



2006 Review of forest certification schemes

Submitted Comments and responses on the Sustainable Forestry Initiative

December 22, 2006

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These comments were submitted as part of the 2006 Review of forest certification schemes. The comment period closed on the 24 of June 2006. Each comment has been assigned a number, based on the order in which they appear in the document below. Though the names of the stakeholders have been kept anonymous, each group or individual has been assigned a numbers which is consistent through all five of the 'scheme comment' documents, to facilitate identification of their comments by the stakeholders. These numbers are found under the heading 'Commentator'.

1. Forest Standards

1.1 Content of standards for legal compliance

Criteria	Guidance on implementation	Commentator	CPET responses
1.1.1 The standard requires that the forest owner/manager holds legal use rights to the forest	If schemes are only applicable to countries where legal use rights are clear then an explicit requirement for legal compliance is sufficient for a score of 1 even if legal use rights are not explicitly addressed. However, if the scheme can be applied in countries where legal use rights are not clear, there must be an explicit requirement.		
Comments on 1.1.1			
1	CPET's award of a score of 2 to the SFI scheme is clearly wrong. CPET found: " <i>not explicitly detailed in Principles, Objectives or Performance Measures but implicit in preamble to Principles of Forestry. Only for use in north America where there is a mature and functioning legislative system and existing administrative structures.</i> " The functional part of the SFI standard is the Principles, Objectives or Performance Measures – these are the criteria against which certification applicants are assessed. Statements in the preamble should not be accepted as evidence of compliance.	24	This comment relates to the previous assessment of SFI (2005). This comment is no longer relevant. A score of 1 has been awarded based on the revised CPET guidance.
2	CPET Guidance for this criterion requires an "explicit requirement" for this in SFIS, particularly so "in countries where legal use rights are not clear" (e.g., Canada,	25	SFIS Objective 11 contains explicit requirements for legal requirements:

¹ Interpretations Questions and Answers for the 2005-2009 Sustainable Forestry Initiative Standard (SFIS), available on www.aboutsfb.org. Defined as "interpretations necessary to implement" the SFIS.

Criteria	Guidance on implementation	Commentator	CPET responses
	<p>particularly British Columbia, regarding First Nations). SFIS contains no such explicit requirement. CPET says, however, that this is addressed through SFIS Objective 11. Yet Objective 11 itself is not performance-based. This Objective is only a “Commitment to comply” with laws, rather than actual, verified ‘compliance’. Further, its Performance Measure requires only that participants “shall take appropriate steps to comply”, rather than actually ‘comply’. Of the four Indicators (which SFIS defines as “... a specific metric... used to assess conformance to the... objectives and performance measures”) that apply to this Performance Measure, the two strongest and clearest require only a “System to achieve compliance” and “Demonstration of commitment to legal compliance through available regulatory action information” – rather than any more concrete evidence of compliance. ‘Legal use rights to the forest’ is a very narrow and explicit criterion, and these SFIS Indicators provide no means whatsoever of verifying compliance.</p> <p>The SFI response to CPET falsely asserts that the SFIS “clearly requires participants to comply with applicable laws”, and that participants “must comply with all laws”. The very carefully crafted language of the SFIS very plainly does neither. The SFI response also reveals the unacceptable degree of flexibility SFI applies to compliance with laws and to verification of compliance with its own SFIS Objective 11 by stating that the SFIS “...puts the burden on program participants to... ensure compliance (with laws)”, rather than requiring an independent third party to verify compliance or even to verify the absence of violations.</p> <p>Specifically regarding use rights in Canada, we cite the following statements from the current SFI Interpretations document¹: Section 14.5-“While there are unsettled land claims for First Nations pending in parts of Canada... certification cannot settle such claims.” Though this is a factual statement as far as it goes, we note that the Interpretations document avoids providing a direct answer to the question that is the subject of Section 14.5-“Should the SFIS certify operations where such claims are</p>		<p>Performance measure 11.1. <i>‘Program Participants shall take appropriate steps to comply with applicable federal, provincial, state and local forestry and related environmental laws and regulations.’</i></p> <p>Performance measure 11.2. <i>‘Program participants shall take appropriate steps to comply with all applicable social laws at the federal, provincial, state, and local levels in the country in which the Program Participant operates.’</i></p>

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	<p>pending?” Clearly, the SFI answer is ‘yes’.</p> <p>In British Columbia, there is a very real and significant open question about the legality of claims to lands to which Aboriginal groups claim title, and about the constitutionality of existing statutes that deal with this subject. This is a highly visible issue, has been the subject of court cases, and is still controversial and unresolved. In a very real sense, it leaves the question of what is “legal” very much up in the air. In this context, the SFIS alone is insufficient to comply with this CPET criterion.</p> <p>For all the aforementioned reasons, the score should be 0.</p>		
<p>1.1.2 The standard requires compliance from both the forest management organisation and any contractors with local and national legal requirements including those relevant to:</p> <ul style="list-style-type: none"> • Forest management • Environment • Labour and welfare • Health & safety • Other parties’ tenure and use rights 	<p>In general, compliance with the law means compliance with all relevant laws. However, it is now recognised in some countries laws may be unclear or conflicting making clear definition of legality difficult to achieve. The FLEGT² process has proposed that in such countries it will be necessary to have or develop a practical working definition of ‘legal’ or a set of core laws which must be met which has support from major stakeholder groups. This can be done through a national standard-setting process or other appropriate means.</p>		
Comments on 1.1.2			
3	How the scheme in question assesses compliance with laws and codes of practice is an	24	This comment relates to the previous

