

4 April 2022

SUBJECT: FSC'S NEW DIGITAL AUDIT PROCESSES – INTRODUCTION FOR CERTIFICATE HOLDERS

FSC Certificate Holders play a crucial role in sustaining large areas of the world's forests. However, to date FSC has had only limited data to assess the impacts of its certificate holders' efforts in responsible forest management. To address this gap, in 2017 the FSC membership (FSC's governing body) approved Motion 16 on Harnessing audit data to improve assurance integrity, Monitoring & Evaluation (M&E). Specifically, the motion requires FSC to:

Improve the FSC-FM audit reporting and data management systems to better leverage the data already collected through FSC forest management (FSC-FM) auditing – with minimal added cost or burden – to generate consistent and accessible data needed to:

- Support evidence-driven improvement of standards
- Support and develop risk adjusted auditing
- Build next-generation assurance, monitoring and evaluation (M&E) systems

The data generated will support FSC's decision making, and enable better evaluation and communication of the benefits of FSC certification, and will help reinvigorate the value proposition of FSC.

Until now, Certification Bodies have conducted FSC forest management audits using their own templates which they use to produce Certification Reports and Public Summaries according to the requirements of FSC-STD-20-007 and its associated addenda. However, these reports have not been consistently formatted and thus FSC has been unable to obtain systematic data from them.

The new digital audit reporting template

To resolve this, and to fulfil the requirements of Motion 16 from 2017, FSC is introducing a new standardised digital template for preparing reports from FSC forest management audits. Certification Bodies will be required to begin using this digital audit template from 1 April 2022.

The bulk of the template is concerned with questions that should already be familiar to Certificate Holders from the audit process, although the wording may differ slightly from how such questions have previously been posed. In addition, the template clarifies certain information requirements, especially on group certificate membership and Management Units, that the existing standards did not make very clear, and thus were not collected systematically by Certification Bodies previously. Finally, the template contains a few additional questions relating to data required by FSC's Global Strategy 2021-26 (obtainable from <https://fsc.org/en/governance-strategy>).

The template takes the form of an Excel spreadsheet with a number of different worksheets containing different data tables that need to be completed. (In the future FSC may introduce alternative technological solutions to capture this data, but for now Excel spreadsheets represent a tried-and-trusted solution to begin the data collection exercise.)

It is up to Certification Bodies to determine how to fit this new template into their operational processes, and to what extent they ask Certificate Holders to enter data directly. Some Certification Bodies may send Certificate Holders a copy of the template in advance of an audit to complete certain parts, others may require data be sent to them in a different format, and some may handle everything during the actual field audit.

Some data required in the template are only required for specific types of audit (e.g. main assessment or surveillance audit). Certification Bodies will guide Certificate Holders as to what data they require from them.

FSC thanks FSC-FM Certificate Holders in advance for their cooperation in supporting the introduction of the new digital audit reporting template. We appreciate the incredibly hard work that FSC-FM Certificate Holders put in on a daily basis to maintain compliance with the FSC certification standards. In FSC, we are confident that the new template will lead to significant benefits to all forest management Certificate Holders due to much improved detail in which FSC will be able to describe the positive impacts of FSC certification to our diverse stakeholders and the public at large. We hope this will compensate for any small additional effort that CB might require from Certificate Holders in filling in the template.

Data access and protection

With the exception of those few new added questions, the template does not require any data that is not a requirement of Certification Reports and/or Public Summaries that Certification Bodies have been producing for many years, and uploading to the FSC Certification Database. The difference is in the digital format which will make the data machine-readable, and thus analysable. FSC will store this data in its FSC Certification Database which is subject to best practice, industry standard data protection. Only those people whose job requires it can see the relevant data; all employees and contractors of FSC are subject to strict data confidentiality agreements to guard against the misuse or leakage of this data.

In the future, FSC intends to develop internet-based mechanisms for Certificate Holders to view the data that FSC holds about them, and to make any corrections as appropriate. In the meantime, Certificate Holders should liaise with their Certification Body if they need to check or amend any such data.