



Forest Stewardship Council®



# FSC Assurance System Report

(Version 3-0 November 2016)

## VISION

The world's forests meet the social, ecological and economic rights and needs of the present generation without compromising those of future generations.

## MISSION

FSC shall promote environmentally appropriate, socially beneficial and economically viable management of the world's forests.

## 1. Assurance System Structure

The Forest Stewardship Council (FSC) sets standards for forestry operations whose managers want to comply with good management practices, and for producers and traders of forest products who want to source from these suppliers and communicate this to their customers. Two sets of standards have therefore been developed:

- forest management (FM) standards, which set rules for forest operators to comply with responsible forest management requirements
- chain of custody (CoC) standards, which set requirements for the verification of FSC-certified materials and products along the production chain from the forest to the end buyer/consumer.

Companies can hold FM certification, or CoC certification, or both. FSC does not issue certificates itself, but uses independent third party certification – also called assurance – to obtain impartial certification decisions. Independent assurance providers (certification bodies, CBs)<sup>1</sup> carry out annual FM and CoC audits, and issue the FSC certificates.

FSC also defines the procedures that assurance providers must follow in their assurance audits and quality management. The [FSC Accreditation Standard](#) (FSC-STD-20-001) provides the general rules and requirements for the assurance providers. Together with other more specific standards (e.g. for FM evaluations, CoC evaluations, stakeholder consultation, and FM assurance reports), this standard sets the rules and requirements for the FM and CoC audit processes, the duration of certificates, the frequency of audits, requirements for audit of group certification and stakeholder involvement.

