

# UK Government Timber Procurement Policy

## Criteria for Assessing Certification Schemes (First Edition)

### Assessment of the Programme for the Endorsement of Forest Certification Schemes (PEFC)

18<sup>th</sup> October 2004

## Source documents

PEFC Council Technical Document, 31 October 2003.

Annex 1: PEFC Terms and Definitions, 22 November 2002.

Annex 2: Rules for Standard Setting, 22 November 2002.

Annex 3: Basis for Certification Schemes and their Implementation, 31 October 2003.

Annex 4: Chain of Custody Certification of Wood, 31 October 2003.

Draft Annex 4: Chain of Custody of Forest Based Products – Requirements, Final draft 3, 7<sup>th</sup> September 2004.

Annex 5: PEFC Logo Use Rules, 31 October 2003.

Annex 6: Certification and Accreditation Procedures, 31 October 2003.

Annex 7: Endorsement and Mutual Recognition of National Schemes and their Revision, 22 November 2002.

Pan-European Operational Level Guidelines for Sustainable Forest Management.

Annex 2 of the Resolution L2 of the Third Ministerial Conference on the Protection of Forests in Europe, 2-4 June 1998, Lisbon, Portugal.

## 1. Forest Standards

### 1.1. Content of standards for legal compliance

Criteria	Findings	Score	L <sup>1</sup>	S
1.1.1 The standard requires that the forest owner/manager holds legal use rights to the forest	Adequately addressed by PEOLG Criterion 6.1b which requires that ' <i>Property rights and land tenure arrangements should be clearly defined, documented and established for the relevant forest area. Likewise, legal, customary and traditional rights related to the forest land should be clarified, recognised and respected.</i> '	2	✓	

<sup>1</sup> L: required to meet requirements for legal, S: required to meet requirements for sustainable variant

Criteria	Findings	Score	L <sup>1</sup>	S
<p>1.1.2 The standard requires compliance from both the forest management organisation and any contractors with local and national laws and codes of practice including those relevant to:</p> <p>Forest management Environment Labour and welfare Health &amp; safety</p>	<p>Adequately addressed by PEFC Technical Document Clause 4.5</p> <p><i>'National certification criteria and certified forest management shall respect the relevant legal requirements ...'</i></p> <p>Annex 3 Clause 3.2</p> <p><i>'National laws, regulations ... shall be respected in forest management and certification. Certification schemes may not contradict legislation and any apparent violations of the legislation shall be taken into consideration in internal and external audits'</i></p>	2	✓	
<p>1.1.3 The standard requires payment of all relevant royalties and taxes</p>	<p>This is not explicitly addressed in the standard by should be covered by the requirement for legal compliance.</p>	2	✓	
<p>1.1.4 The standard requires compliance with the requirements of CITES.</p>	<p>PEFC Technical Document Clause 4.6 and Annex 3 Clause 3.4 state that <i>'Other international conventions relevant in forest management and ratified by the country will be respected through the legislative framework... The requirements agreed on in the conventions, even if they are not ratified, will be respected in the certification criteria to the degree they are covered in PEOLG or other reference basis approved by the PEFC Council.'</i></p> <p>However, CITES is not referred to explicitly in either the current PEFC documentation or the PEOLG.</p> <p>In the draft chain of custody standard due to go before the PEFC General Assembly in October 2004 there is an explicit requirement that the <i>'organisation procuring raw material originating from threatened and endangered species classified by CITES shall follow all the regulations defined by CITES and other international as well as national legislation'</i> (Clause 3.6.4).'</p> <p>The findings will need to be reviewed when this standard has been adopted and implemented.</p>	1	✓	

