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Foreword

This standard is for companies manufacturing materials and products including sawn wood (e.g. beams, planks); chip and fibre products (e.g. pulp, paper, chip board) assembled products (e.g. furniture, plywood, veneer). The standard can also be applied to companies manufacturing non-timber forest products (e.g. Brazil nuts). It has been developed to allow companies supplying and manufacturing FSC-certified material and products to:

- Control the sourcing of their FSC-certified and reclaimed material;
- Demonstrate to their customers, whether business, government or end consumer, that they operate responsible sourcing policies, and meet FSC requirements for the control of non-FSC certified wood/fibre;
- Use the FSC trademarks on-product to promote their products.

A key objective of this standard is to provide a pathway for companies to both enter the FSC system and/or increase the proportion of FSC certified material to 100%.

Compliance with this standard provides a consistent, international basis for claims about the sourcing of wood/fibre material and products. It thus provides the basis for independent, third party verification suitable for demonstrating compliance with

government or private procurement policies and specifications such as the EU Ecolabel scheme for furniture, or the U.S. Green Building Leadership in Energy and Environmental Design (LEED) rating system.

Compliance with this standard is a prerequisite for the use of any FSC trademarks on-product.

This standard is designed to supersede and subsequently replace the requirements of the current 'FSC policy for percentage-based claims' (May 2000), and the requirements of Part 3.6 of the FSC Accreditation Manual (February 2002).

The standard specifies requirements for chain of custody and labelling for FSC "pure" products; FSC "mixed" products and FSC "recycled" products. It provides the company systems requirements and requirements for eligibility for on-product labelling with FSC's on-product labels. A range of on-product labelling options has been provided. The options enable truth in labelling principles to be met whilst facilitating the expansion and reach of FSC certified products in the marketplace, especially for products from the South.

This standard specifies requirements for combined threshold and volume credit calculations for the labelling of FSC product groups. The FSC threshold system requires a minimum level of FSC content to be achieved in order to label all (100%) of products with the FSC trademarks. The FSC-credit system links the quantity of FSC labelled product to the quantity of FSC-certified material entering the production process but does not require physical separation of FSC-certified from other controlled wood in FSC product groups during processing.

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A Scope

This standard is applicable to all companies supplying and manufacturing materials or products including sawn wood, assembled products and chip and fibre products and who wish to make on-product claims about the FSC status of those products. The standard is applicable from the point at which a company takes legal possession of material inputs until the point of sale.

B Standard effective date

This standard is effective from 1st October 2004. All new FSC chain of custody certification applicants will be evaluated against this standard from 1st January 2006. All FSC chain of custody certificate holders are required to comply with this standard by 1st January 2007.

C References

FSC-STD-01-001 *Forest Stewardship Council Principles and Criteria of Forest Stewardship* (2000).

FSC-STD-40-201 *FSC standard for on-product labelling*

FSC-STD-40-005 *FSC standard for non FSC-certified controlled wood*

FSC STD-30-010 *FSC requirements for forest managers for controlled wood*

ISO standard 14021 *Environmental labels and declarations – self-declared environmental claims (type II environmental labelling)* (1999).

FSC requirements for off-product use of the FSC trademarks by certificate holders

D Terms and Definitions

Terms and definitions are provided in FSC-STD-01-002 *FSC glossary of terms*. Key definitions relating to this standard are provided in Annex 1 and are underlined in the text.

Part 1: Quality system requirements

1. Responsibilities

- 1.1. The company shall appoint one person (or position) as having overall responsibility for the company's compliance with all aspects of this standard.
- 1.2. All key personnel (employees and contractors) shall know and understand their specific responsibilities in order to implement all the requirements of this standard.

2. Scope of chain of custody system

- 2.1. The company shall maintain an FSC product group schedule of all product groups included in the company's FSC chain of custody control system.

Examples of FSC product groups:

1. a line of pine fencing
2. a line of glue laminated lumber
3. a line of western red cedar window frames
4. a line of multiple layer flooring
5. a line of orientated strand board (OSB)
6. a range of paper items made with mixed conifer pulp
7. a single paper item or quality
8. a line of spruce sawn timber

- 2.2. Products within the product group may be manufactured from a mixture of species, however a single product group may not contain distinct product lines which differ in terms of their species composition, quality and/or value.

For example, a product group may consist of a line of garden chairs each of which is manufactured using wood from a mixture of species. However, a product group could *not* consist of a line of garden chairs manufactured from one species, and a second line of garden chairs manufactured from a different species - these would have to be classed as two separate FSC product groups.

- 2.3. The product group schedule shall be kept up-to-date and shall be available upon request.

- 2.4. For each product group the company shall specify whether the product group is:
 - a) FSC-pure
 - b) FSC-mixed
 - c) FSC-recycled
 - 2.5. The company's FSC chain of custody control system (policies, systems, procedures, work instructions, etc.) shall be sufficient to ensure that all products specified on the company's FSC product group schedule meet all of the requirements of this standard at all times.
- 3. Documented procedures**
- 3.1. The company shall have written procedures and/or work instructions to ensure implementation of all the elements specified in this standard.
 - 3.2. The procedures/work instructions shall include identification of the person (or position) responsible for implementing each procedure and/or work instruction.
- 4. Records and reports**
- 4.1. The company shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this standard.
 - 4.2. Retention times for all records and reports shall be specified by the company and shall be at least five (5) years.
- 5. Training**
- 5.1. The company shall specify the training requirements for all staff as required to implement this standard.
 - 5.2. Training shall be provided to all staff as specified.
 - 5.3. The company shall keep records of the training provided to staff in relation to implementation of this standard.

