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FSC PROCEDURE

MINOR COMPONENTS DEROGATION APPLICATIONS

FSC-PRO-40-004 (Version 1-0) EN

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Approved November 2007
Supervisor of FSC Policy and Standards Program

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The Forest Stewardship Council (FSC) is an independent, not for profit, non-government organisation based in Bonn, Germany.

The mission of the Forest Stewardship Council is to support environmentally appropriate, socially beneficial, and economically viable management of the world's forests.

FSC develops, supports and promotes international, national and regional standards in line with its mission; evaluates, accredits and monitors certification bodies which verify the use of FSC standards; provides training and information; and promotes the use of products that carry the FSC logo.

FOREWORD

The FSC Board of Directors had agreed at their 46th meeting in November 2007 that the use of minor components between 1% and 5% of the volume or weight of the virgin and reclaimed materials in an FSC-certified assembled product shall follow clear procedures and mandated the FSC Policy and Standards Program to develop and implement them.

The objective of this procedure is to ensure that uncontrolled material is only included by this amount in minor components of FSC-certified products when there is a clearly demonstrated need and when there are provisions in place to phase out the use of uncontrolled material and replace it by FSC-certified, controlled or reclaimed material accordingly.

This procedure shall further ensure that applications for derogations to FSC requirements for Chain of Custody control and labelling ("FSC-STD-40-004 Version 2: FSC Standard for Chain of Custody Certification") with respect to *minor components* are handled consistently and that the relevant information is always easily available and is used to support the replacement of such uncontrolled materials.

NOTES ON USE OF THIS PROCEDURE

This procedure shall be used in conjunction with "FSC-STD-40-004 Version 2: FSC Standard for Chain of Custody Certification" and refers to clause 13.2.2 of the standard document.

All aspects of this procedure are considered to be normative, including the scope, effective date, references, terms and definitions, and annexes, unless otherwise stated.

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Scope and General

A Scope

This procedure applies to *Chain of Custody operations* and FSC-accredited certification bodies operating on their behalf when applying for the use of uncontrolled material in *minor components* constituting between 1% and 5% of the volume or weight of the *virgin* and *reclaimed materials* in an FSC Pure or FSC Mixed *assembled product* (to be) certified according to “FSC-STD-40-004 Version 2: FSC Standard for Chain of Custody Certification”. It further applies to FSC Policy and Standards Program staff when processing the applications accordingly.

B Status and effective date

B.1 Status

Approved by the Supervisor of the FSC Policy and Standards Program following a corresponding mandate given by the FSC Board of Directors at their 46th meeting in November 2007.

B.2 Effective date

This procedure is applicable from the date of publication by organizations that have obtained or seek certification against “FSC-STD-40-004 Version 2: FSC Standard for Chain of Custody Certification”.

C References

Code	Version	Title
FSC-PRO-40-004a	n/a	FSC approved derogations for the use of uncontrolled material in minor components of FSC-certified assembled products (Addendum to FSC-PRO-40-004)
FSC-STD-40-004	2-0	FSC Standard for Chain of Custody Certification
FSC-STD-40-004a	1-0	FSC Product Classification (Addendum to FSC-STD-40-004)
FSC-STD-40-004b	1-0	FSC Species terminology (Addendum to FSC-STD-40-004)

D Terms and definitions

The definitions for key terms provided in “FSC-STD-40-004 Version 2: FSC Standard for Chain of Custody Certification” apply. In addition, the following terms are used in this document:

Applicant: *Applicant* refers to the *organization* applying for or holding an FSC Chain of Custody certificate that wants to use uncontrolled material for specified *minor components* in products as part of FSC *product groups*.

Derogation: Temporary authorization to use uncontrolled material in minor components of FSC Pure or FSC Mixed assembled products, issued for a maximum period of five years. While the *applicant* may apply for a five-year derogation period for minor components, this decision shall be at the discretion of the FSC Policy and Standards Program.

Minor components: Forest based *components* of an *FSC Pure* or *FSC Mixed assembled product* constituting less than 5% of the weight or volume of the *virgin* and *reclaimed materials* in the product. Minor components can be exempted from the requirements for Chain of Custody control as specified by this standard.

NOTE: Defined terms are put in *italics* in this document.

Without a valid *derogation*, use of uncontrolled material by an *organization* in *minor components* which constitute more than 1% of the volume or weight of the *virgin* and *reclaimed materials* in an *FSC Pure* or *FSC Mixed assembled product* shall prevent the issue of an FSC Chain of Custody certificate or, if the *organization* is an FSC Chain of Custody certificate holder, shall lead to the immediate suspension of the certificate.

1 Submission

- 1.1 *Derogation* applications for the use of uncontrolled *minor components* in FSC assembled products shall be submitted to the FSC Policy and Standards Program by FSC-accredited certification bodies on behalf of organizations applying for or holding an FSC Chain of Custody certificate.

NOTE: A separate application shall be submitted for each *minor component* for which a *derogation* is being sought.

- 1.2 The application shall be submitted in writing and all relevant information shall be provided in English.
- 1.3 The FSC-accredited certification body shall evaluate the *derogation* application to check for its completeness.

NOTE: The certification body shall only submit the *derogation* application to the FSC Policy and Standards Program if considered to be complete. If an application is considered to be incomplete or submitted without appropriate supporting documentation the certification body shall inform the *applicant* what further information is required and request re-submission of the application.

