

Frequently Asked Questions

What is the annual administration fee (AAF)?

A fee charged by FSC Global Development to accredited certification bodies (CBs) calculated on the basis of the respective certificate holder portfolio.

What does the AAF fund?

The AAF supports the core operations of the FSC system, both at national and international level, including the below.

- a) FSC's multi-stakeholder governance mechanisms;
- b) Development of policy and standards;
- c) Marketing and market development activities;
- d) Trademark protection;
- e) Communication and dissemination of information;
- f) Decentralized support structures in key countries or regions.

Why is the AAF increased every year?

The AAF is reviewed annually (every calendar year) and, if necessary, revised to align with the global inflation rate (as determined by the International Monetary Fund) of the previous year, and to remain consistent with new FSC strategies and policies.

We may not necessarily increase the AAF every year, depending on the outcome of the review.

If there is no inflation in a particular country, why does the AAF increase?

Because most CBs operate globally, a global inflation rate is used; anything else is impractical given the scale of FSC operations.

What triggered a rise in the AAF for 2017?

From the 2016 review, it was found that the increase in the global inflation rate was significant enough that, to allow FSC to maintain its services, an increase of the AAF was needed.

Who is responsible for communicating a change in the AAF to certificate holders?

FSC communicates any adjustments to the AAF to FSC-accredited CBs, who are responsible for communicating any changes to FSC certificate holders, with whom they share a financial relationship. FSC anticipates that CBs will inform their clients.