Part 2: Wood sourcing

6. Input specifications

- 6.1. For the purposes of FSC chain of custody control and on-product labelling, the company shall adopt and use the definitions of wood, fibre or other materials (e.g. FSC-pure, FSC-mixed, post-consumer reclaimed wood, etc.) as specified in this standard.
- 6.2. All wood that the company uses in the manufacture of any FSC product group shall be from one or more of the following categories:
 - a) FSC-pure
 - b) FSC-mixed
 - c) post-consumer reclaimed
 - d) other reclaimed
 - e) controlled
- 6.3. All material that it is not clearly identifiable as being in one of the categories specified in 6.2 above shall be considered as uncontrolled material for the purpose of FSC chain of custody control and shall be kept separate.

Specifications for FSC-certified material

- 6.4. The company shall have written specifications for the purchase of all FSC-certified material which shall include the following requirements:
 - a) the company supplying the FSC-certified material shall be in a possession of a valid FSC chain of custody or joint forest management and chain of custody certificate issued by an FSC-accredited certification body¹ ;
 - b) the material to be supplied shall be identified as FSC-pure or FSC-mixed;
 - c) the material to be supplied shall be covered by the scope of the supplying company's FSC chain of custody or joint forest management and chain of custody certificate² ;
 - d) the transport documentation and invoices issued for the FSC-certified material shall quote the supplying company's FSC-certificate number.

1 A complete and up to date list of all valid FSC certificates can be checked at www.fsc.org. The contact details of all FSC-accredited certification bodies are available at www.fscoax.org, and the validity and scope of a particular certificate can be confirmed with the certification body if required.

2 This should be confirmed by the buyer. The possession of a chain of custody certificate does not guarantee that all of a supplying company's products are FSC-certified.

Specifications for reclaimed wood

- 6.5. The company shall have written specifications for the purchase of all reclaimed material which shall include the following requirements:
- a) the material shall be correctly described in accordance with the definitions as specified in this standard;
 - I. categories of reclaimed wood material shall be described in accordance with the definitions of wood material provided in Annex 2;
 - II. categories of reclaimed fibre material shall be described in accordance with the definitions of reclaimed fibre material provided in Annex 3.
 - b) all post-consumer reclaimed material shall be independently verified with respect to its quantity and compliance with the specified definitions, or, if the company is purchasing unverified post-consumer reclaimed material, then the purchasing company shall be able to demonstrate to the certification body that all material claimed to be 'post-consumer' meets the definition of 'post-consumer reclaimed material' used for this standard;
 - c) the shipping documentation and invoices issued for independently verified material shall quote the supplying company's certificate registration code or equivalent proof of independent verification.

Specifications for controlled wood

- 6.6. All non FSC-certified virgin material in FSC product groups shall be controlled in accordance with the requirements set out in FSC-STD-40-005 *company requirements for controlled wood*.
- 6.7. The company shall define, document and implement its own procedures which ensure the implementation of 6.6 above.
- 6.8. Reclaimed material and the co-products of primary processing (e.g. sawdust, offcuts, shavings) are not required to meet the requirements set out in FSC-STD-40-005 *company requirements for controlled wood*.

7. Companies generating reclaimed material on-site

- 7.1. If the company generates material on-site which it wishes to reclaim as raw material for further processing or for sale, the company shall allocate the material to the correct category as:
- a) FSC-pure material
 - b) FSC-mixed material
 - c) post-consumer reclaimed material
 - d) other reclaimed material
 - e) controlled material
 - f) uncontrolled material
- 7.2. The company shall define procedures and/or work instructions for the collection and storage of reclaimed material that is generated on site. The category to which the material belongs shall be clearly identified.
- 7.3. All products from primary and secondary processing derived from FSC-certified raw material are eligible for claims as FSC-pure or FSC-mixed material following the requirements for chain of custody control specified in this standard. If it is not possible to identify FSC-pure material from FSC-mixed material then all the material shall be classified as FSC-mixed material.
- 7.4. If it is not possible to identify and separate post-consumer reclaimed material from other reclaimed controlled material generated on site then all the material shall be classified as other reclaimed material.

8. Companies collecting or trading in post-consumer reclaimed material

- 8.1. Companies trading in post-consumer reclaimed wood for inclusion in FSC-labelled products shall themselves meet all applicable requirements of this standard and shall demonstrate that their suppliers comply with the requirements specified in 8.2 below.
- 8.2. Companies that reclaim wood from consumers/end users shall be able to demonstrate to the certification body that all material claimed to be 'post-consumer' meets the definition of 'post-consumer reclaimed material' used for this standard.
- 8.3. If processing requires that material from different categories is mixed (e.g. post-consumer reclaimed material is mixed with other reclaimed material), or if mixing is required to consolidate material prior to sale³, then the requirements for chain of custody control specified in this standard shall be applied.
- 8.4. If a company processes post-consumer or other reclaimed material prior to resale, the material may maintain its status as post-consumer material or other reclaimed material as applicable.

