

CONSULTATION ON PRE-CONSUMER RECLAIMED WOOD

Proposals on claim contribution



1. BACKGROUND

This document outlines two distinct proposals for stakeholder consultation, in the context of the CoC standards revision process.

- a. Claim contribution for pre-consumer reclaimed wood - outlines the potential risks and benefits of recognizing pre-consumer reclaimed wood as claim contributing inputs in the FSC system.
- b. Claim contribution for pre-consumer reclaimed wood derived from certified inputs.

Please review the background information a) & b) below and share your feedback on the consultation platform under **Section 14, Questions 32 and 33**.

a. Claim contribution for pre-consumer reclaimed wood

Currently, pre-consumer reclaimed wood does not contribute to claim calculations in the FSC system (see 'claim-contributing input' definition in FSC-STD-40-004). Some stakeholders propose that it should be recognized as a claim-contributing input similar to pre-consumer reclaimed paper.

Proponents, particularly from the wood, board and panel industry, argue that pre-consumer reclaimed wood is a valuable production residual comparable to pre-consumer paper, and that its recognition would promote circularity, encourage reuse, recycling and reduce reliance on virgin wood as global demand for wood surges.

Opposing views note that some legislation classifies pre-consumer reclaimed paper as waste, whereas pre-consumer reclaimed wood may not fall under the same category (depending on the type of product and local regulation). Others suggest the proposal may be economically driven with limited environmental or social benefits, while incentivizing the use of non-certified and uncontrolled materials.

Both perspectives are acknowledged. To support an informed decision, FSC indicated in the conceptual phase report to consult with a broader pool of stakeholders (environmental, social and economic perspectives) to carefully consider the proposal. A risks and benefits matrix is presented to guide the consultation with stakeholders. The list is not exhaustive, and is intended to serve as a starting point for stakeholder consultation.

This consultation seeks feedback on:

1. Whether pre-consumer reclaimed wood should be recognized as a claim-contributing input in the FSC system;
2. Other risks or benefits associated with the recognition as claim contributing input;
3. Possible risk mitigation measures.

Please review the risk and benefit matrix below (**provide your response to Q32**).

Perspective	Risks	Benefits
Economic	- Unclear market and public understanding of recycled concepts, particularly regarding the use of pre-consumer reclaimed materials may limit market acceptance and economic benefits. - Implementation and initial auditing costs (systems adaptations, procedures, accounting tools, training of staff, etc.) may increase for organizations. - Increased administrative burden and potential regulatory compliance requirements and expenses for organizations. - Risk of price increase due to possible higher demand for pre-consumer reclaimed wood.	- Expands the supply of eligible reclaimed material in the FSC market. - Enables production of FSC-certified products in regions with very limited availability of FSC-certified wood, offering a good ecological alternative. - Enhances resource utilization and product value through reuse of quality residual wood material thereby boosting demand for wood waste for secondary raw materials production rather than use in biomass power plants. - Encourages new companies specialized in the recovery of pre-consumer wood materials to enter the FSC system, increasing market diversity and recognition. - Simplifies FSC requirements, reducing costs and effort for certificate holders though proof of reclaimed material is still required, it will eliminate the ongoing burden of checking, separating, and documenting pre- and post-consumer materials for companies and certification bodies.
Environmental	- May not reduce demand for virgin materials, as pre-consumer is generated alongside virgin production. - Potentially incentivizes the use of uncertified materials (at its origin), potentially undermining the value of forest certification (FSC 100%). - May create loopholes that could be exploited for greenwashing or circumvention of full certification requirements such as those required for FSC 100% wood (increased production of pre-consumer wood from illegal sources)	- Resource-efficient and cleaner waste stream compared to post-consumer reclaimed materials which often comes with contaminants. - Decreases reliance on virgin materials, thereby contributing to reduced harvesting. - Reduces waste volumes and pressure on local waste management systems. - Reduction of material going to incineration, prioritizing therefore the material reuse and the CO2 storage in new materials.
Social	- Unclear role and protection mechanisms for informal or unregistered workers involved in recovery of pre-consumer wood materials in uncertified facilities. - Risk of social inequities if employment and rights safeguards are not clearly defined for workers in such recovery sectors. (It is implied that pre-consumer materials may come from uncertified sectors which do not uphold workers right and safety. It is not specific to pre-consumer wood alone, but to pre-consumer materials in general)	- Potential for job creation and livelihood support in recovery and processing sectors and promotion of community development through local reuse and recycling initiatives. - Application of FSC's Core Labour Requirements (FSC CLR) would ensure improved workers' rights and conditions in these sectors. (recognition as claim contribution input could be accompanied by some set of minimum requirements for suppliers such as the commitment with FSC CLR)
Generic	- Recognition will ensure industrial fairness and consistency between paper and wood pre-consumer materials in the FSC system. - Incomplete traceability or verification challenges at the source (its origin) may pose integrity and credibility risks. - May constitute inconsistencies with existing and emerging legislations that do not necessarily count pre-consumer materials as waste.	

b. Claim contribution for pre-consumer reclaimed wood from certified inputs

Clause 2.7 of FSC-STD-40-004 V3-1 (Clause 2.9.1 FSC-STD-40-004 V4-0 D1-0) allows organizations to reclaim materials within their own operations from certified inputs and classify them as:

- the parent input material (e.g., FSC Mix Credit), or
- a lower material category.

However, under current requirements, when these reclaimed materials are classified as either the parent virgin material or lower material category they cannot be used as eligible inputs for an FSC Recycled claim (only FSC Mix). If the organization opt to classify the reclaimed material as pre-consumer, they do not contribute to claim calculations. This limitation has been identified as limiting the promotion and use of such materials in FSC Recycled products. Therefore, a solution has been proposed for stakeholder feedback. Please review the proposal below and provide your response to **Q33**.

Proposal:

Organization A

- Reclaims materials from secondary processing of FSC certified inputs
- Classifies the reclaimed material as the parent material (e.g., FSC Mix Credit).
- Organization A can sell this material as an eligible input for FSC Recycled claims by issuing a declaration confirming the reclaimed status of the products though sold with the original claim (e.g., FSC Mix Credit/x%).

Organization B

- Purchases the reclaimed material from Organization A as claim contributing inputs.
- Verifies the supplier's information/declaration and confirms:
 - the type of product, and
 - supplier's activity involves secondary processing to ensure the material's eligibility.

This proposal would constitute a minor amendment (i.e., an exemption to the eligible inputs that can be considered for an FSC Recycled output claim; not only products *per se* classified as reclaimed, but also FSC-claimed materials that meet the definition of 'pre-consumer reclaimed material') to Section 2 and the supplementary requirements on sourcing reclaimed materials, Section 14 of FSC-STD-40-004 V4-0 D1-0.

Note: The proposal outlines the minimum approach for recognizing pre-consumer reclaimed materials from certified inputs. Its implementation will depend on FSC's final decision on granting claim contribution to pre-consumer reclaimed materials.



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