



April 10, 2019

Dear FSC Stakeholders,

We are pleased to announce the April 5th approval and publication of the FSC Controlled Wood National Risk Assessment for the conterminous United States. In partnership with many of you, FSC US has been working to develop a US National Risk assessment for nearly seven years.

The greatest challenge in this process was not necessarily defining where risk occurs, but in finding a solution for the United States that produces effective risk mitigation and is also feasible for our certificate holders to implement. We have concluded that the only viable approach to implementing Version 3-1 of FSC's Controlled Wood standard in the US context is one that addresses risk designation, mitigation, and effectiveness monitoring at a landscape level. We deem such an approach essential for overall system credibility.

While the designation of risk at the landscape level is clearly accommodated in the Controlled Wood standard, the mitigation of risk and effectiveness monitoring at the landscape level challenge some of the conventions adopted by FSC as we implement the revised Controlled Wood standard worldwide. FSC International has worked with us to ensure the functionality of this approach through approval of an Advice Note which clarifies that certificate holders implementing the control measures in the US NRA will not be required to verify the effectiveness of their individual activities. Verifying the risk reduction within specified risk areas remains an essential component of our approach, but one that will be primarily the responsibility of FSC US.

We recognize that as with any new endeavor, some course corrections may be needed, and FSC US will closely monitor the impact of the NRA implementation and associated mitigation activities. A full second round of FSC Controlled Wood Regional Meetings are anticipated in early 2021 as part of this process to evaluate and adjust as appropriate. To bridge this time, we will hold a Controlled Wood meeting in Q2 2020 as a check-in on implementation and to look for opportunities to better support certificate holders and other stakeholders in their efforts.

By design, our innovations bring both direct and indirect benefits not readily available from FSC's conventional approach to Controlled Wood requirements. These include the concentration of investment in credible risk mitigation activities, new and enhanced engagement with conservation organizations by certificate holders and FSC, a more uniform application of the standard by certificate holders and certification bodies, and a centralized system for effectiveness monitoring managed by FSC's US national office.

The success of this approach depends on all of us – the combined impact of company mitigation activities, the partnerships with other organizations to facilitate these activities, and the identification and sharing of information to assist with our monitoring and evaluation efforts. We look forward to working with you!

Sincerely,

Two handwritten signatures are shown. The first signature is 'Sophie Beckham' and the second is 'Paul Vanderford'. Both are written in black ink.

Sophie Beckham & Paul Vanderford, Co-chairs FSC US Board of Directors