³ This requirement would apply, for example, to de-inking plants that mix pre- and post-consumer reclaimed material prior to sale

9. Receipt and storage of material

- 9.1. The company shall check on arrival all material that has been supplied as FSC-pure or FSC-mixed material to ensure that it is identifiable as such and is accompanied by shipping documents that include the correct and valid FSC chain of custody or joint forest management and chain of custody certificate number.
- 9.2. The company shall check on arrival all wood that has been supplied as post-consumer reclaimed wood to ensure that it is identifiable as such and is accompanied by shipping documents that include a valid certificate number or equivalent identification as post-consumer reclaimed.
- 9.3. The company shall check on arrival all wood that has been supplied as controlled wood, is identifiable as such.
- 9.4. FSC-pure material which the company wishes to retain the status of FSC-pure shall be clearly identified and/or stored separately from the other material categories⁴.
- 9.5. All material that it is not clearly identifiable as being in one of the categories specified in 6.2 above shall be kept separate from all material used for the manufacture of products in the FSC product group.

⁴ E.g. for the purpose of FSC “Pure” labelling

Part 3: Production control and records

10. Information collection and records

10.1. For each product group, the company shall record the quantity (by volume or weight) of FSC-pure, FSC-mixed, post-consumer reclaimed, other reclaimed and controlled material on a monthly basis:

- a) received as stock for production;
- b) used for the manufacture of each FSC product group; and
- c) sold as FSC-certified (pure or mixed) or FSC recycled.

10.2. The company may reduce the time period to less than a month (e.g. a week) for sporadic or limited orders.

Identification of rolling average FSC material

10.3. The company shall calculate the rolling average of FSC-certified material for each product group. The rolling average shall be calculated from a specified starting date to the date on which a claim is made, up to but not exceeding the length of the FSC claim period.

Example: For a particular product group the FSC claim period is specified at 12 calendar months. The percentage content that may be claimed at any time is the average content from the previous 12 months. If the first claim is made after 3 months, then the percentage content that may be claimed is the average (mean) for the previous 3 months.

10.4. For each product group the company shall produce a monthly⁵ record of the rolling average of the FSC material used in the product group.

Identification of products in a product group

10.5. The company shall specify a number (e.g. a batch number) by which it is possible to identify all products in the FSC product group.

Identification of the FSC claim period

10.6. For each product group the company shall specify an FSC claim period of up to 12 calendar months.

10.7. The company may reduce the time period to less than a month (e.g. a week) for sporadic or limited orders.

⁵ Or other designated time period (see 10.6 above)

Part 4: Requirements for labelling

11. Eligibility for on-product use of the FSC trademarks

- 11.1. Products shall only be eligible for on-product use of the FSC trademarks if:
- a) the company complies with parts 1-3 of this standard, AND
 - b) the product is included in the company's FSC product group schedule.
- 11.2. Companies that comply in addition with the requirements of Parts 4 and 5 of this standard may apply the FSC trademarks to eligible products in accordance with the requirements set out in FSC-STD-40-201 *FSC on-product labelling requirements*.

12. Requirements for FSC-labelling

- 12.1. There are three categories of FSC on-product labels:
- a) FSC-pure label;
 - b) FSC-mixed label;
 - c) FSC-recycled label.

Requirements for labelling with the FSC-pure label

- 12.2. Material or products may be sold as FSC-certified and are eligible for labelling with the FSC-pure label if the rolling average of the material used in the product group from a specified starting date to the date on which a claim is made is 100% FSC-pure.

Requirements for labelling with the FSC-mixed label

For labelling with the FSC-mixed label, companies may employ a threshold or volume credit system for the FSC product group. The FSC threshold system requires a minimum rolling average of FSC-certified material to be achieved in a product group from a specified starting date to the date on which a claim is made in order to label all (100%) of products in the product group with the FSC trademarks. The FSC-credit system links the quantity of FSC labelled product to the quantity of FSC-certified material entering the production process for a product group.

Employing a threshold system

- 12.3. All (100%) of the products in a product group may be sold as FSC-mixed and carry the FSC-mixed label⁶ on-product if:
- a) the rolling average of FSC (pure or mixed) material is at least 70% of the total material (by volume or weight) in the FSC product group from a specified starting date to the date on which a claim is made; or

⁶ For categories of FSC-mixed labels refer to STD-40-201 *FSC on-product labelling requirements*

- b) the rolling average FSC material (pure or mixed) is at least 10% of the total material for the product group from a specified starting date to the date on which a claim is made, and, the rolling average FSC (pure or mixed) material together with the post-consumer material is at least 70% of the total material (by volume or weight) in the product group from a specified starting date to the date on which a claim is made; or
- c) the rolling average post-consumer material is greater than 90% of the total material for the product group from a specified starting date to the date on which a claim is made and all (100%) of the remaining portion is FSC material (pure or mixed). NB. See STD-40-201 *FSC on-product labelling requirements for specific labelling requirements related to this option.*

Note (i): where FSC product groups are labelled using a threshold system and carry between 70-100% FSC material, the minimum percentage information for that product group shall be carried on the accompanying invoice. This information is used by manufacturers further down the chain as a basis for calculating their FSC inputs (See 14.3 below).

Note (ii): the threshold system for labelling with a mixed label will be phased out by 2008. From 1st January 2008, companies will be required to employ an FSC-credit system for labelling or making claims about the FSC material in mixed product groups (see below).

Employing an FSC-credit system

- 12.4. A proportion of products in a product group may be sold as FSC-mixed and carry the FSC-mixed label on-product, on the basis of an FSC-credit system, controlled through the maintenance of an FSC-credit account for the FSC product group from a specified starting date to the date on which a claim is made in accordance with Section 14 below.
- 12.5. A minimum rolling average of 10% FSC material (pure or mixed) shall be maintained for the product group from a specified starting date to the date on which a claim is made in order for any on-product labelling to occur.