## 1.2. Content of standards for sustainable variant

Criteria	Findings	Score	L	S
<p>1.2.1 Certification standards must be based on a widely accepted set of international principles and criteria defining sustainable or responsible forest management at the forest management unit level, such as:</p> <ul style="list-style-type: none"> <li>• Intergovernmental processes designed for use at FMU level</li> <li>• ITTO Criteria</li> <li>• FSC P&amp;C</li> </ul>	<p>The Pan-European Operational Level Guidelines, an intergovernmental process designed for use at the FMU level, are the main reference for development of standards (Technical Document Clause 4.2 and Annex 3 Clause 3.1.2).</p> <p>In addition:</p> <p>i) the Montreal Process can be adopted if '<i>documentation equivalent to the PEOLG</i>' is approved by the PEFC Council (Technical Document Clause 4.3 and Annex 3 Clause 3.1.3);</p> <p>ii) other intergovernmental processes can be used if documentation can be provided which includes '<i>a common reference base for each process that is compatible with PEOLG</i>' and approved by the PEFC Council. (Technical Document Clause 4.4 and Annex 3 Clause 3.1.4)</p> <p>iii) <i>other international processes on criteria and indicators for sustainable forest management organised by eg ITTO, FAO, ATO can be considered as equivalent to the inter-governmental processes when assessed and approved by the PEFC Council</i> (Annex 2 Clause 3.4)</p> <p>However, no process or requirements are specified to indicate how the interpretation of the intergovernmental processes should be made, nor the criteria the PEFC Council would use to approve the interpretation or other international processes. It is therefore unclear whether such interpretations would fully meet the criterion, but the approval of such alternative documentation is now underway so the findings will need to be reviewed once it is clear what process is followed.</p>	1		✓
1.2.2 The standard should be performance-based.	The Helsinki and other intergovernmental processes contain performance criteria.	2		✓
1.2.3 The standard must ensure that harm to ecosystems is minimised. In order to do this the	i. There is no specific single requirement to assess the impacts of forest management, but it is addressed explicitly or implicitly throughout the PEOLG through requirements	2		✓

Criteria	Findings	Score	L	S
<p>standard should include requirements for:</p> <ul style="list-style-type: none"> <li>i. Appropriate assessment of impacts and planning to minimise impacts;</li> <li>ii. Protection of soil, water and biodiversity;</li> <li>iii. Controlled and appropriate use of chemicals and use of Integrated Pest Management wherever possible.</li> <li>iv. Proper disposal of wastes to minimise any negative impacts.</li> </ul>	<p>which require impacts to be minimised.</p> <ul style="list-style-type: none"> <li>ii. Protection of soil, water and biodiversity is addressed in several places, but in particular protection of soil and water is adequately addressed under criterion 5 and protection of biodiversity is addressed under criterion 4.</li> <li>iii. This is adequately addressed through criterion 2.2c which requires that <i>'The use of pesticides and herbicides should be minimised, taking into account appropriate silvicultural alternatives and other biological measures.'</i></li> </ul> <p>Criterion 2.2d requires that <i>'In case fertilisers are used they should be applied in a controlled manner and with due consideration to the environment.'</i></p> <p>Criterion 2.2a requires that <i>'Forest management practices should ... use preventive biological measures wherever and as far as economically feasible to maintain and enhance the health and vitality of forests.'</i></p> <ul style="list-style-type: none"> <li>iv. Adequately addressed though criterion 2.2b <i>'The spillage of oil through forest management operations or the indiscriminate disposal of waste on forest land should be strictly avoided.'</i></li> </ul>			
<p>1.2.4 The standard must ensure that productivity of the forest is maintained. In order to do this the standard should include requirements for:</p> <ul style="list-style-type: none"> <li>i. Management planning, implementation and implementation of management activities to avoid significant negative impacts on forest productivity.</li> <li>ii. Monitoring which is adequate to check compliance with all requirements, together with review and feedback into planning.</li> <li>iii. Operations and</li> </ul>	<ul style="list-style-type: none"> <li>i. Adequately addressed through criterion 1.1c which requires <i>'Management plans or their equivalents, appropriate to the size and use of the forest area, should be elaborated and periodically updated. They should be based on legislation as well as existing land use plans, and adequately cover the forest resources.'</i></li> </ul> <p>In addition, for each of the six Pan-European criteria there is a section on specific management planning required.</p> <ul style="list-style-type: none"> <li>ii. Adequately addressed through criterion 1.1d which requires <i>'Monitoring of the forest resources and evaluation of their management should be periodically performed, and their results should be fed back into the planning process.'</i> and</li> </ul> <p>Criterion 2.1b requires period monitoring of the health and vitality of forests including <i>'pests, diseases, overgrazing and overstocking, fire, and damage caused by</i></p>	2		✓

