

**From:** FSC US Policy and Standards Forum standardsforum@us.fsc.org   
**Subject:** FSC US National Risk Assessment & Controlled Wood Standard Revision (V3-1) Updates  
**Date:** March 24, 2017 at 8:46 AM  
**To:** FSC US Policy and Standards Forum standardsforum@us.fsc.org  
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### **US National Risk Assessment (NRA) Update:**

A draft NRA was submitted to the FSC US Board of Directors in December 2016. The draft was not approved for public consultation by the Board. There is continued concern on behalf of the Board and FSC US staff about striking the right balance between workability for certificate holders and effective risk mitigation. The FSC US Policy & Standards team was asked by the Board to continue to work with our Technical Advisory Group to explore a newly proposed alternative approach to the NRA. A conceptual framework for the alternative approach has been developed and was recently proposed to the Policy & Standards Sub-Committee of the US Board. The comparative impacts of this approach and the original approach are being assessed. We anticipate a formal decision on the approach that will be taken for the US NRA by the end of April. We will share additional details as soon as we are able to do so.

We recognize that this decision to explore an alternative approach has caused additional slippage in the NRA timeline, resulting in additional challenges for certificate holders, but the Board and FSC US staff believe that finding a workable, effective, long-term solution for the NRA is more important.

### **Controlled Wood Standard Revision (V3-1) Update & FSC US Guidance:**

A revised version of the *Requirements for Sourcing FSC Controlled Wood* (FSC-STD-40-005 V3-1) has been approved and published. It may be viewed and downloaded from the FSC International website's Document Center (<https://ic.fsc.org/en/document-center>).

**The new version of the standard replaces V3-0 which was published in December 2015. The majority of the new standard and procedure remains the same, but there are notable changes made to deadlines and terminology.**

The standard was revised in order to: 1) include changes resulting from decisions made by the FSC International Board of Directors in Board Meeting 72 in July 2016; 2) improve alignment with the European Union Timber Regulation (EUTR); and 3) include editorial changes to clarify common misunderstandings and correct typographical/grammatical errors.

The following includes:

- A summary of changes and associated FSC US guidance
- An invitation to a Question & Answer Session being offered by FSC International

## **Summary of Changes Included in V3-1**

*Changes resulting from the FSC Board of Directors' decisions:*

1. Certificate holders now have until 31 December 2017 to transition from V2-1 to V3-1 of the standard.

The original transition period for V2-1 to V3-0 was going to end on June 30, 2017. However, the transition period was extended until December 31, 2017. At the same time, the new version of the standard was introduced (V3-1).

**GUIDANCE:** All certificate holders that have Controlled Wood within the scope of their Chain of Custody certificate are required to be audited to V3-0 or V3-1 prior to December 31, 2017.

- Organizations that have already undergone an audit against V3-0 do not have to be re-evaluated against V3-1 by the end of the transition period (December 31, 2017). They just need to follow their regular audit cycle and be audited against V3-1 in their next scheduled annual audit.
  - Organizations that have not yet undergone an audit against V3-0 have two options:
    - A. They may be audited directly against V3-1, without undergoing an interim audit against V3-0 [**NOTE:** this will require communication with the auditor to ensure that the auditor will be prepared for a V3-1 evaluation.]  
OR
    - B. They may be audited against V3-0 until June 30, 2017, and then undergo the transition to V3-1 at their next regularly scheduled annual audit.
2. Company-conducted risk assessments (now called “company risk assessments” and “extended company risk assessments”) will continue to be valid after December 31, 2017 in countries where Centralized National Risk Assessments (CNRA)/ National Risk Assessments (NRA) are in development, but not yet complete.

**GUIDANCE:** For organizations that have transferred to V3-0 or V3-1, the company risk assessment shall be conducted in accordance with FSC-STD-40-005 Annex A. Organizations are still required to adopt approved FSC risk assessments (CNRA/NRA) within 6 months of the date of their approval by FSC International (Clause 3.2 of FSC-STD-40-005 V3-1).
  3. The FSC risk assessment process (which allows simplified risk assessments to continue) may be scheduled with FSC International until December 31, 2017.

**GUIDANCE:** This change is not applicable to organizations sourcing controlled materials from the US as our NRA process was scheduled a number of years ago and is already underway.
  4. Where national risk assessment (NRA) processes are under way, organizations may use NRA categories agreed upon by national consensus.

**GUIDANCE:** V3-1 allows individual categories of an NRA to be used, even if the

entire NRA has not yet been approved and published. However, the NRA must be in the final stages of approval before this is possible (i.e., it must have gone through a public consultation and have been re-submitted to FSC International for approval).

5. Organizations may use approved categories of centralized national risk assessments (CNRAs) as they are approved, rather than waiting for all categories to be approved.  
**GUIDANCE:** CNRAs for Categories 1 and 5 have been approved for the US. Certificate holders sourcing Controlled Wood from the US may begin to use these immediately, but are not required to do so. These CNRAs will not be required until they have been incorporated into an approved and published US National Risk Assessment. The approved CNRA document is available from the FSC US web site (<https://us.fsc.org/en-us/certification/controlled-wood> ).
6. Old national risk assessments ('old NRAs') remain valid until December 31, 2018.  
**GUIDANCE:** This change is not applicable to organizations sourcing controlled materials from the US as there are no 'old NRAs' in the US.
7. A method has been introduced to comply with the European Union Timber Regulation (EUTR) when using 'old NRAs'.  
**GUIDANCE:** This change is not applicable to organizations sourcing controlled materials from the US as there are no 'old NRAs' in the US.

*Editorial changes in the new revision include:*

- The term "simplified risk assessment" is now "company risk assessment" (CRA).
- The term "extended risk assessment" is now "extended company risk assessment" (ECRA).
- Additional footnotes have been added to clarify common misunderstandings ("origin at the FMU level", "list of sub-suppliers", etc.)
- Various typographical and grammatical errors have been corrected, and word-choice changes have been made.

### **Question & Answer Session**

FSC International will host a question and answer (Q & A) session on March 30, 2017 at 4:00 AM (CDT) and again at 11:00 AM (CDT), to respond to questions from all stakeholders on the changes introduced by version 3-1 of FSC-STD-40-005 Requirement for Sourcing Controlled Wood.

Before attending the Q & A session, please listen to the V3-1 webinar recording available on the controlled wood [web page](#) in the "Currently available training material" section. This recording is from a webinar that was offered to FSC Network staff and Certification Bodies earlier in March.

[>>Register for March 30 Q&A <<](#)

You will receive a confirmation of registration via email.

For questions that require answers prior to the Question & Answer Session, please contact Amy Clark Eagle at FSC US ([a.eagle@us.fsc.org](mailto:a.eagle@us.fsc.org)) or Miranda Lin at FSC International ([m.lin@fsc.org](mailto:m.lin@fsc.org))

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Thanks,  
FSC US Policy & Standards Forum

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