Requirements for labelling with the FSC-recycled label

- 12.6. All (100%) of a product group may be sold as FSC-recycled and is eligible for labelling with the FSC-recycled label on-product if all (100 %) of the total wood/wood fibre used in a product group from a specified starting date to the date on which a claim is made, is post-consumer reclaimed.

13. Maintaining the rolling average of FSC material for the product group

- 13.1. The company shall have written procedures and/or work instructions which ensure that if the FSC content in a product group falls below the minimum 10% FSC-requirements for labelling as specified in 12.4 and 12.6 above, then the FSC

trademarks shall not be used *on product* until the rolling average again meets the specified minimum⁷.

- 13.2. The company may not make on-product claims based on future predictions of purchases of FSC material which exceed the rolling average content actually achieved to date.

NOTE: Percentages are calculated as percentages of the total wood and wood fibre in a product group. Non-wood fibre (e.g. straw, cotton, bagasse) shall not count in this total.

14. FSC-credit accounts

- 14.1. For every FSC product group identified, the company shall:

- a) identify the inputs for which FSC-credit will be attributed according to different components;
- b) identify the conversion factor for each individual component.

Entering inputs to an FSC-credit-based account

- 14.2. Each month⁸, for each FSC product group, the company shall record in the FSC-credit account the FSC-input entered for each component of the product group.
- 14.3. The FSC-credit shall be calculated on the basis of the information specified on the invoice for the purchase of the FSC material.
- 14.4. Each month, the company shall, for each component of the FSC product group, record in the FSC-credit account the converted amount. The converted amount is calculated to reflect the transformation of the component.

Withdrawing FSC-credit from the FSC-credit account

- 14.5. The company may use the FSC logo on-product to label products up to but not exceeding the total accumulated credit available in the FSC-credit account for that product group at the end of the preceding month.
- 14.6. The company shall calculate and record the amount of product (volume or weight) sold as FSC during the month, and shall deduct this amount from the total amount available at the end of the preceding month.
- 14.7. The company shall record in the FSC-credit account the invoice reference of the FSC labelled products sold.

⁷ NB. Quantitative claims may be made on invoices or chain of custody documentation for FSC-certified product groups which carry a percentage of FSC pure, mixed or post consumer reclaimed material and for which on product claims are not being made, see Section 16.7 below.

⁸ This may be less than a month for sporadic or limited orders (see Section 10 above)

Deducting 'expired' credit from an FSC-credit account

- 14.8. At the end of each month the company shall deduct from the FSC-credit account any remaining credit that was entered more than 12 months previously.
- 14.9. At the end of each month the total FSC-credit remaining in the FSC-credit account shall be calculated.
- 14.10. The company may not label based on future predictions of purchases of FSC-certified material which exceed the FSC-credit achieved to date.
- 14.11. The company shall have written procedures and or work instructions which ensure that the FSC-credit account shall not be overdrawn.

Note: Some examples of FSC-credit accounts are provided in Annex 4.

15. Approval of labels and claims

- 15.1 The company shall comply with FSC-STD-40-201 *FSC on-product labelling requirements* for all on-product FSC labels and claims.
- 15.2. The company shall seek and receive approval from its FSC-accredited certification body for on-product labels and/or off-product claim that makes use of the FSC trademarks, prior to the labels or material being printed.
- 15.3. The company shall keep all the records of the certification body's approvals.

Part 5: Invoicing, sales and shipping documentation

16. Sales invoices

- 16.1. All invoices issued for sales of products on the FSC product group schedule shall include the following information:
- a) the name and address of the buyer;
 - b) the date on which the invoice was issued;
 - c) description of the product which is the same as the description of the same product on the FSC product group schedule;
 - d) the quantity of the products sold.
 - e) the correct chain of custody certificate registration number issued by the certification body;
 - f) reference to the product's batch and/or to related shipping documentation, sufficient to link the invoice to the goods received by the customer.
- 16.2 In line with the requirements outlined in *FSC requirements for off-product use of the FSC trademarks by certificate holders*, the company shall ensure:
- a) the registration code number on invoices is clearly linked to the certified products;
 - b) when several codes cover different certified products on an invoice, there shall be a clear link between the products and their respective code;
 - c) it is clear which products appearing on the invoice are FSC certified and which are not.
- 16.3. Invoices issued for sales of FSC-pure products shall include the statement "FSC-pure". This shall only be issued on invoices accompanying material sold as FSC-pure.
- 16.4 . Invoices issued for sales of FSC-mixed products containing FSC-certified and/or post consumer reclaimed material based on a **threshold system** shall include the minimum percentage of FSC material claimed for the product group over the labelling period.
- 16.5. Invoices issued for sales of FSC-mixed products containing FSC-certified and/or post-consumer reclaimed material based on an **FSC-credit system** shall include the statement "FSC-credit material". This shall only be issued on invoices accompanying material sold as FSC-credit material.
- 16.6 Companies selling FSC-certified products shall comply with the requirements set out in Section 3 and *FSC requirements for off-product use of the FSC trademarks by certificate holders*.

- 16.7 Quantitative claims may be made on invoices or chain of custody documentation for FSC-certified product groups which carry a percentage of FSC pure, mixed or post consumer reclaimed material and for which on product claims are not being made.
- 16.8 The company shall ensure that the FSC trademarks are not used for the promotion⁹ of products which do not meet the thresholds for labelling outlined in Part 4 of this standard.

