



## Full Stakeholder OCP Training Webinar Question & Answer February 17, 2014 (Late Session)

Q: Who will pay for all the extra work being proposed for the CB's to do these extra audits?

A: If a certificate holder chooses to have their certification body verify the transactions during their audit fees to cover costs would be negotiated between the certificate holder and certification body.

Q: Will certification bodies have access to OCP? And/or do they need to pay the fee in order to access the OCP?

A: Certification body access to the OCP must be granted by the FSC certificate holders. The certificate holder will be able to add their auditor/certification body to their OCP account during the audit period. If the certificate holder does not wish to add their auditor to their OCP account, the auditor can verify their OCP account during the audit itself. There is no fee for Certification Bodies to access the OCP.

Q: Due to timing differences between shipments and receipts, it is possible for the supply and customer records to be very close but not match exactly. This would be common in either the OCP or other mechanisms. How close does a "match" have to be?

A: The volume is to be what is notated on the invoice and should match internal records. The OCP requires confirmation of information on the invoice so the records would match. If the quantity on the invoice is different than what was actually shipped, the claim inside the OCP or other mechanism should be updated within 10 business days of the invoice correction.

Q: If you have transaction between A - B - C. Say we are B. Will our CB check A-B or B-C and will this be as part of our regular audit?

A: Auditor of company B will check transaction verification between Company A and Company B only. Auditor of Company C will check transaction verification between company B and C.

Q: Is it not a requirement currently to record species?

A: Species is only required in some instances. Criteria 5.1.1 g) states: "g) Species (including scientific and common name) and country(ies) of harvest of input materials, where the species information designates the product characteristics and/or where required by law."

Q: I don't understand how you can upload it anything other than once per day/ real time. Otherwise you'll only catch mistakes way after.

A: Yes, there is risk associated with how often an FSC certificate holder uploads their FSC claims. The more often data is uploaded; the quicker issues will be discovered.

Q: Who will determine the Risk an organization has?

A: FSC certificate holders will determine their own risk based off of a yet to be published risk assessment. During the audit, the certification body will verify that the certificate holder determined their risk properly.

Q: If there is a contract to purchase certified material, and the supplier accepts the settlement, does that provide a match? Also, what about BisTrack, does that meet transaction verification?

A: For both contracts & BisTrack, along with other systems, these may all meet transaction verification if they meet the requirements in the accreditation standard FSC-STD-20-011. Contracts alone probably will not meet the requirements since there needs to be a dynamic system in case claims change during that contract period. The contract in this case is about a contract with a Forest Management Unit. In this case, the volumes need to be tracked but the Forest Management Unit can passively accept all claims recorded from them.



Q: Is there concern that once OCP is in general use, the system will have capacity and not be slow or crash?

A: FSC has partnered with Historic Futures, a leading traceability business. FSC and [Historic Futures](#) is constantly monitoring the availability of the OCP and does not anticipate any issues with capacity issues.

Q: What is the incentive for an FM/COC to play ball under 3.4.1 where all requirements are on the buyer, not the seller?

A: FM/COC certificate holders are only really responsible for working with their FSC certified customers so their customers can meet 3.4.1 Transaction Verification. They can choose to take an active or passive role.

Q: If a supplier doesn't verify claim in 10 days - what happens?

A: If there is a mismatch and it is not resolved within 10 business days, the FSC certificate holder may be issued a CAR by their certification body if this is found during an audit (we anticipate that there will be a threshold of delayed claims before a CAR is issued).

Q: How do companies know if their suppliers were issued CARs from their CBs?

A: Regarding the risk assessment, FSC is only looking at assessing risk based on CARs issued against the specific FSC certificate holder (and not CARs issued against the certificate holder's suppliers or customers).

Q: In the Financial Auditing option, where certification body auditors sample suppliers, what prevents the supplier from providing false documentation (same problem)

A: Yes, in order to prevent this, the Certification Body of the supplier will also need to be provided the information so they have evidence of FSC sales claimed by their client.

Q: Will I be in compliance for Manual Verification by simply inviting my customer to view my internal records on request?

A: This would be part of it. Your auditor and your customer's auditors would need to be able to view your internal records as well, and there will need to be a mechanism in place so if your records change, your customers are aware of these changes. As described during the webinar, you could choose to enter your FSC sales into the OCP on a monthly or potentially quarterly or even annual basis (depending on your risk), and that could meet this criteria.

