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FSC STANDARD

Standard for Multi-site Certification of Chain of Custody Operations

FSC-STD-40-003 (Version 1-0) EN

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STANDARD FOR MULTI-SITE CERTIFICATION OF CHAIN OF CUSTODY OPERATIONS

FSC-STD-40-003 (VERSION 1-0) EN

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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

Multi-site Chain of Custody certification has been developed to facilitate FSC Chain of Custody certification for larger companies that have a number of sites at which fundamentally the same functions, methods or procedures are carried out. The administrative requirements, plus communication with the certification body, are carried out by a designated central part of the organisation.

The standard presents the requirements for organizations who wish to establish a common FSC Chain of Custody system for more than one production site or sales office.¹ Multi-site certification allows certification bodies to evaluate those organizations based on samples in recognition of existing common, centrally administered and monitored control and reporting systems. In addition to this standard, certification bodies must ensure that all 'participating sites' of a multi-site organization comply with the relevant FSC Chain of Custody certification requirements.

¹ In addition to this standard all participating sites of a multi-site trade or wood handling system shall comply with the relevant requirements of the specified Chain of Custody certification standard(s).

Note on use of this standard

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

Compliance with this standard shall be evaluated only by FSC-accredited Certification Bodies who have demonstrated compliance with *FSC-STD-20-011 Accreditation Standard for Chain of Custody Evaluations*.

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A Scope

This standard applies to multi-site organizations seeking FSC Chain of Custody certification for a number of sites under one certificate.² This standard specifies the requirements that the central office (the certificate holder) and all participating sites must meet in order to be included under the scope of a multi-site Chain of Custody certificate.³

B Status and effective date

B.1 Status

Approved by the FSC Board of Directors at their 45th meeting, June 2007.
Applicable from the date of publication.

B.2 Effective date⁴

Applicant organizations seeking FSC Multi-site Chain of Custody Certification shall be assessed against this standard *from* 1st of January 2008 onwards.

FSC-certified organizations holding an FSC Multi-site Chain of Custody Certificate shall be assessed against this standard *before* 1st of January 2009.

C References

FSC-STD-20-011 Accreditation Standard for Chain of Custody Evaluations

Approved FSC Normative Documents superseded and replaced by this standard

FSC-POL-40-003 FSC Guidelines for Sampling of Multi-site Organizations for Chain of Custody Certification, Sections 1 and 2.

NOTE: Requirements for certification bodies (Section 3) are replaced by <i>FSC-STD-20-011 Accreditation Standard for Chain of Custody Evaluations</i> .

D Terms and definitions

Key definitions relating to this standard are provided in ANNEX I and are underlined in the text below at the first time of their use.

² This includes multi-site organizations where the sites hold individual Chain of Custody certificates but where multi-site certification is pursued in order to use a single certification code throughout the organization. In this case, the requirements for internal audits do not apply while other requirements only have to be addressed in so far the correct use of a single certification code is affected.

³ The division of responsibilities between the central office level and the participant level is central to multi-site certification. It is reflected in the sampling that is carried out by the certification body, in the specification of conditions on which certification may be based, in the issue of 'Corrective Action Requests', and in the possible suspension.

⁴ The 'effective date' of a standard (version) specifies from which date onwards the (new version of a) standard must be implemented and, verified by the responsible conformity assessment provider, complied with by target users for the purposes specified by the 'scope' of the standard, thereby replacing any previous version of the standard (if not otherwise stated) or superseding other normative documents as specified by the standard.

1 Eligible operations

1.1 In order to be eligible to apply for certification, the central office shall be or act on behalf of an independent legal entity which represents the multi-site organization.

1.2 The central office shall document and implement clear rules regarding eligibility for the participation of sites in the certificate.

NOTE: An organisation may hold a multi-site certificate for less than 100% of their sites. It is also acceptable for an organisation to hold more than one multi-site certificate, where each multi-site certificate covers sites which meet the requirements for certification. In both cases, clear procedures shall exist for ensuring that only the sites included in the scope of the multi-site certificate(s) are handling certified products.

1.3 A 'consent form' or its equivalent shall be signed by each applicant site manager (or other participating site representative) to be included in the scope of the certificate. By the consent form the applicant site manager:

NOTE: For remote logistical sites (e.g. log yards) without site-specific management responsibilities, this requirement may not be applicable.