17. Shipping documentation

- 17.1. If the FSC-certified products are transported separately to the sales invoice, then the products shall be accompanied by shipping documentation which shall include the following information:
- a) the name and address of the buyer;
 - b) the date on which the invoice was issued;
 - c) a description of the product which is the same as the description of the same product on the FSC product group schedule;
 - d) the quantity of the products included in the shipment;
 - e) reference to the sales invoice for the products delivered, sufficient to link the goods shipped to the specific invoice for the goods.
- 17.2. Shipping documents issued for deliveries of products containing FSC-certified or post-consumer reclaimed material after the issue of the FSC chain of custody certificate shall include:
- a) the correct chain of custody certificate registration number issued by the certification body;
 - b) the percentage of FSC-certified material claimed for the product group, as applicable.

18. Sales records

- 18.1. The company shall make and keep a record of all their buyers of FSC-certified material in the product group schedule and volumes of material sold as FSC-certified material (pure, mixed, recycled). This shall be available to FSC on request.

⁹ e.g. advertisements, publicity, promotion or any off-product claims

Annex 1: Terms and definitions

Assembled product. Products that are constructed from two or more pieces of solid wood and/or chip and fibre components, assembled together to form another product. Examples include furniture, shelving units, musical instruments, plywood, laminated veneer lumber, blockboard.

Areas where traditional or civil rights are violated. Areas where there violation of traditional, customary or civil rights, or of serious extant disputes with indigenous peoples or other social stakeholders, involving confrontation or violence.

Batch. Consignment, lot

Batch number. See FSC batch number.

By-product. Material produced as the unavoidable result of processing, but the production of which is not of itself an objective.

Chain of custody. The path taken by raw materials, processed materials and products, from the forest to the consumer, including all successive stages of processing, transformation, manufacturing and distribution.

Chip and fibre products. All products that use input-wood that has been chipped or defibrillated. Such products include pulp, paper, cardboard, particleboard, fibreboard and orientated strand board (OSB).

Claim period. See FSC claim period.

Controlled wood. Wood or wood fibre which is identified by a company for the exclusion of wood that is harvested from areas where traditional or civil rights are violated; harvested from non FSC-certified forests having high conservation values which are threatened by forest management activities; harvested from genetically modified (GM) trees or wood that has been illegally harvested, in accordance with STD-30-010 *FSC requirements for forest managers for controlled wood*.

Conversion factor. The figure used to calculate the converted amount (weight or volume) or material following transformation. The conversion factor is calculated by dividing the output (volume or weight) by the input (volume or weight) and is applied to each individual component of a product group.

Converted amount. The amount (volume or weight) of an individual component of a volume based account. The converted amount is calculated as a proportion of the volume or weight of the input for that component. This considers the transformation of the product.

Component. Piece, part.

Co-product. Material produced as an intentional and useful result of processing, but the production of which is not the primary objective (see also by-product). A by-product may come to be considered a co-product if a reliable and valued market for the material develops.

De-inked fibre. Fibre which has been processed in a de-inking pulp mill to remove ink and other undesirable materials through mechanical, chemical, washing and/or bleaching processes so that the remaining fibre can be used to make new paper. De-inked fibre may be a mixture of post-consumer or other reclaimed origin.

FSC batch number. The number assigned to a batch, which serves to identify all the products produced within that batch.

FSC-certified. A product, process or service that has been certified by an FSC-accredited certification body as being in compliance with an applicable FSC-endorsed standard.

FSC claim period. The FSC claim period is the time period over which the average FSC content is calculated for the purpose of labelling with the FSC trademarks or for making FSC claims. The maximum FSC claim period is 12 months.

FSC-credit account. A record kept by a company operating a FSC-credit system for labelling or claims which records inputs and withdrawals of FSC-credit for the purpose of labelling FSC-certified products.

FSC-eligible products. Products in FSC product groups that are approved by an FSC-accredited certification body as being covered by the scope of a chain of custody certificate, AND which meet the minimum content requirements for FSC labelling.

FSC-mixed material. Virgin wood or fibre which is linked to FSC-certified material and which is sold as FSC-mixed by the holder of a valid FSC chain of custody or joint forest management and chain of custody certificate.

FSC material. FSC certified wood/fibre. FSC material may include certified non timber forest products such as cork.

FSC product group. A product or group of products specified by a manufacturer, which shares the same set of input materials in approximately the same proportions, and which is identified by a manufacturer for the purpose of FSC chain of custody control and labelling. Examples of product groups include, a particular furniture item (e.g. a desk) made according to a single specification; a range of paper items made with the same paper stock; different dimensions of sawnwood of a single species defined together as a single FSC product group.

FSC product group schedule. The list of all FSC product groups that the company wishes to be included within the scope of its FSC chain of custody certificate.

FSC-pure material. Virgin or fibre wood which originates from an FSC-certified forest and is sold as 'pure material' by the holder of a valid FSC chain of custody or joint forest management and chain of custody certificate.

FSC threshold system. A system for on-product labelling which requires a minimum level of FSC content to be achieved in a product group over the claim period in order to label all (100%) of products with the FSC trademarks.

Genetically modified organism (GMO). Genetically modified organisms: biological organisms which have been induced by various means to consist of genetic structural changes (FSC Principles and Criteria, Feb 2000).

Genetically modified (GM) tree. GMO derived from a tree species¹⁰.

Forests with High Conservation Values. Forests with High Conservation Values are forests that possess one or more of the following attributes: a) forest areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia); and/or large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance b) forest areas that are in or contain rare, threatened or endangered ecosystems c) forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control) d) forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health) and/or critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities).