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Criteria	Findings	Score	L	S
<p>operational procedures which minimise impacts on the range of forest resources and services.</p> <p>iv. Adequate training of all personnel, both employees and contractors.</p> <p>v. Harvest levels that do not exceed the long-term production capacity of the forest, based on adequate inventory and growth and yield data.</p>	<p><i>climatic factors, air pollutants or by forest management operations</i>'.</p> <p>iii. Adequately addressed though Criterion 1.2 which requires safeguarding of the forest resource by '<i>preferring techniques that minimise direct or indirect damage to forest, soil or water resources</i>'. and</p> <p>Criterion 3.2a which requires that '<i>Forest management practices should be ensured in quality with a view to maintain and improve the forest resources...</i>'</p> <p>In addition, each of the six criteria has a section on guidelines for forest management practice.</p> <p>iv. Adequately addressed though criterion 6.1e which requires that '<i>Forest managers, contractors, employees and forest owners should be provided with sufficient information and encouraged to keep up to date through continuous training in relation to sustainable forest management</i>'.</p> <p>v. Adequately addressed through criterion 3.2c which requires '<i>Harvesting levels of both wood and non-wood forest products should not exceed a rate that can be sustained in the long term</i>' and</p> <p>Criterion 1.2a which requires that '<i>Forest management practices should safeguard the quantity and quality of the forest resources in the medium and long term by balancing harvesting and growth rates...</i>' and</p> <p>Criterion 1.1b which requires adequate inventory and mapping of resources.</p>			
<p>1.2.5 The standard must ensure that forest ecosystem health and vitality is maintained. In order to do this the standard should include requirements for:</p> <p>i. Management planning which aims to maintain and increase the health and vitality of forest ecosystems</p>	<p>This is adequately addressed through PEOLG Criterion 2 which refers explicitly to the maintenance of forest ecosystem health and vitality.</p> <p>i. Criterion 2.1a '<i>Forest management planning should aim to maintain and increase the health and vitality of forest ecosystems</i>'</p> <p>ii. Criterion 2.1b requires periodic monitoring of pests diseases, fire, pollutants and over-grazing. Criterion 2.2a encourages diversity to maximise natural protection from natural</p>	2		✓

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Criteria	Findings	Score	L	S
<ul style="list-style-type: none"> <li>ii. Management of natural processes, fires, pests and diseases.</li> <li>iii. Adequate protection of the forest from unauthorised activities such as illegal logging, mining and encroachment.</li> </ul>	<p>processes.</p> <p>iii. There is no specific requirement to protect the forest from unauthorised activities, but Criterion 2.1c has a general requirement that plans should '<i>specify ways and means to minimise the risk of degradation of and damages to forest ecosystems.</i>'</p>			
<p>1.2.6 The standard must ensure that biodiversity is maintained. In order to do this the standard should include requirements for:</p> <ul style="list-style-type: none"> <li>i. Implementation of safeguards to protect rare, threatened and endangered species.</li> <li>ii. The conservation/set-aside of key ecosystems or habitats in their natural state.</li> <li>iii. The protection of features and species of outstanding or exceptional value.</li> </ul>	<p>Criterion 4 covers the maintenance, conservation and appropriate enhancement of biological diversity in forest ecosystems, but does not completely address the requirements.</p> <ul style="list-style-type: none"> <li>i. There is a general requirement in Criterion 4.1a that planning should aim to maintain, conserve or enhance species diversity. In addition, a number of requirements in 4.2 relate to protecting rare species, though there is no explicit general requirement that rare, threatened and endangered species must be protected.</li> <li>ii. There is a general requirement in Criterion 4.1a that ecosystem diversity should be maintained or enhanced, while 4.1b requires planning and inventory to consider important ecosystems and habitats.</li> </ul> <p>However, although 4.1b recognises a range of key biotopes including '<i>protected, rare, sensitive or representative forest ecosystems such as riparian areas and wetland biotopes, areas containing endemic species and habitats of threatened species, as defined in recognised reference lists, as well as endangered or protected genetic in situ resources</i>' the only specific requirement for protection is Criterion 4.2 I which requires the protection of key biotopes such as water sources, wetlands, rocky outcrops and ravines but is not explicit about other representative ecosystems nor about the need to ensure that the outcome is that biodiversity is maintained.</p> <p>iii. Criterion 4.1b requires the identification of areas of importance for biodiversity, while 5.1 requires identification of areas of significance for their protective functions. Requirements</p>	1		✓

Criteria	Findings	Score	L	S
	for the protection of such features or species is less explicit.			