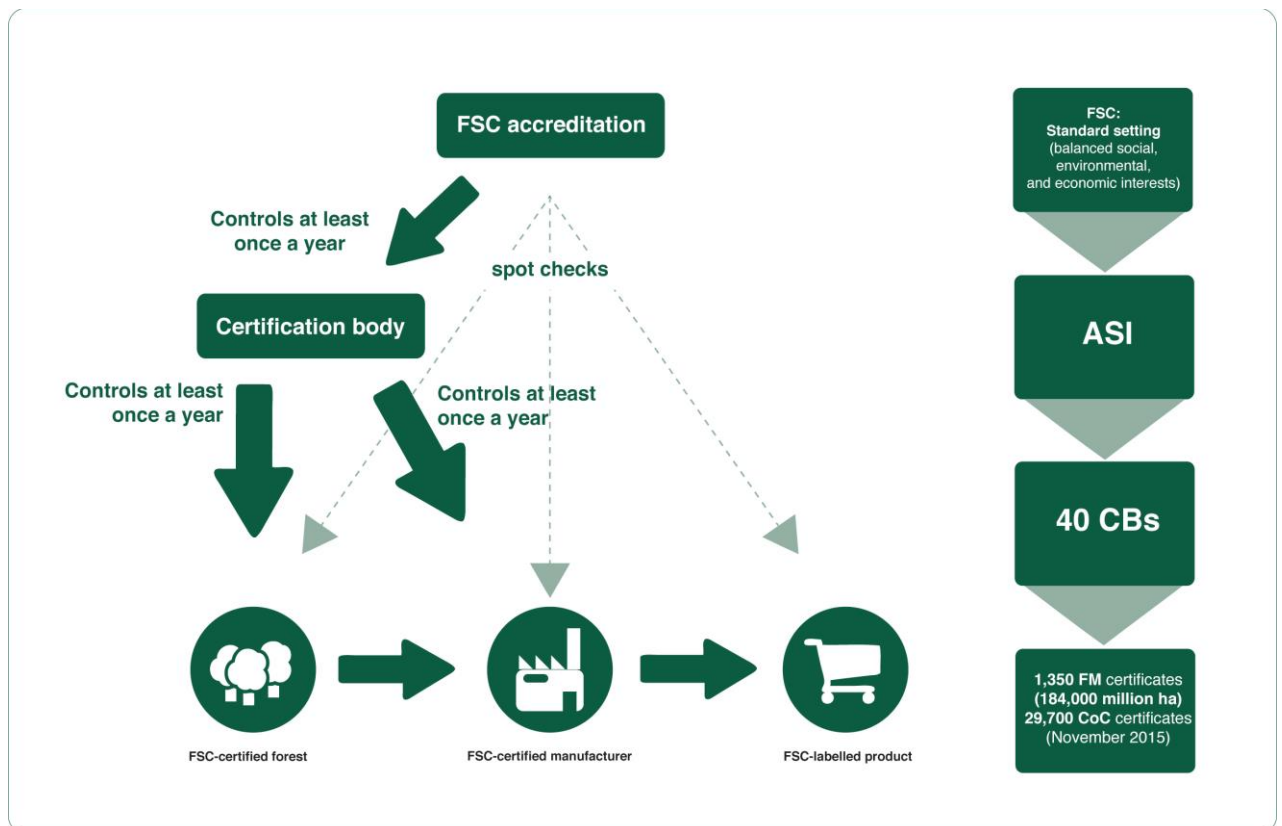


Figure 1: FSC assurance system

<sup>1</sup> In this version of the document the ISEAL terminology is used and the FSC synonyms are provided in between brackets the first time a term is used, while an overview is given in Annex 1.

To ensure that these rules are followed, assurance providers have to be accredited by Accreditation Services International (ASI)<sup>2</sup>. In the same way that assurance providers carry out annual checks on clients (certificate holders, CHs), ASI carries out annual checks on the assurance providers, through office and field audits. ASI has a service agreement with FSC and reports every quarter on its achievements.

## 2. List of Standards that are applied in the Assurance System

FSC has a system of normative documents (policies, standards and procedures) that are applied in FM and CoC assurance processes. This section explains the most important documents for the FSC assurance system, in addition to those mentioned in the previous section.

The *FSC-STD-20-001 FSC Accreditation Standard* sets the rules for assurance providers. The expiring version 3-0 requires conformity with ISO 65. The revised FSC standard (version 4-0) which came into effect in April 2016 with a transition phase of one year, has been delinked from the ISO standard. However all applicable ISO 17065 requirements have been integrated into the revised standard.

Stakeholder engagement is at the heart of FSC, which requires that stakeholder consultation starts in the pre-audit phase of FM certification. Assurance providers have to actively identify and approach stakeholders at least six weeks prior to the start of the main audit site visits to request their views and opinions and make arrangements for a stakeholder meeting during the audit. Additionally, scheduled pre-evaluations and main evaluations of applicants for forest management certification are announced on the [FSC certificate database](#). Additionally, stakeholders can apply to participate as external observers in on-site FSC assurance audits and they have access to the FM audit report summaries via the FSC certificate database (<http://info.fsc.org/>). This is regulated in *FSC-STD-20-006 Stakeholder Consultation for Forest Evaluations* and *FSC-PRO-01-017 Participation of External Observers in On-site FSC Certification Audits and / or ASI Assessments*.

ASI announces all upcoming audits of its accredited assurance providers through a mailing list, [twitter](#) and via the [ASI website](#), and stakeholders are invited to comment on the assurance provider's performance.

The FSC Dispute Resolution System (DRS) is regulated through *FSC-PRO-01-008 Processing Complaints in the FSC Certification Scheme*. It adheres to ISO regulations and gives stakeholders the opportunity to express concerns they may have with certification decisions, the performance of clients or other aspects of the FSC scheme. FSC encourages stakeholders to first try to resolve disputes informally through dialogue, before submitting a complaint or appeal. A key principle of the FSC DRS is that disputes should be addressed at the lowest level possible, meaning between the parties most directly involved in the issue. Only when resolution fails at the lowest level should the next higher level be engaged. This implies that complaints against a client should first be sent to that client. If the complainant is not satisfied by the client's response, the complaint can be elevated and submitted to the assurance provider that issued the certificate. Complaints against an assurance provider or ASI are dealt with accordingly and can be elevated to ASI or FSC, respectively. As a consequence, assurance providers and ASI are required to have their own dispute resolution system and to make this publicly available. The FSC DRS procedures and online submission form are accessible through the [FSC website](#).