Industrial by-products/co-products. The by-products or co-products of an industrial process.

Lake/river salvage. Logs/timber that sank to the bottom of a river or lake while being rafted (transported), and were subsequently abandoned.

Mill broke. Paper, paper trimmings or damaged paper arising at any point in the mill and suitable for re-pulping. This includes wet paper removed from the paper machine, faulty paper, and dry paper trimmings from production or on-site sheeting and converting operations.

¹⁰ Clones, hybrids formed by natural processes, or the products of traditional tree breeding, selection, grafting, vegetative propagation or tissue culture are not GMOs, unless produced by GMO techniques (FSC POL-30-602).

Non-industrial salvaged wood. Wood that has been felled for reasons other than obtaining its lumber, or which was felled for its lumber and subsequently lost or abandoned, and which has never been subject to industrial processing. Examples include lake/river salvage, wood from orchard clearance, wood from conversion of agricultural to urban land, wood from road clearance and urban harvested wood. For the purposes of FSC chain of custody control and labelling non-industrial salvaged wood is considered as virgin material

Non-wood fibre. Fibrous materials not consisting of or derived from the wood of trees. e.g. flax used in the manufacture of a board classed as a wood-based panel, or of a composite product. Non-wood fibre (and other non-wood materials such as metals, plastics, fillers, brighteners, etc.) is ignored for the purposes of FSC chain of custody control and labelling.

Off-product. Term applied to all statements, claims, trademarks and such like used to promote products, companies or organisations, but which are not physically attached or applied to a product itself.

On-product. Term applied to any label, packaging or marking attached or applied to a product. Examples of on-product labels or marks include product tags, stencils, heat brands, retail packaging for small loose products (such as pencils), protective packaging and plastic wrap.

Other reclaimed material. Wood and/or wood fibre that is reclaimed from a product, by-product or co-product during or after manufacture which cannot be re-used on-site in the same manufacturing process and which is reclaimed before the product reaches the end-consumer. Other reclaimed wood fibre does *not* include mill-broke, trim and scrap which may be re-used on-site in the same manufacturing process.

Paper products. Products made from paper fibres such as tissue and packaging, as distinct from flat printing paper, office paper or newsprint.

Post-consumer reclaimed material. Wood and/or wood fibre that is reclaimed from a product after that product has been used for its intended end-use purpose by individuals or businesses, and has reached the end of its useful life for that end-use. The category does *not* include over-issue publications, printers' scrap, or other sources which are part of the value-added or retail process.

Primary processing. For the purposes of FSC, primary processing means the sawmilling of logs.

Product. An item collected, manufactured or prepared for sale.

Product group. See FSC product group.

Reclaimed wood/ wood fibre material. Wood or wood fibre material that would have otherwise been disposed of as waste or used for energy recovery, but has instead been collected and reclaimed as a material input, in lieu of new primary material, for reuse, recycling, re-milling or manufacturing process. Sources of wood for reclamation may be pre-consumer (pre-industrial or post-industrial) or post-consumer. For the purposes of this standard reclaimed wood does not include non-industrial salvaged wood.

Recycled material. Material that has been reprocessed from reclaimed material by means of a manufacturing process and incorporated into a final product.

Recycled fibre. Fibre which has been reclaimed from a previous product and reprocessed and incorporated into a new product. Sources of fibre for recycling may be reclaimed post-consumer, reclaimed pre-consumer or other reclaimed material.

Salvaged wood. See non-industrial salvaged wood.

Sawmill co-products. A term used to refer to the by-products of primary wood processing. Wood material consisting of chips, slabs, sawdust and the like produced with the cutting of assembled from the roundwood log and used as materials for industrial processing or other commercial applications.

Sawn wood. Timber section produced by the lengthwise sawing of logs or solid wood of larger dimensions.

Solid wood products. Products that constitute a single, solid piece of wood, such as a log, beam, plank, or wooden spoon.

Threshold system. See FSC threshold system.

Urban harvested wood. Wood from trees grown in an urban setting, For example, whole or parts of which are removed because the tree interferes with urban structures; is at the end of its natural life; poses a safety hazard; or is damaged or diseased.

Unacceptable sources. Wood/fibre which is harvested from areas where traditional or civil rights are violated; harvested from uncertified forest having High Conservation Values where management poses a threat to the High Conservation Values present; harvested from genetically modified (GM) trees; or illegally harvested.

Uncontrolled wood. Wood/fibre which has not been controlled by a company for the exclusion of wood harvested from areas where harvested from areas where traditional or civil rights are violated; wood harvested from non FSC-certified forest having high conservation values; wood harvested from genetically modified (GM) trees; and illegally harvested wood.