- a) acknowledges and agrees to the general obligations and responsibilities of participation in the multi-site certificate for the full period of validity of the certificate, as stipulated by this standard and the central office documented procedures;
- b) agrees to comply with the relevant FSC Chain of Custody certification standard(s);
- c) authorizes the central office to apply for FSC Chain of Custody certification on his or her behalf.

NOTE: If the multi-site organisation holds full ownership and authority of the participating sites, sub-requirement c) may be waived.

1.4 The following minimum membership requirements shall be met:

a) All participating sites have a legal and/or contractual relationship with the central office requiring regular reporting and communication with the central office.

NOTE: Subcontractors that are used on a regular basis within the terms of outsourcing agreements and thus form part of the production flow within a multi-site scheme are not considered site managers within the multi-site certificate. If required, subcontractors are sampled and audited by the certification body according to specific requirements set forth in FSC-STD-20-011.

b) All participating sites are subject to a common, centrally administered and documented internal control and reporting system, which is subject to continual surveillance by the central office.

c) Participating sites (if applicable: within a single set of sites) are producing or handling essentially the same kinds of products, and producing or handling them according to fundamentally the same methods or procedures;

NOTE: Organisations with multiple sites, some of which conduct different activities, may identify 'sets of sites', where each set is comprised of sites that comply with 1.4c) above. Each participating site within a set of sites may be carrying out multiple activities, but these shall be the same multiple activities at each site for them to be considered in the same set.

2 Documented procedures

- 2.1 The central office shall have documented procedures covering all requirements of this standard.
- 2.2 Each procedure shall define the responsibilities, authorities as well as required qualifications and/or training measures for its implementation.
- 2.3 A copy of these procedures shall be stored centrally and made available to all site managers.

3 Provision of guiding materials

- 3.1 The central office shall provide each site manager with documentation, or access to documentation, specifying the relevant terms and conditions of participation and certification. The documentation shall include:
 - a) Access to a copy of the relevant Chain of Custody standard(s) to which the central office and participating sites are committed;
 - b) Explanation of the certification process;
 - c) Explanation of the certification and accreditation bodies' rights to access the participating site for the purposes of external evaluation and external surveillance;
 - d) Explanation of the certification and accreditation bodies' requirements with respect to public information;

NOTE: This includes, for example, names and addresses, scope of activities and product descriptions.

- e) Explanation of any obligations with respect to participation, such as:
 - i. maintenance of information for surveillance purposes;
 - ii. use of systems for tracking and tracing of FSC-certified materials or products;
 - iii. requirement to conform with corrective actions issued by the certification body;
 - iv. any special requirements related to marketing or sales of products covered by the certificate;
 - v. proper use of the assigned multi-site certificate code; and
 - vi. other obligations of participation;
- f) Explanation of any costs for the participating site associated with certification.

NOTE: It may be sufficient to provide individual site managers with a summary of these items, provided that full documentation is readily available on request from the central office

4 Responsibility and authority of the central office

Responsibilities of personnel

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

Implementation of requirements and conditions

- 4.3 The central office shall have the legal or management authority and technical support necessary to implement the responsibilities specified in 4.4 to 4.20 below, and to manage the number of participating sites proposed for multi-site certification.
- 4.4 The central office shall be contractually responsible to the certification body for ensuring that all the requirements of certification (including the relevant Chain of Custody certification standard(s) and any other relevant requirements of the certification body) are fully implemented by all participating sites within the scope of the certificate.

NOTE: The requirements of the relevant Chain of Custody certification standard(s) apply individually to each participating site included in the scope of the certificate. Responsibilities for meeting criteria may not be 'traded' between different participating sites, e.g. with one participating site meeting certain requirements whilst another participating site meeting others.

However, responsibilities for meeting certification requirements may be divided between the central office and the participating sites.

Requirements that are applicable to the whole multi-site organisation may be implemented by the central office or by each individual participating site.