FSC has a structured process for the development, review and revision of its normative documents, defined in *FSC-PRO-01-001 The Development and Revision of Normative Documents*, and maintains a five-year review and revision cycle. During the revision of policies, standards and procedures, the following information is taken into account: new or changed legislation or best practices; emerging technologies or scientific knowledge; results of FSC and ASI monitoring and evaluation activities, e.g. implementation problems, competitive advantages or threats; evaluation of change requests; and existing interpretations and advice notes to be incorporated. The revision process of normative documents with social and environmental requirements is conducted by a working group with balanced representation of economic,

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<sup>2</sup> A current list of FSC accredited assurance providers, and respective contact details, is available on the ASI website: <http://www.accreditation-services.com/archives/standards/fsc>

environmental and social stakeholders, and includes a number of stakeholder consultations before the revised document is sent to the FSC Board of Directors for formal approval.

FSC conducts a global market survey every two years, addressing questions to all clients (CHs) which aims to understand their perceptions of FSC ([FSC Global Market Survey](#)). ASI conducts an annual survey with its standard system owners and assurance providers to obtain feedback on its service delivery. The results are used for system improvements and presented on the ASI website ([ASI Client Satisfaction Study](#)).

FSC is currently developing an assurance risk management strategy that will result in annual assurance risk management plans. FSC already uses a large number of risk-mitigating activities: stakeholder engagement in governance, standard setting and audits; public summaries of FM audit reports; a robust dispute resolution system; strict rules for clients wishing to switch assurance provider; no possibility of downgrading non-conformities; normative advice notes or standard interpretations in cases of doubt to ensure consistency among assurance providers; no 'quick fixes' of findings in assurance provider audits, but rather analysis of root-causes and effective corrections for all the assurance provider's clients; trademark protection; and introduction of new technologies, such as fibre testing and earth observation. The assurance risk management strategy and plan are developed using ISO and ISEAL guidance and include consultation of relevant stakeholders groups in surveys (first one held in November 2016) and a task force.

See Annex 2 for a list of normative documents being used in the FSC assurance system.

### 3. Personnel Competence

Two normative documents, the *FSC-STD-20-001 Accreditation Standard* and the new procedure *FSC-PRO-20-004 General Requirements for an FSC Training Programme* specify qualification and training requirements for different categories of assurance providers' personnel. All auditors must have a relevant professional educational background and experience, have successfully completed an IRCA registered *ISO Management Standard Auditor Course* or equivalent *ISO 19011 course*, an FM or CoC auditor training course following FSC's content requirements and have participated as a trainee in at least four audits. The normative requirements also include specifications about auditor trainers and the way initial auditor training is supposed to be implemented. Assurance providers must have a monitoring programme to evaluate their auditors who must be evaluated at least once every three years through a witness audit. Records of performance appraisals have to be available. ASI evaluates and approves training programs developed for FSC auditors provided by assurance providers and external training organisations.

The person(s) of the certification decision-making entity of the assurance provider must be qualified as auditors and have a level of knowledge and experience sufficient to assess the audit processes, the audit report and associated evidence and recommendations made by the audit team.

ASI conducts a number of witness audits of each assurance provider annually. The purpose of these witness audits includes observing the performance of auditors and audit teams. FSC requirements also give specification about the composition of audit teams including technical experts. ASI is considering moving more toward personnel certification, in accordance with ISO 17024, and has introduced an auditor and training registry in cooperation with FSC with support of an ISEAL grant.

To ensure that assurance providers are on top of the latest developments, FSC meets annually with assurance providers to discuss recent changes in the FSC assurance system. This is an opportunity for both sides to provide feedback and share best practice in relation to current and controversial issues. Most assurance providers also regularly organize internal calibration meetings.

### 4. Audit

FSC clients normally undergo the following sequence of audits:

1. Pre-audit (for FM certificates), to check the applicant client's management system and perform a gap analysis and a public consultation.

2. Main audit, including an audit of the management system, site audits, interviews and stakeholder consultation (for FM certificates) and the certification decision. When the certification decision is positive, the certificate is issued for a five-year period.
3. Annual surveillance audits, including desk audits, site visits, interviews and stakeholder consultation (for FM).
4. Re-audit after five years to re-issue the certificate, following the same procedures as the main audit.

The *FSC-STD-20-001 Accreditation Standard* requires that surveillance audits take place at least annually, and may be more frequent depending on risk factors such as: the scale and complexity of the operation; the intensity of resource management; results of risk assessment in the case of group certification; the ecological sensitivity of the resource base; the experience and track record of the client; the number and nature of any non-conformities identified by the assurance provider; and the number and nature of any complaints submitted by stakeholders.