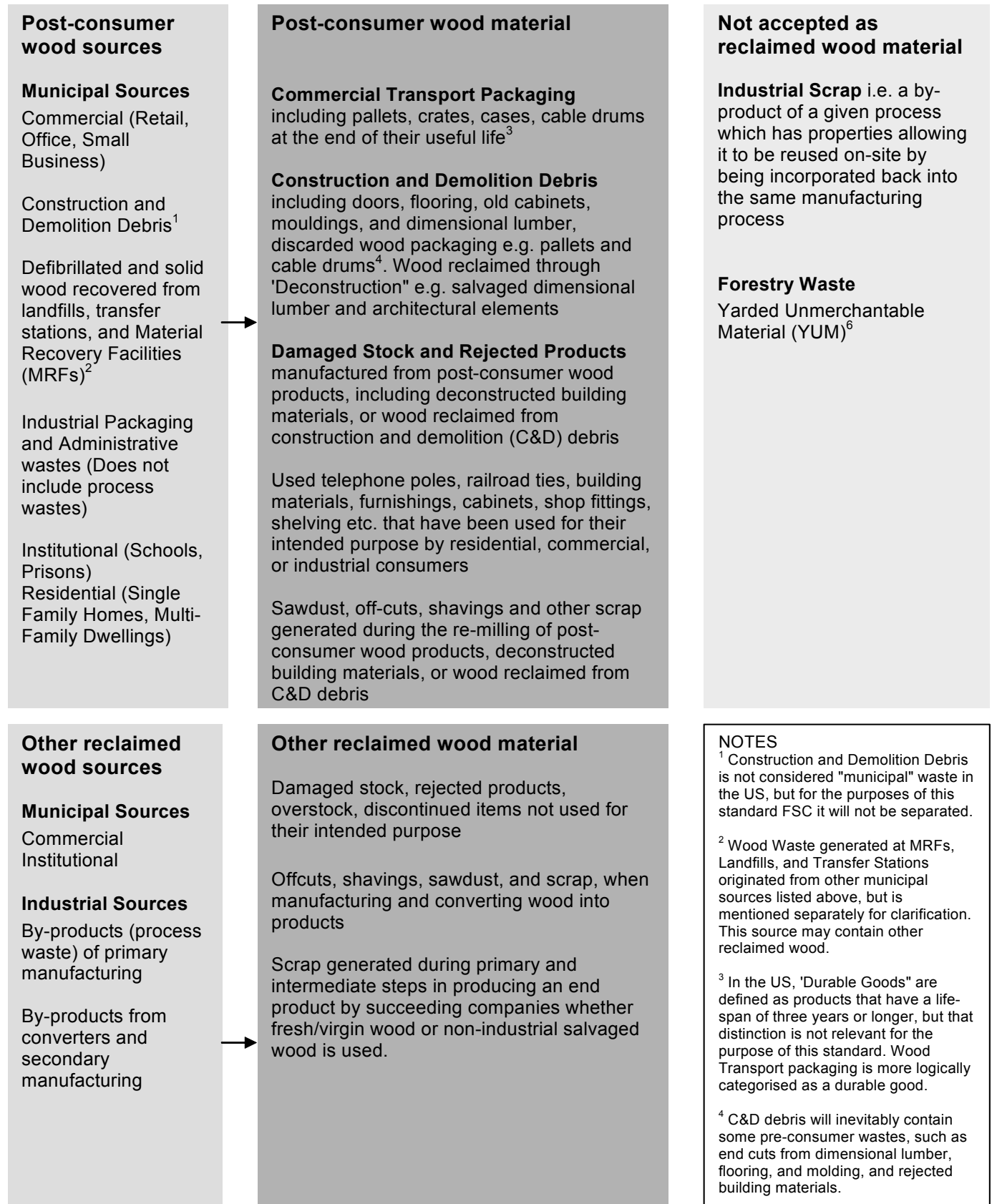
Virgin wood. Wood, whether in the form of roundwood, sawnwood, or industrial co-products or by-products which are traceable to forest sources.

Virgin wood fibre. Fibre from virgin wood.

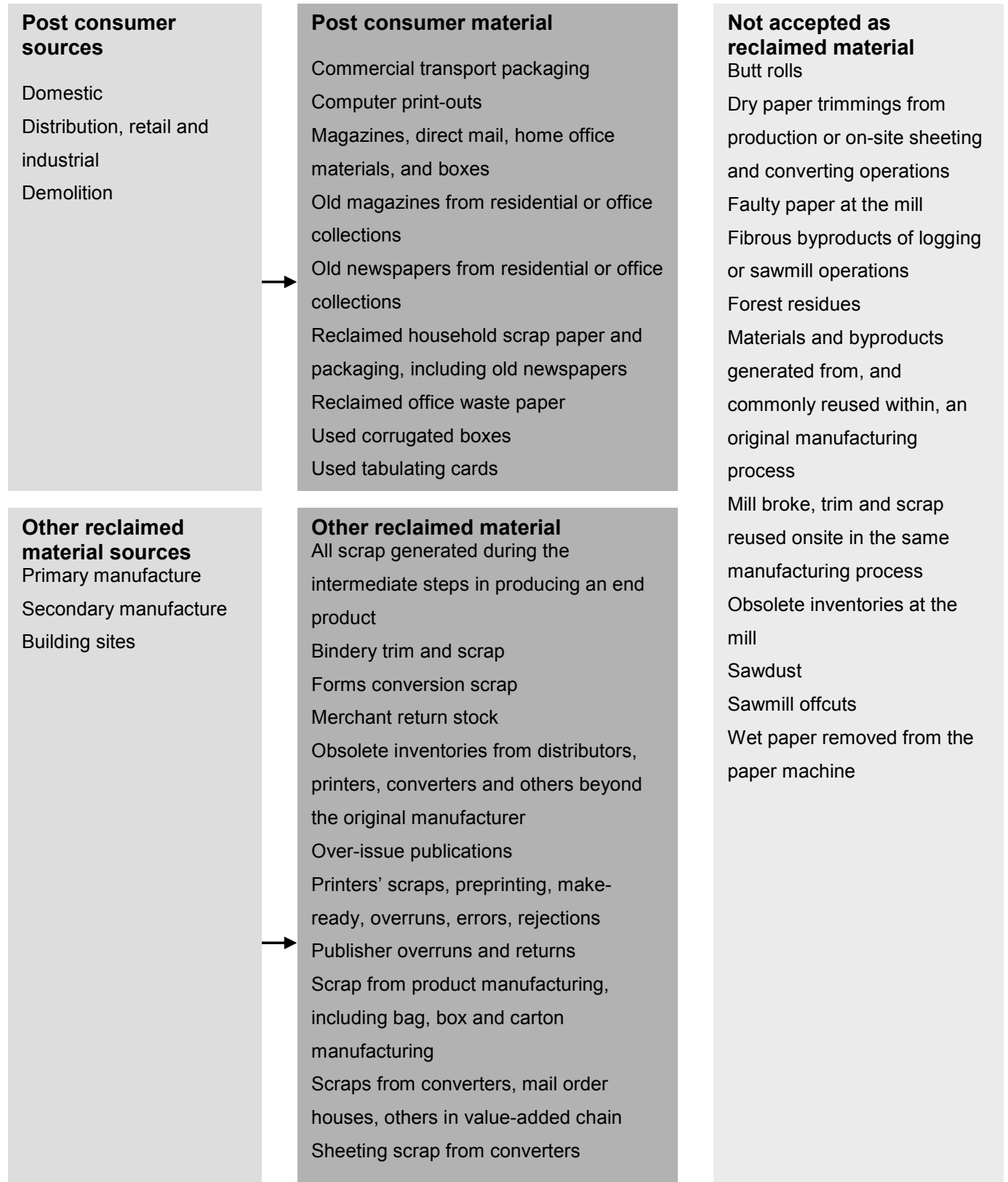
Wood based panel (panelboard). Manufactured panel, board or sheet made primarily from wood particles, wood fibres or veneers whether or not cut to size and whether or not coated or surfaced.