- 4.5 The central office shall be responsible for ensuring that any conditions on which certification is dependent and any corrective actions issued by the certification body thereafter are fully implemented.
- 4.6 The central office shall have the authority to issue internal corrective actions to any participating site and to enforce their.
- 4.7 The central office shall have the authority to remove participating sites from the scope of the certificate if the requirements of participation, or any corrective actions issued by the certification body or by the central office itself, are not complied with by the participating site.
- 4.8 The central office shall be able to collate and access data on an annual basis and/or upon request of the certification body.
- 4.9 If a participating site is added to or removed from the multi-site certification scheme, the central office shall inform the certification body in writing within three working days.
- 4.10 A new set of sites shall only be added to an existing multi-site certificate as the result of surveillance or re-assessment audits by the responsible certification body.

Internal audits

- 4.11 The central office shall carry out an *initial* audit of each applicant participating site to ensure that they comply with all the requirements of the applicable Chain of Custody certification standard(s) and with any additional requirements for participation prior to being admitted as a participating site and their inclusion within the scope of the multi-site certificate.

- 4.12 The central office shall carry out an *annual* audit of each participating site to confirm continual compliance with all the requirements of certification.
- 4.13 The central office may defer or waive on-site audits for those participating sites employing processes or handling products where the risk of mixing certified with uncertified material is inexistent (e.g. sites handling exclusively certified products; wholesale/retail branches trading in finished, labelled and packaged products; sales offices without physical possession of certified products, facilities that have not produced, labelled or sold any FSC-certified material since the previous audit) following the results of document checks.

Use of the FSC Trademarks

- 4.14 The central office shall:
- a) submit requests for use of the FSC trademarks to an FSC authorized Trademark Service Provider;
 - b) ensure that all use of the FSC trademarks by the multi-site organisation and each participating site complies with FSC requirements;
 - c) not produce any kind of document confirming participation in the multi-site scheme similar to FSC certificates issued by the certification body;
 - d) not issue sub-licenses for use of the FSC trademarks⁵.

Training

- 4.15 The central office shall provide training for site managers and their key personnel in order to enable participating sites to fully meet the relevant Chain of Custody certification standard(s).
- 4.16 The central office shall provide training for internal auditors as to assessment of compliance with the relevant Chain of Custody certification standard(s).
- 4.17 The central office shall provide ongoing opportunities for learning (such as periodic trainings) in areas requiring strengthening (i.e. based on non-compliances found in both internal and external audits) and shall conduct the necessary training for continual compliance of the system.

Annual report and management review

- 4.18 The central office shall prepare an internal annual report on the results of all internal audits as well as on any up-coming changes of the Chain of Custody management system.
- 4.19 The annual report shall be discussed, reviewed and approved by top management representatives of the central office and the participating sites.

NOTE: The review may take place either individually for each participating site or in a joint committee meeting. The purpose is to ensure the continual compliance, adequacy and effectiveness of the Chain of Custody management system.

Payments of certification costs

- 4.20 The central office shall be fully responsible to the certification body for paying all the costs of evaluation and monitoring throughout the period of validity of the certificate.

NOTE: The central office may divide these costs amongst participating sites as it deems appropriate.

⁵ The multi-site Chain of Custody certificate will license all participants to use the FSC Trademarks under specified conditions.

5 Records

- 5.1 The central office shall keep centralized records of all participating sites documents and shall be responsible for maintaining the following records up-to-date at all times:
- a) List of all participating sites covered by the multi-site certificate, with their names, addresses and appointed site managers, together with the date of entry into the certification scheme and the assigned identifier;
 - b) Evidence of consent from each site manager in the form of a signed 'consent form' (see clause 0, above);
 - c) Records regarding the scope of Chain of Custody certification for each set of sites;
 - d) Records of the initial internal audit demonstrating that each participating site meets the eligibility criteria (as outlined in Section 1), the requirements of the applicable Chain of Custody certification standard(s), and any additional applicable requirements;
 - e) Records demonstrating the implementation of internal control or surveillance systems (see clauses 4.11 to 4.13, above). Such records shall include records of annual internal audits, non-compliances identified in such audits, and actions taken to correct them;
 - f) Relevant documentation as required by the applicable Chain of Custody certification standard(s) in accordance with the particular multi-site procedures regarding production and sales, particularly records of the inflows and outflows of certified material, for each participating site;
 - g) Records of training and awareness-raising activities provided by the central office and of participation therein;
 - h) Records of the annual reports and management reviews;
 - i) The date of withdrawal of any participating site from the scope of the certificate, and an explanation why the participating site was removed;
 - j) Records of the FSC authorized Trademark Service Provider's approval of FSC trademark use by participating sites and the central office.