The auditor(s) must have the following expertise and qualifications: audit team leader qualifications, fluency in the language of the area or the corporate language (this can be either a team member or an independent interpreter). Additionally for FM, technical expertise with experience and qualifications in relation to relevant forest management, social, environmental and economic issues, and one team member shall be a resident in the country in which the audit takes place or in a nearby country with similar forest conditions. Additionally for CoC, knowledge of the critical characteristics of the operational processes under audit.

For selecting audit team members, there is a set of criteria that defines the experience auditors must have with respect to FM, social, environmental and economic issues.

Knowledge sharing by assurance providers is not allowed within the audit process, but the assurance provider is allowed to explain its findings or clarify the requirements of normative documents. To ensure impartiality, the assurance provider does not give prescriptive advice or consultancy as part of an audit.

After the audit, the audit team leader writes an audit report providing information about the certificate and describing the situation found. It explicitly lists all observations and non-conformities detected during the audit. For FM certificates, the audit report has to be reviewed by at least one independent peer reviewer. The assurance provider assigns an entity that makes the certification decision based on all information related to the audit, including the audit report and the peer reviewer's comments (in case of FM certificates). A certificate will only be issued, maintained or renewed after the assurance provider has taken the positive formal certification decision, that there are no major non-conformities pending requiring corrective action by the applicant.

The FSC system distinguishes between minor and major non-conformities, defined as follows:

- Minor if: (a) it is a temporary lapse, or (b) it is unusual/non-systematic, or (c) the impacts of the non-conformity are limited in their temporal and spatial scale, and (d) it does not result in a fundamental failure to achieve the objective of the relevant FSC criterion or another applicable certification requirement.
- Major if, either alone or in combination with further nonconformities, it results in, or is likely to result in, a fundamental failure: (a) to achieve the objectives of the relevant FSC Criterion, or (b) in a significant part of the applied management system.

Where nonconformities are observed during an audit, the client is given the opportunity to correct them (via a corrective action request). The deadline for this is within one year for minor non-conformities and three months for major non-conformities. If five or more major non-conformities are observed during the audit, this shall be considered as a total breakdown of the client's system and the certificate will be suspended immediately.

All non-conformities have to be addressed with a corrective action by the client. If the assurance provider decides that non-conformities, whether minor or major, have not been appropriately corrected within the given time, minor non-conformities will be upgraded to majors and major non-conformities will lead to immediate suspension of the certificate. Non-conformities are published in the public summary reports of FM certificates on the *FSC certificate database* (<http://info.fsc.org/>).

FSC has specific requirements for group entities wishing to obtain a group certification. It distinguishes between group requirements and member requirements, has rules for the internal management system and requirements for internal monitoring by the group manager and auditing by the assurance provider, including a sampling method. A distinction is also made between group failure and member failure.

For *small or low-intensity managed forests (SLIMF)* less strict requirements exist.

## 5. Oversight

[Accreditation Services International](#) (ASI) is the only oversight body offering international, third party accreditation for FSC at a global scale. ASI is a full member of the ISEAL Alliance and maintains a quality management system in accordance with ISO/IEC 17011. FSC does not allow for proxy accreditation and the ASI accreditation procedure specifies that ASI will not rely on the results of accreditations issued by other oversight bodies.

ASI's accreditation procedure (*ASI-PRO-20-105*) provides the requirements for assurance providers to become and stay accredited. Applicant assurance providers have to submit specific information about their organization, which is then checked by ASI, and ASI may conduct a preliminary visit. During the initial accreditation audit, the ASI audit team will review the assurance provider's conformity with the FSC accreditation requirements relevant to the scope of accreditation (i.e. FM, CoC), ASI's accreditation requirements and the assurance provider's own procedures. The audit includes an audit of the head office and of a selection of sites, such as affiliate offices or subcontractors, and at least one witness audit per accreditation scope. ASI writes an accreditation report. If major non-conformities have been identified, they have to be closed before the assurance provider can be accredited. The assurance provider will receive a certificate of accreditation with a validity of five years, after which re-accreditation has to be undertaken. After ASI has accredited an assurance provider, it carries out annual surveillance audits. ASI schedules its audits based on risk analyses and applies four different kinds of audit activities: document review / desk studies, (affiliate-) office audits, witness audits and conformity (review) audits.

