:</b> an auditor who is competent to lead the audit and the audit team.</p> <p><b>Technical expert:</b> a person supporting an audit team by providing specific knowledge or expertise about a specific sector, content, process or activity being audited. The person does not act as auditor.</p>
<b>PSU conclusion</b>	<p><b>Scenarios for applying this derogation:</b></p> <p>This derogation, in combination with FSC-DER-2020-001, may be applied to forest management pre-, main, surveillance, re-evaluation, change of scope and certificate transfer audits in situations where:</p> <ul style="list-style-type: none"> <li>– the CB assesses there is a demonstrated health risk involved in implementing an on-site audit;</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>– auditors are prevented from conducting an on-site audit due to travel restrictions.</li> </ul> <p><b>Preconditions for conducting hybrid audits:</b></p> <ol style="list-style-type: none"> <li>1. CBs shall have a documented policy, procedure, or both, outlining the process to be implemented in case an evaluation is affected by the novel coronavirus (COVID-19) pandemic. This shall include:             <ol style="list-style-type: none"> <li>a) A method for assessing whether an on-site audit can be replaced with a hybrid audit, including a risk assessment, <i>and</i></li> <li>b) A description of the hybrid audit methods, including safeguards for risk mitigation to be applied, <i>and</i></li> <li>c) A process to implement the reporting and record keeping requirements of this derogation.</li> </ol> </li> </ol>

2. CBs and The Organization shall:
  - a) have the technical and operational capacity to conduct hybrid audits, *and*
  - b) agree on a secure and confidential data transmission, *and*
  - c) ensure the availability of key staff on the ground.
  
3. Technical expert(s) on the ground shall\*:
  - a) Have demonstrated experience and qualifications covering all social, environmental and economic aspects that are required in the respective audit (see: FSC-STD-20-001 V4-0 EN Box 2: Key considerations for selection of audit team members for forest management audits), *and*
  - b) Have participated in at least three on-site FM audits before, OR have participated in at least one on-site FM audit and have completed and passed an FSC FM auditor training course, *and*
  - c) Be able to work independently, *and*
  - d) Have access and sufficient technical skills to utilize required technology, incl. video capabilities to share field observations.
  
4. CBs shall demonstrate that the full scope of the audit can be covered with the hybrid audit approach, and that it is possible to evaluate The Organization's conformity with adequate assurance.
  
5. CBs shall utilize information and communication technology (ICT) to evaluate The Organization and guide the audit team member(s) on the ground. A check-in/briefing/exchange between the remote audit team member(s) and the on-site team member(s) shall be conducted before, during and at end of the audit.
  
6. Hybrid audits shall be conducted on the basis of:
  - a) A qualified audit team leader leading the audit remotely, *and*
  - b) Technical expert(s) and/or qualified auditor(s) on-site to obtain audit evidence, *and*
  - c) Virtual video meetings between the remote audit team leader and The Organization / on-site team member(s), *and*
  - d) Interviews with relevant managers, employees, contractors and other stakeholders (remotely and / or on-site), *and*
  - e) A review of relevant documents and records (remotely and / or on-site), *and*
  - f) Conducting the opening and closing meeting of the hybrid audit with physical / virtual presence of the full audit team (auditors and local experts) together with relevant staff of The Organization, *and*
  - g) Other best available information.

\* Clause 3 applies in audits where no qualified auditor is joining the on-site component of the hybrid audit.

**Conducting hybrid audits for forest management evaluations**

1. CBs may conduct hybrid audits for forest management evaluations in connection with FSC-DER-2020-001 when:

	<ul style="list-style-type: none"> <li>• This derogation can be applied according to the health and risk scenarios (above), <i>and</i></li> <li>• The preconditions for conducting hybrid audits (above) are fulfilled.</li> </ul> <ol style="list-style-type: none"> <li>2. CBs shall retain documented evidence for each case where this derogation has been applied and document the justification in the audit report.</li> <li>3. CBs shall submit an aggregated quarterly report to FSC on audits conducted according to this derogation, within two (2) weeks of the end of each quarter.</li> </ol>
<b>Scope of derogation</b>	<input checked="" type="checkbox"/> Generic (applicable by all certification bodies and certificate holders) <input type="checkbox"/> Specific (applicable only upon individual request and PSU confirmation)
<b>Approval date</b>	20 November 2020
<b>Period of validity</b>	Until 30 of June 2021, or until withdrawn. FSC monitors the global development of the pandemic of novel coronavirus (COVID-19) and will update or withdraw the derogation in full or in part, as necessary.