### 1.3. Standard-setting process

Criteria	Findings	Score	L	S
1.3.1 The standard-setting process should meet the requirements of <i>ISO Guide 59: Code of Good Practice for Standardisation</i> , the <i>ISEAL Code of Good Practice for Setting Social and Environmental Standards</i> or equivalent.	<p>National standard-setting is addressed in Annex 2 Clause 3.5.1 which requires that '<i>The Forum</i> (set up to formulate the standard) <i>shall define its own procedures</i>'</p> <p>There is no specific requirement that these procedures should comply with either ISO Guide 59 or the ISEAL Code but they must meet the requirements set out in Annex 2 which are broadly compatible with Guide 59. However, they do not meet the guidance in full. In particular, ISO Guide 59 requires that '<i>written procedures based on the consensus principle should govern the methods used for standards development</i>' (Clause 4.1). PEFC Annex 2 Clause 3.5.1 states that '<i>Achieving consensus shall be the objective, but it is not a precondition to decide on the criteria</i>'. No further guidance is provided on how 'the consensus principle' should be achieved in this case..</p>	1	✓	✓
1.3.2 The standard-setting body must include balanced representation of economic, environmental and social interest categories.	<p>There is a requirement to seek to involve a range of interested parties in the standard-setting process in Annex 2 Clause 3.5.1. This states that</p> <p><i>The process of development of certification criteria shall be initiated by the national forest owners' association or national forestry sector organisations having the support of major forest owners' organisations in that country. All relevant interested parties will be invited to participate in this process.</i></p> <p><i>A Forum ... shall be created to which interested parties are invited to participate in the process. The invited parties should represent the different aspects of sustainable forest management and include, e.g. forest owners, forest industry, environmental and social non-governmental organisations, trade unions, retailers and other relevant organisations at national or sub-national</i></p>	1		✓

	<p><i>level.</i></p> <p>However, there is no explicit requirement that there must be balanced representation – only that all relevant interested parties should be invited to participate and should be part of the standard-setting forum.</p>			
<p>1.3.3 The decision-making process adopted by the standard-setting body should ensure:</p> <ul style="list-style-type: none"> <li>• no individual person or organisation can veto the process;</li> <li>• no single interest can dominate the process;</li> <li>• no decision can be made in the absence of agreement from the majority of an interest category.</li> </ul>	<p>Annex 2 Clause 3.5.1 states that '<i>Achieving consensus shall be the objective, but it is not a precondition to decide on the criteria</i>'.</p> <p>There is no further guidance about how decisions should be made in the absence of consensus in order to ensure that no individual interest dominates and to avoid a decision being made in the absence of agreement from a major interest category. This is particularly important since the PEFC requirements stipulate a lead role for an individual interest group in the process (Annex 2 Clause 3.5.1).</p>	0		✓

## 2. Certification

Criteria	Findings	Score	L	S
<p>2.1 Certification is undertaken by an individual or body whose organisation, systems and procedures conform to appropriate ISO guidance or publicly available alternative. This includes:</p> <ul style="list-style-type: none"> <li>• ISO Guide 62:1996 General requirements for bodies operating assessment and certification/registration of quality systems</li> <li>• ISO Guide 65: 1996 General Requirements for bodies operating product certification systems</li> <li>• ISO Guide 66: 1999</li> </ul>	<p>Annex 6 Clause 3.1 requires that</p> <p><i>'Certification bodies considered competent by the PEFC Council to carry out forest and/or chain of custody verification, shall fulfil the following qualifications:</i></p> <ol style="list-style-type: none"> <li>1. <i>The certification body shall fulfil the requirements defined in ISO Guide 62, ISO Guide 66, ISO Guide 65, EC Regulation 761/2001 (EMAS) or other requirements defined by a national accreditation body.</i></li> <li>2. <i>The certification body carrying out forest certification shall have the technical competence in forest management, on its economic, social and environmental impacts, and on the forest certification criteria.</i></li> <li>3. <i>The certification body shall have a good understanding of the national PEFC system against which it carries out forest ...certification.</i></li> </ol>	2	✓	✓