If so requested by FSC, ASI carries out in-depth studies of its audit findings or on specific issues across all or a number of assurance providers to determine the level of competence and consistency of assurance across the standards system and to identify weaknesses in the normative framework. These studies may be triggered by complaints or criticism from stakeholders concerning certain aspects of the assurance system. ASI can also be requested to provide input to the revision process of a normative document.

## 6. On-going Scrutiny

FSC has a standard that regulates the use of the FSC trademarks on FSC-certified products, the use of trademarks for promotion of FSC-certified products, and for the promotion of a company's status as a FSC client (CH). The assurance provider checks that its clients use the FSC trademark correctly. FSC national offices also carry out market checks for fraudulent products. The FSC legal department responds to tip-offs and complaints about fraudulent products and services. FSC notifies and collaborates with regulatory boards and government agencies where appropriate to resolve cases of fraud.

FSC encourages everyone to report cases of possible fraud and trademark violations via the [FSC website](#). FSC has a brand protection strategy that focuses on prevention of trademark misuse. The *FSC Trademark Protection Handbook* describes the steps that FSC takes in case of fraud and trademark infringement with the goal of resolving fraud through targeted legal action. Assurance providers are responsible for ensuring that mislabelled products do not enter the market. If this still happens, the FSC Trademark Unit will follow up and determine what steps need to be taken to maintain or re-establish the integrity of the FSC system.

## Annex 1. Common synonyms

ISEAL terminology	FSC terminology
Assurance	Certification
Assurance provider	Certification body (CB) ASI: Conformity assessment body (CAB)
Client	(Applicant) Certificate holder (CH), client, organization
Oversight	Accreditation
Oversight body	Accreditation body, i.e. ASI
Standards system	Standards / Certification scheme
Audit	Audit, assessment, evaluation

## Annex 2. List of main normative documents applied in the assurance system

The FSC and ASI normative documents can be downloaded from the FSC and ASI website respectively. The documents listed below are all written in English; most of the FSC documents are also available in Spanish on the Spanish version of the FSC website.

- FSC-STD-01-001 FSC Principles and Criteria for Forest Stewardship
- FSC-STD-01-003 SLIMF eligibility criteria
- FSC-STD-20-001 General Requirements for FSC Accredited Certification Bodies
- FSC-STD-20-006 Stakeholder consultation for forest evaluations
- FSC-STD-20-007 Forest Management Evaluations
- FSC-STD-20-007a FM Evaluations addendum - Forest certification reports
- FSC-STD-20-007b FM Evaluations addendum – Forest certification public summary reports
- FSC-STD-20-011 Chain of Custody Evaluations
- FSC-STD-30-005 Standard for Group entities in Forest Management Groups
- FSC-STD-40-003 Standard for Chain of Custody Certification of Multiple-sites
- FSC-STD-40-004 Standard for Chain of Custody Certification
- FSC-STD-50-001 Requirements for use of the FSC trademarks by Certificate Holders
- FSC-STD-50-002 Non-Certificate Holder promotional Trademark use
- FSC-POL-01-004 Policy for the Association of Organizations with FSC
- FSC-PRO-01-001 The Development and Revision of Normative Documents
- FSC-PRO-01-005 Processing Appeals
- FSC-PRO-01-008 Processing Complaints in FSC Certification Scheme
- FSC-PRO-01-017 Participation of external observers in on-site FSC certification audits and / or ASI assessments
- FSC-PRO-20-003 Transfer of FSC Certificates and License Agreements
- FSC-PRO-20-004 General Requirements for an FSC Training Programme
- FSC-PRO-30-001 Pesticide Derogation Procedure
- ASI-POL-20-100 Quality Manual
- ASI-PRO-20-101 Accreditation
- ASI-PRO-20-103 Appeals Procedure
- ASI-PRO-20-104 Complaints
- ASI-PRO-20-105 Procedure on Surveillance & Sampling
- ASI-PRO-20-106 Assessment Findings
- ASI-PRO-20-111 Witness & Compliance Assessments
- AS-PRO-20-112 FSC Auditor and Training Registry Procedure
- ASI-PRO-20-115 FSC Evaluation and approval of training program
- ASI-INF-20-108 Assessment Schedule