Wood by-product (wood waste from secondary and subsequent processing facilities). Wood material in the form of sawdust, fibrous wood, solid wood off-cuts or composite wood off-cuts resulting from any wood transformation or manufacturing process after primary processing.

Annex 2: Categories of reclaimed wood material



Annex 3: Categories of reclaimed fibre material



Annex 4: Examples of threshold and credit accounts for labelling FSC-certified products

Example 1: FSC-credit account for multiple layer parquet flooring

- Claim period 1 year
- Information retained on a monthly basis

Product Group: Multiple layer parquet flooring										
	FSC Input	Converted amount (c.f. 0.7)	FSC Input	Converted amount (c.f. 0.7)	FSC Input	Converted amount (c.f. 0.9)				
	Pine grade	Pine grade	Spruce grade	Spruce grade	Veneer grade	Veneer grade	Total Credit Entered	Total eligible credit	Total Credit Cancelled	Order #
Jan	10000	7000	13000	9100	5000	4500	20600	20600	0	
Feb	15000	10500	14000	9800	7000	6300	26600	32200	15000	346
March	10000	7000	20000	14000	9000	8100	29100	51300	10000	347
April	17000	11900	17000	11900	4000	3600	27400	68700	10000	348
May	15000	10500	15000	10500	5000	4500	25500	79200	15000	349
June	10000	7000	20000	14000	7000	6300	27300	94500	12000	350
July	15000	10500	15000	10500	6000	5400	26400	100900	20000	351
Aug										
Sept										
Oct										
Nov										
Dec										
Sub total							182900		82000	
Total credit available									100900	

Example 2: FSC-threshold system for softwood fencing

- Claim period 1 year
- Information retained on monthly basis

	Mixed softwood lumber grade	Mixed softwood lumber grade	Percentage FSC/month	Rolling average percentage FSC	Total Output Labelled	Order #
Jan	10000	8000	80	80	100%	345
Feb	8000	7500	93.75	86.875	100%	346
March	5000	5000	100	91.25	100%	347
April	9000	8900	98.88888889	93.15972222	100%	348
May	8000	7000	87.5	92.02777778	100%	349
June	5000	4500	90	91.68981481	100%	350
July	8000	7000	87.5	91.09126984	100%	351
Aug						
Sept						
Oct						
Nov						
Dec						

Example 3: FSC-credit account for multiple layer parquet flooring

- Claim period 1 year
- Information retained on monthly basis

Product Group: Multilayer parquet flooring													
	Input	FSC Portion (70%)	Converted amount (c.f. 0.7)	Input	FSC Portion (100%VC)	Converted amount (c.f. 0.7)	Input	FSC Portion	FSC amount (c.f. 0.9)				
	Pine grade 1	Pine grade 1	Pine grade 1	Pine grade 2	Pine grade 2	Pine grade 2	Veneer	Veneer	Veneer	Total Entered	Total Eligible Credit	Total Cancelled	Order #
Jan	10000	7000	4900	13000	13000	9100	0	0	0	14000	4000	10000	345
Feb	15000	10500	7350	14000	14000	9800	0	0	0	17150	6150	15000	346
March	10000	7000	4900	20000	20000	14000	0	0	0	18900	15050	10000	347
April	17000	11900	8330	17000	17000	11900	0	0	0	20230	15280	20000	348
May	15000	10500	7350	15000	15000	10500	0	0	0	17850	18130	15000	349
June	10000	7000	4900	20000	20000	14000	0	0	0	18900	25030	12000	350
July	15000	10500	7350	15000	15000	10500	0	0	0	17850	22880	20000	351
Aug													
Sept													
Oct													
Nov													
Dec													
Sub total										124880		102000	
Total FSC credit available												22880	

c.f. = conversion figure, VC = volume credit