2 Technical specifications

- 2.1 The *applicant* shall provide a description of the product(s) that the *minor component* will be used for. The description shall include:
- product type(s)* according to the FSC product classification (as listed in FSC-STD-40-004a);
 - FSC *product group* (i.e. *FSC Pure* or *FSC Mixed*);

NOTE: Uncontrolled material may only be used in *minor components* as part of *FSC Pure* or *FSC Mixed assembled products*.

- use of FSC label (yes/no).
- 2.2 The *applicant* shall detail technical and functional specifications of the *minor component* in terms of the following aspects:
- common trade name of the *minor component*, if applicable;
 - function of the *minor component* within the product;
 - volume/weight of the *minor component* in total and in relation to the overall volume or weight of the *virgin* and *reclaimed materials* in the product;
 - species used for/in the *minor component*;
 - quality of input materials (grade, sort);
 - dimensions of the *minor component*.
- 2.3 The *applicant* shall provide a photograph or a technical drawing of the *minor component*.

3 Market analysis and material demand

- 3.1 The *applicant* shall carry out an analysis of the relevant market supply of *virgin* and/or *reclaimed materials* suitable for use in the production of the specified *minor component*. This analysis shall cover at least the following aspects:
- available supply in terms of offered quantities;
 - supplier* range and location;
 - material category* (*FSC-certified, controlled and/or reclaimed material*).

NOTE: According to the scale of the *applicant's* business activities this analysis shall consider the locally, regionally, or globally available supply of *FSC-certified, controlled* and/or *reclaimed material* suitable to replace the uncontrolled material used for the *minor component*.

3.2 The *applicant* shall indicate its annual material demand for the *minor component* and demonstrate that this demand cannot be met by quantities of *FSC-certified, controlled* and/or *reclaimed materials* available on the relevant markets.

NOTE: The *applicant* shall explain in particular the reasons why material used for the *minor component* cannot be sourced or assessed as *controlled material*.

4 Undertaken and planned activities

4.1 The *applicant* shall explain its undertaken activities to source materials for the specified *minor component* as *FSC-certified, controlled* and/or *reclaimed material*.

NOTE: The explanation can include activities targeted at the *applicant's* supplier base, market researches through the FSC database of FSC-certified suppliers (<http://www.fsc-info.org>), consultation with an FSC National Initiative, use of consultants, etc.

4.2 The *applicant* shall stipulate an action plan describing the following:

- a) annual targets for the reduction of uncontrolled material used for the specified *minor component*;
- b) activities to be carried out in order to reach the specified annual targets.

5 Monitoring and reporting

5.1 The *applicant* shall prepare annual reports on the progress being made towards the targets set out in the action plan. The annual reports shall be made available to the responsible FSC-accredited certification body and also to the FSC Policy and Standards Program upon request.

NOTE: The *applicant's* progress in implementing the stipulated action plan shall be included in the responsible FSC-accredited certification body's main and surveillance evaluation reports.

6 Evaluation

6.1 The FSC Policy and Standards Program shall have responsibility for assessing *derogation* applications in order to make an informed decision on the request.

NOTE: If an application is considered to be incomplete or is submitted without appropriate supporting documentation, the FSC Policy and Standards Program will inform the certification body responsible for the application what further information is required. It is the responsibility of the certification body to inform the *applicant* accordingly.

6.2 The FSC Policy and Standards Program shall be responsible for evaluating the appropriateness of the *derogation* application and for taking one of the following decisions:

- a) approving the application (with or without conditions);
- b) consulting with technical and market experts in cases of doubt;
- c) requiring further information from the *applicant*; or
- d) rejecting the application.

NOTE: If the application is rejected, the *applicant* may modify the original *derogation* application or provide additional supporting documentation to respond to any issues identified by the FSC Policy and Standards Program, and then resubmit the *derogation* application. In this case the FSC Policy and Standards Program will repeat the steps established in this procedure.

7 Information and dissemination of results

7.1 The FSC Policy and Standards Program shall inform the responsible certification body in writing within four weeks of receiving a *derogation* application about the approval (with or without conditions), request for more time, or disapproval of the application.

NOTE: It is the responsibility of the certification body to inform the *applicant* accordingly.

7.2 The FSC Policy and Standards Program shall send an annual summary of the evaluation results on approved applications to the Policy and Standards Committee of the FSC Board of Directors.

7.3 The FSC Policy and Standards Program shall update “FSC-PRO-40-004a: FSC approved derogations for the use of uncontrolled material for *minor components* in FSC-certified assembled products” according to the approval of new *derogation* applications.

NOTE: Updated versions of FSC-PRO-40-004a will be published on the FSC website.

7.4 The FSC Policy and Standards Program shall be responsible for maintaining a publicly available database including the relevant information for each approved *derogation* application.

8 Extension of a *derogation* for minor components

NOTE: *Derogations* for *minor components* are issued with a maximum time period of five years and the FSC Policy and Standards Program will not normally issue an extension.

- 8.1 The FSC Policy and Standards Program shall only grant an extension of a *derogation* if:
- a) it can be clearly demonstrated that the relevant market supply of *FSC-certified, controlled and/or reclaimed materials* has not significantly increased;
 - b) the *applicant* has fulfilled its planned activities to substitute uncontrolled materials, but without success.
- 8.2 In such cases, FSC-certified *Chain of Custody operations* working under an approved *derogation* and their respective certification body shall make a request for a *derogation* period extension three months before the expiration of the approved *derogation*. The *applicant* may continue to use the *minor component* while the request for extension of the *derogation* is being processed.