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Criteria	Findings	Score	L	S
General requirements for bodies operating assessment and certification/registration of environmental management systems (EMS) or equivalent.	<i>Compliance of the certification body with the above requirements shall be verified by an accreditation as described in chapter 5.,</i>			
2.2 Certification is undertaken by an individual or body which is accredited to evaluate against forest management standards.	<p>Annex 6 Section 3.1 requires that</p> <p><i>Compliance of the certification body with the above requirements shall be verified by an accreditation as described in chapter 5.</i></p> <p>Chapter 5 (Annex 6 Section 5) states</p> <p><i>The two following options are recognised by the PEFC Council:</i></p> <p>a) <i>A certification body carrying out forest management ... certification shall have accreditation from a national accreditation body that covers forest management certification as a specified field of operation.</i></p> <p>b) <i>A certification body carrying out forest management ... certification as a part of the QMS (ISO 9001:2000), EMS (ISO 14001) or EMAS certification shall have accreditation from a national accreditation body that covers QMS, EMS or EMAS accreditation in that specific sector.'</i></p> <p>However, Section 5 goes on to state:</p> <p><i>'With effect from this General Assembly certification bodies which carry out forest certification shall fully meet the accreditation requirements within four years of the first certification carried out according to the relevant national scheme.'</i> In the interim, certification bodies must be accredited for ISO 9000, 14001 or EMAS including work in the forestry sector. While providing the security of a general accreditation, this approval nevertheless only relates to the assessment of compliance with the respective ISO standard for a forest operation, rather than compliance with a forest management standard as required for full compliance with Criterion 2.2.</p>	1	✓	✓

Criteria	Findings	Score	L	S
2.3 The certification audit must include assessment of systems and documentation together with verification of outcomes in the forest adequate to ensure that both system and performance requirements in the standard are being met.	This is not addressed specifically in Annex 6 Section 4. However, the required compliance with ISO guidance should provide an adequate basis.	2	✓	✓
2.4 The certification audit must include sufficient consultation with external stakeholders to ensure that all relevant issues are identified relating to compliance with the requirements of the standard.	There is no explicit requirement for consultation in the PEFC requirements nor in the ISO documents referred to.  <i>Annex 6 Section 4 states that 'Additional specific requirements for certification procedures over and above the ones listed above might be defined by the respective forest certification scheme' but provides no guidance on what these might be.</i>	0		✓
2.5 A summary of the results of the certification audit (excluding confidential information) is publicly available to interested parties.	There is no explicit requirement for public information on the results of assessments in the PEFC requirements nor in the ISO documents referred to.  <i>Annex 6 Section 4 states that 'Additional specific requirements for certification procedures over and above the ones listed above might be defined by the respective forest certification scheme' but provides no guidance on what these might be.</i>	0		✓
2.6 There is an accessible and functioning mechanism for dealing with complaints and disputes which is open to any interested party.	Resolution of disputes relating to certification decisions are covered in Annex 3 Clause 5.2 which refers to the dispute resolution mechanisms required by certification bodies for accreditation against ISO Guides, and by accreditation bodies in order to comply with ISO Guide 61.  In addition Annex 3 Clause 5.1 requires the PEFC National Governing Body to set up or has procedures for setting up a dispute resolution body to deal with any dispute which cannot be resolved by the certification or accreditation body.	2	✓	✓

### 3. Accreditation

Criteria	Findings	Score	L	S
3.1 Accreditation must be undertaken by a national or international body whose organisation, systems and procedures conform to ISO Guide 61: 1996 General Requirements for Assessment and Accreditation of Certification Bodies or equivalent.	Annex 6 Section 5 states that  <i>'Accreditation bodies shall be part of the European co-operation for Accreditation (EA) and/or the International Accreditation Forum (IAF) umbrella and implement procedures described in ISO Guide 61 and other documents recognised by the above organisation'</i>	2	✓	✓