NOTE: Data should be stored centrally wherever possible, with copies at individual offices or participating sites. Depending on the nature of the company and its internal systems this might not be feasible in all cases; for example, where sales and purchasing information is kept locally with electronic access only centrally. This would also apply where supplier invoices are only being transmitted electronically by various Electronic Data Interchange (EDI) systems, and matched against purchase orders remotely.

- 5.2 Records shall be archived for at least 5 years and shall be made available to the certification body on request.
- 5.3 The central office and/or participating sites shall provide buyers with adequate information or confirmation about the FSC-certified status of participating sites and their products in order to demonstrate that claims related to FSC certification and available products are truthful and correct.

NOTE: Such information should describe the scope of the multi-site certificate and, where applicable, the specific scope of the relevant participating site(s), and include details on the available FSC product groups.

ANNEX I: Glossary of terms

Central office

The identified central function (e.g. office, department or person) within a multi-site organization through which the organisation fulfils its responsibilities to the certification body.

The central office of the organisation holds ultimate management responsibility for maintaining the certification contract with the certification body and will be held responsible for upholding the Chain of Custody system and ensuring that the requirements of the relevant Chain of Custody certification standard(s) are met at the participating sites included in the scope of the multi-site certificate.

Identifier

Certification bodies will assign an alphabetical, numerical or alphanumeric identifier for each participating site in the multi-site certificate. This identifier will be used for internal record keeping and data management purposes on behalf of FSC.

Internal audits

Internal audits are monitoring activities of participating sites carried out by the central office ensuring that all the requirements of certification (including the relevant certification standard(s) and any other requirements of the certification body) are fully implemented. Internal audits are carried out as *initial* audits of applicants prior to being admitted as a participating site and as *annual* audits to confirm continual compliance with all the requirements of certification. They include a visit to the operational site(s) and a review of the documented systems.

Multi-site organisation

An organisation that has an identified central office and a network of at least two sites. Products from these sites or from identified sets of sites covered by a multi-site certificate must be substantially of the same kind, and must be produced or handled according to fundamentally the same methods and procedures.

Participating site

Site which is included in the scope of a multi-site certificate. Participating sites do not hold individual certificates, but so long as they comply with all the requirements of their agreement with the central office, they are covered by the multi-site certificate.

Set of sites

Describes sites that are producing or handling essentially the same kinds of products and producing or handling them according to fundamentally the same methods or procedures. A multi-site CoC certificate for multi-site organisations may cover several sets of sites.

Example: A multi-site organisation runs 12 facilities: 4 sawmills, 2 joinery and moulding plants, and 5 carpentry plants. The organization would have 3 potential sets of sites. The certification body would check that the products produced or handled at all sites within a potential set are substantially of the same kind and are produced or handled according to fundamentally the same methods and procedures. This would enable them to determine how and if the sites may be divided into sets. They would check that the same central office controls each set of sites. If the carpentry plants (for example) are controlled by a different management structure within the organization, then they would require a separate multi-site certificate. Each set is then treated as a separate sample and evaluated accordingly.

An additional set of sites may be added to an existing certificate only as the result of a surveillance or re-assessment audit by the responsible certification body.

Site

A single functional unit of an organisation or a combination of units situated at one locality, which is geographically distinct from other units of the same organisation or the associated network.

NOTE: Typical examples for sites are processing or trading facilities such as manufacturing sites, remote log yards, sales offices, branches or franchisees.

In a network of similar operations sites form part of a central Chain of Custody system, and are legally or contractually linked with the central office of a multi-site organisation.

Site manager

Person or position (e.g., the manager at the participating site) that has overall responsibility for most of the decisions and operations on-site, including activities that he or she does not directly implement. Site managers are responsible for implementing any requirements of their agreement with the central office at the level of their own procedures, and for implementing the procedures necessary for compliance with the relevant Chain of Custody certification standard(s).