



## Enabling procurement claims within the FSC chain of custody system

There are various instances where organizations procure FSC material for their operations or consumption and do not sell that material on as FSC certified but would like to make a claim about their certified purchases. In these cases, there is currently no clear option for such organizations to make claims about the FSC material they have procured and used. This impacts FSC in two ways:

Such organizations are discouraged from certification since the current models for the chain of custody certification only provide options for claiming the output products, and not for the input materials they have procured. The existing FSC normative framework permits two kinds of FSC claims:

A) FSC sales claim: A claim made on sales and delivery documents for FSC-certified or FSC Controlled Wood output products. The FSC claims are: FSC 100%, FSC Mix x%, FSC Recycled x%, FSC Mix Credit, FSC Recycled Credit, and FSC Controlled Wood.

B) FSC promotional claim: A claim that is used to promote the FSC system or FSC-certified product. For example: 'This table is made from FSC-certified wood'.

Such organizations may not prioritize purchases of FSC material over uncertified material since they do not obtain any benefit from procuring such certified material (often at times at a higher cost). This situation applies to both certified and uncertified organizations.

This pilot project will initiate a 2-year process to test the feasibility of procurement claims and their verification under the FSC Chain of Custody standard. FSC Intends to explore the possibility of letting certificate holders make FSC Procurement claims for purchases of FSC products and materials in addition to the existing use of claims on sales and delivery documents.

Organizations can make procurements claims for purchases of FSC raw materials, and semi-finished products for chosen product categories. Procurement claims can also be made for finished products that organizations use for internal consumption, without any external sales.

The data collected from this pilot project will contribute to the revision process of the FSC-STD-40-004 Chain of Custody Certification and FSC-STD-20-011 Chain of Custody Evaluations standards and potentially add new product categories (i.e., energy, smoke etc.) as part of the revision of FSC-STD-40-004a FSC Product Classification.

The current project proposal is for procurement claims for certificate holders. For non-certificate holders/promotional license holders, the Trademark (TMK) program already has provisions for procurement claims for brands and retailers sourcing finished and labelled products. For



finished and unlabeled products, the procurement claims are provided on a 'case-by-case' basis. As required, they will be undertaking the updating to the 'Trademark Use Guide for Promotional License Holders'.

This project is intended to explore new market opportunities for FSC products, as well as increase the uptake of FSC material in existing value chains which do not always have the option to sell FSC material as a product to the final consumers.

FSC International has established the normative requirements for verifying and tracking these claims and ensuring integrity within the FSC system.

### **Timeline for the pilot project**

The expected timelines for the project are as follows:

Call for participants*	November 2021
Evaluation of participants	December 2021
Start of pilot project	January 2022
End of pilot project	November 2023

\*Participants would include certificate holders, organizations not yet certified but who want to join this project and get certified, certification bodies and network partners (ground-level monitoring and liaison with project participants).

### **Monitoring a verification plan for the pilot**

There will be baseline data collection and quarterly monitoring of progress, along with the final report generation at the end of the project. There will further be significant overlaps with the planned revision process for the FSC-STD-40-004 Chain of Custody Certification standard, and the quarterly monitoring is expected to contribute to the revision process deliberations.

The monitoring would look specifically at the impact on the FSC system, in particular:

- i. The impact of increased procurement of FSC materials and FSC products
- ii. How procurement claims are made and verified
- iii. Test the use of FSC trademarks with procurement claims
- iv. The plausible links between sustainable procurement and their resulting environmental, economic, and social benefits.