



Forest Stewardship Council

FSC PROCEDURE

MINOR COMPONENTS DEROGATION APPLICATIONS AND EVALUATIONS

FSC-PRO-40-004 (Version 2-1) EN

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MINOR COMPONENTS DEROGATION APPLICATIONS

FSC-PRO-40-004 (V2-1) EN

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Head of the FSC Policy and Standards Unit (PSU)

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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 Unit to develop and implement them.

The objective of this procedure is to ensure that non-eligible input 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 such material and replace it by eligible input 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 non-eligible input 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, unless otherwise stated.

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SCOPE AND GENERAL

A Scope

Part I of this procedure applies to *Chain of Custody operations* when applying for the use of non-eligible input 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”.

Part II applies to the evaluator for the purpose of evaluating and reporting on these applications.

Part III applies to the FSC Policy and Standards Unit for the purpose of publishing a summary of the evaluation results.

B Status and effective date

B.1 Status

Version 1-0 approved by the Head of the FSC Policy And Standards Unit following a corresponding mandate given by the FSC Board of Directors at their 46th meeting in November 2007.

Version 2-0 approved by the Head of the FSC Policy and Standards Unit in May 2009.

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	1-1	List of approved derogations for the use of non-eligible input material in minor components (Addendum to FSC-PRO-40-004)
FSC-PRO-40-004b	1-1	Minor Components Derogation Application and Evaluation Form (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)

*) This table lists the latest versions at the time of this document's publication date. Please check <http://www.fsc.org> for any newer versions having become effective in the meantime.

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: *Organization* that wants to use non-eligible input material for specified *minor components* in products as part of FSC *product groups*.

Certification body: The FSC-accredited certification body being contracted by the *applicant* to pursue or maintain FSC Chain of Custody certification.

Derogation: Temporary authorization to use non-eligible input material in *minor components*, issued for a maximum period of three years. While the *applicant* may apply for a three-year derogation period for *minor components*, this decision shall be at the discretion of the evaluator.

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

Without a valid *derogation*, use of non-eligible input 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 *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.

PART I: APPLICANT RESPONSIBILITIES

1 Submission

- 1.1 The *applicant* shall submit the *derogation* application for the use of non-eligible input material in a *minor component* to the *certification body* FSC Policy and Standards Unit to continue conducting the evaluations if they do not have the capacity to process a derogation application according to Clause 13.2.2 of FSC-STD-40-004 V2-0.

NOTE: The certification body will usually be in charge of evaluating the application. Some certification bodies, however, may opt for having evaluations being carried out by the FSC Policy and Standards Unit instead. In that case, the certification body will forward the application accordingly.

- 1.2 The application shall be submitted in writing by use of "FSC-PRO-40-004b: Minor Components Derogation Application and Evaluation Form".

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

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:
- an overall description of the product(s);
 - the product type(s) according to the FSC product classification (as listed in FSC-STD-40-004a);
 - FSC *product group* claim (i.e. '*FSC Pure*' and/or '*FSC Mixed*');

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

- use of an on-product FSC label (yes/no).
- 2.2 The *applicant* shall detail technical and functional specifications of the *minor component* in terms of the following aspects:
- general description of the *minor component*;
 - common trade name, 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*, if information on species composition is commonly used to designate the component's characteristics;
 - quality of input materials (e.g. grade, sort);
 - dimensions of the *minor component*.

2.3 The *applicant* shall provide a photograph or a technical drawing of the *minor component*.

3 Material demand and current supply

3.1 The *applicant* shall indicate its annual material demand for the *minor component* and specify its current supplier range and locations.

4 Market supply analysis

NOTE: For generic derogations listed under Section 1 of FSC-PRO-40-004a, the applicant does not need to carry out individual market research to demonstrate non-availability of eligible input and may skip this section.

4.1 The *applicant* shall describe its undertaken activities to source materials for the specified *minor component* as *eligible input*. These activities shall include an analysis of the relevant market supply of *virgin* and/or *reclaimed materials* suitable for use in the specified *minor component*, covering at least the following aspects:

- a) available supply in terms of purchasable quantities;
- b) current and potential *supplier* range and locations;
- c) *material category* (*FSC-certified, controlled* and/or *reclaimed material*).

NOTE: Activities and market supply analysis are expected to be carried out according to the scale of the applicant's business activities and should 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 of the nearest FSC National Initiative, and consultation of trade and industry associations. Activities may further include use of consultants or organizations operating as market experts.

4.2 The *applicant* shall demonstrate through the supply analysis that its annual material demand cannot be met by quantities of *FSC-certified, controlled* and/or *reclaimed materials* available on the relevant markets. In particular, the *applicant* shall explain the reasons why material used for the *minor component* cannot be sourced or assessed as *controlled material*.

5 Action plan

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

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

6 Monitoring and reporting

6.1 The *applicant* shall report annually on the progress being made towards the targets set out in the action plan.

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

PART II: EVALUATOR RESPONSIBILITIES

7 Evaluation and decision making

- 7.1 The appropriateness of the *derogation* application shall be evaluated resulting in one of the following decisions:
- a) approve the application (with or without conditions);
 - b) require further information from the *applicant*; or
 - c) reject 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 evaluation, and then resubmit the *derogation* application. In this case, the steps established in Part II of this procedure shall be repeated.

- 7.2 Approvals shall be granted with a maximum derogation period of three years. The expiry date of individually approved derogations that are based on generic derogations listed under Section 1 of FSC-PRO-40-004a shall not exceed the expiry date of the generic derogation.
- 7.3 The evaluation shall be carried out by use of "FSC-PRO-40-004b: Minor Components Derogation Application and Evaluation Form" and any results and comments relevant for the overall decision shall be included accordingly.
- 7.4 The evaluator shall accept appeals against the application decision by the *applicant* or complaints by any third party, and assess the provided evidence for its relevance to the decision accordingly.

8 Information

- 8.1 The *applicant* shall be informed in writing in a timely manner about the outcome of the application.
- 8.2 For approved applications, the evaluator shall send an electronic copy of the completed application and evaluation form to the FSC Policy and Standards Unit within 10 working days of the approval.

9 Extension of a minor component derogation

NOTE: *Derogations* for *minor components* are issued for a maximum time period of three years.

- 9.1 The evaluator 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 since the previous evaluation date;
 - b) the *applicant* has fulfilled its planned activities to substitute non-eligible input materials, but without success.
- 9.2 In such cases, the FSC-certified *Chain of Custody operation* working under an approved *derogation* 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.

PART III: FSC RESPONSIBILITIES

10 Publication

The FSC Policy and Standards Unit will update “FSC-PRO-40-004a: List of approved derogations for the use of non-eligible input material in minor components” periodically and publish the updated versions of FSC-PRO-40-004a on the FSC website (www.fsc.org).