### 4. Chain of custody

#### 4.1. Criteria for all products

Criteria	Findings	Score	L	S
4.1.1 Assessment of chain of custody must be undertaken by a certification body or auditor operating in accordance with ISO Guide 65 or equivalent and accredited by an accreditation body operating in accordance with ISO Guide 61 or equivalent.	<p>Certification</p> <p>Annex 6 Clause 3.1 <i>Certification bodies considered competent by the PEFC Council to carry out forest and/or chain of custody verification, shall fulfil the following qualifications ... The certification body shall fulfil the requirements defined in ISO Guide 62, ISO Guide 66, ISO Guide 65, EC Regulation 761/2001 (EMAS) or other requirements defined by a national accreditation body.</i></p> <p>Accreditation</p> <p>Annex 4 Section 4: <i>Certification bodies must be accredited by national accreditation bodies ... However, where for some reason this is not possible or practical and an adequate credible alternative exists, a special application, requesting exemption from this clause and outlining the alternative procedure to ensure credibility, can be made to the General assembly of the PEFC Council.</i></p> <p>Annex 6 Section 5: <i>Accreditation bodies shall be part of the European co-operation for Accreditation (EA) and/or the International Accreditation Forum (IAF) umbrella and</i></p>	2	✓	✓

Criteria	Findings	Score	L	S
	<i>implement procedures described in ISO Guide 61 and other documents recognised by the above organisation</i>			
4.1.2 There must be a certified chain of custody in place from the forest of origin to the final product.	Annex 2 Section 4 sets out the development process for national chain of custody standards.  Annex 4 sets out the requirements for chain of custody in detail and provides a generic standard.  A number of approaches to chain of custody are permitted included both total segregation and a variety of approaches to percentage-based labelling.	2	✓	✓
4.1.3 There is a clearly defined mechanism for controlling all claims made about the certified nature of products which ensures that claims are clear and accurate and that action is taken to prevent any false or misleading claims.	Control of the use of the PEFC logo is outlined in Annex 4 and covered in detail in Annex 5.	2	✓	✓

#### ***4.2. Criteria for certified and non-certified mixed products***

Criteria	Findings	Score	L	S
4.2.1 If recycled material is used there must be a verifiable system in place to ensure that recycled material is from the following categories: <ul style="list-style-type: none"> <li>Pre-consumer recycled wood and wood fibre or industrial by-products but excluding sawmill co-products</li> <li>Post-consumer recycled wood and wood fibre</li> <li>Drift wood</li> </ul>	PEFC allows the use of recycled material in PEFC labelled products. The recycled content is excluded from calculations of the total certified/uncertified content.  Annex 4 Section 12 contains a definition of recycled material: <i>Category 2: recycled wood and recycled fibres (post-consumer wood and fibres) and reclaimed pre-consumer by-products from processes in manufacture where these are not traceable to virgin wood sources according to the PEFC chain of custody rules'</i>  However, there is no requirement for a system to verify the sources of recycled material or that it is from the specified categories. In addition, the definition of recycled does not explicitly exclude sawmill co-products from the pre-consumer recycled fibre as required by the contract requirements.	1	✓	✓

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Criteria	Findings	Score	L	S
4.2.2 If mixing of certified and uncertified material is permitted then there must be a verifiable system in place which ensures that all uncertified material used is from legal sources to meet the contract requirements for legal timber.	<p>Annex 4 Section 8 includes a requirement that the chain of custody system ensures that no wood raw material from illegal sources can enter the process.</p> <p>However, the explanatory note states '<i>The company shall require from all suppliers of wood based raw material or purchased products at least a signed self-declaration (eg as part of the contract) that supplied raw material or products do not contain any wood raw material from controversial sources</i>'.</p> <p>There is no requirement or guidance requiring a verifiable system to be in place to demonstrate that the material used is from legal sources even though sources may include countries with high levels of illegality.</p> <p>The draft chain of custody standard due to go before the PEFC General Assembly in October 2004 contains much more detailed requirements for the development and implementation of a system to assess the risk of illegal material entering the process and the use of audits to ensure that safeguards are adequate to prevent this. Once the standard has been approved and implemented, the findings will need to be reviewed.</p>	1	✓	
4.2.3 If mixing of certified and uncertified material is permitted then there must be a verifiable system in place which ensures that all uncertified material used is from sustainable sources to meet the variant specification requirements for sustainable timber.	There is no requirement for a verifiable system to ensure that the forests of origin of all uncertified material meet the requirements of clauses 2.1.3 - 2.1.6.	0		✓