Q: Could the OCP meet the requirements of my current Credit accounts?

A: The OCP provides a handshake between the FSC certified supplier & customer and does not manage credit accounts yet. FSC certificate holders can potentially use the 3 additional fields to help manage their credit accounts, depending on the number of inputs per each credit account. The OCP should be able to manage credit accounts in the far future.

Q: As a primary manufacturing company that purchases virgin fiber from Crown Land, the Crown has a stumpage program called ITREES, where each load of fiber is tracked in order to charge stumpage. Will this work for verification?

A: This system may work if it meets the criteria in the accreditation standard. We will look more into this system; thank you for bringing it to our attention.

Q: Can you make one entry into OCP that indicates all the volume purchased at the forest level for one month?

A: Yes, you can "consolidate" claims into a monthly purchase from each specific forest management unit. If there are multiple species in that contract/purchase, then multiple species can be grouped together. Go [here](#) for more information.

Q: Please show us where the customers verify the claims?

A: Go [here](#) to see a screenshot & instructions on how to review claims.



Q: If our supplier is not using the OCP, should we ask our suppliers volume summary (sales portion) at the end of each month?

A: The buyer & seller need to determine which method works best for both parties and agree on that method. If a monthly report is issued by the suppliers not using the OCP, the suppliers Certification Body will need to have access to this report as well.

Q: When will the OCP be live?

A: The OCP Demo version is available for testing now. Go [here](#) to test the OCP and click "Register + Try" in the upper right corner of the website. The Live version of the OCP is expected to be launched early in the second quarter of this year.

Q: Would the auditor be able to match an invoice on record that we have and compare it to the vendors copy?

A: If the auditor is conducting the transaction verification for you, then they would need to match the invoice that you provide to the invoice provided by your supplier and reconcile this with your supplier's auditor as well.

Q: Is there one user name for an entire company or multiple?

A: Each FSC certificate holder has one administrator allocated to their OCP account (based on the person listed in info.fsc.org for that organization). That person can assign as many different administrators to their OCP account as they wish.

Q: 3.4.1 has been described as a requirement for every customer to audit the business procedures of each supplier. Is this a fair description? How can this possibly be practical?

A: It doesn't require auditing of business practices but demonstrating that records match. FSC is offering one solution with the OCP and the standard also allows alternative methods to comply with the criterion.

Q: Does "we are looking into..." mean language that does not yet appear in the 40-004 v.3 discussion draft?

A: Transaction verification is in the draft FSC-STD-40-004v3 standard, which is currently out for public consultation. The accreditation standard will detail what this transaction verification needs to entail; FSC-STD-20-011 will be available for public consultation later this year.

Q: Point of clarification: STD-20-011 v.2-0 became effective 1/1/15 (~45 days ago). Did you just tell us to expect another update draft in 2015?

A: FSC-STD-20-001 has just finished a public consultation period. FSC-STD-20-011 is the standard where the transaction verification mechanisms will be placed, and it is expected to be released for public consultation in 2015.

Q: It doesn't appear that any of your potential "gaps" are relevant to the Transfer System. Is this accurate?

A: The gap exists in any system the FSC certificate holder chooses to use (transfer, percentage or credit). Go [here](#) for more information on the gap in COC.

Q: We attempted to test the OCP last year, but were never able to gain access for some reason. Will be trying again because I see this would be a great help. Thank you for allowing some of us to come to your webinar.

A: Thank you for testing the OCP. Please let us know if you have any issues accessing the OCP Demo. We look forward to working with you more, and obtaining your feedback on how to improve the OCP.

Q: How can FSC volumes be verified via OCP, if the supplier doesn't take part?

A: You will be able to enter your FSC purchases into the OCP from that supplier, and provide that list of purchases to your auditor, and your supplier's auditor for your supplier's auditor to verify as well.



Q: For verification, do I need "hand shake" to supplier only, or do i need CB to verify the information?

A: FSC certificate holders will need to have this "hand shake" between them & their supplier, and their auditor will verify this mechanism is in place and that the mechanism works through random sampling.

Q: In transfer system, why not just validate volumes and claim in certain period (e.g. month by month)? I have ordered x tons, they have sent x tons, i have sold x tons. Of course invoice number etc. we have in background available

A: Yes, this is a possible solution. All FSC purchases by supplier by claim type can be consolidated into one monthly entry. Go [here](#) for more information on consolidating claims.