² Forest Law Enforcement, Governance and Trade is the European Union’s response to the problem of illegal logging and trade in associated timber products. The process of developing a working definition of ‘legal’ has been initiated for Indonesia.

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	important question. For example, the SFI standard requires certified entities “to comply with applicable federal, provincial, state, and local forestry and related environmental laws, statutes, and regulations and to commit to comply with applicable federal, provincial, state, or local laws and regulations”. On this basis CPET awarded a score of 2, which appears justified. However, the standard for the certification assessment does not require an assessment of compliance with laws (more on this under criterion 2.3 below).		assessment of SFI (2005). This comment is no longer relevant. A score of 2 awarded based on SFIS Objective 11.
4	<p>[Refer also to comments on CPET Criterion 1.1.1] CPET refers to SFIS Performance Measure 11.2 Indicator 1, which requires only a “Written policy demonstrating a commitment to comply with social laws...”, rather than any concrete verification of actual compliance. The SFIS seems to assume that if laws exist and SFI Program Participants promise to comply with them, then no verification is required, an approach that undermines the very concept of ‘certification’.</p> <p>Furthermore, nowhere under SFIS Objective 11, or particularly under Performance Measure 11.2 Indicator 1, is there any language at all regarding this criterion’s required compliance with “legal requirements... relevant to... Other parties’ tenure and use rights”, although there is a reference to “indigenous peoples’ rights”.</p> <p>Although it would be difficult to prove non-compliance without an examination of specific certifications, considerable doubt surely exists. The score should be, at best, -1-, but without any verifiable performance measure a case can be made that it should be -0-.</p>	25	<p>Compliance is assessed against the ‘Performance Measures’ as well as the ‘Indicators’.</p> <p>The <i>SFI Audit Procedures and Qualifications</i> (section 6.2) state that:</p> <p><i>‘The audit firm shall assess conformance to each element of the SFI standard within the scope of the audit. SFI Standard elements are objectives, performance measures, and indicators’.</i></p>
1.1.3 The standard requires payment of all relevant royalties and taxes	Where payment is clearly required by law, then an explicit requirement for legal compliance is sufficient for a score of 1.		
Comments on 1.1.3			
5	CPET scored the SFI scheme 2 noting that the requirement is “not explicitly stated but implicit in compliance with laws and regulations within the context of north American	24	This comment relates to the previous assessment of SFI (2005).

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	<p>legislative system and existing administrative structures”. CPET’s assessment is clearly wrong because neither scheme’s standard includes an express requirement regarding payment of all relevant royalties and taxes. CPET was also wrong to defer to criterion 1.1.2 because some payments are not provided for and regulated by law, for example payments agreed in contracts between seller and buyer.</p>		<p>The 2006 SFI assessment score for this criterion was ‘1’, reflecting an implicit (rather than explicit) requirement, as per the updated guidance.</p> <p>Payment of royalties and taxes is implicit in compliance with laws and regulations within the context of north American legislative system and existing administrative structures. Compliance is required in:</p> <p>Objective 11. Commitment to comply with applicable federal, provincial, state, or local laws and regulations.</p> <p>Failure to make payments agreed in contracts between seller and buyer would be dealt with by filing a civil lawsuit under breach of contract law, and thus would still be covered by the requirement to comply with applicable federal, provincial, state, or local laws and regulations.</p> <p>This section of the CPET criteria refers to legal compliance, and thus payments not provided for and regulated by law are not addressed in this section.</p>
6	[Refer also to comments on Criterion 1.1.1] No explicit reference or requirement in	25	Compliance is assessed against the

Criteria		Guidance on implementation	Commentator	CPET responses
	SFIS, and no verifiable performance measures are required anywhere under SFIS's Objective 11. Score should be, at best, -1-, but without a verifiable performance measure a case can be made that it should be -0-.			'Performance Measures' as well as the 'Indicators'. <i>The SFI Audit Procedures and Qualifications</i> (section 6.2) state that: <i>'The audit firm shall assess conformance to each element of the SFI standard within the scope of the audit. SFI Standard elements are objectives, performance measures, and indicators.'</i>
1.1.4	The standard requires compliance with the requirements of CITES.	For standards which can only be applied in countries which are CITES signatories and have incorporated the requirements into national law this can be implicit under legal requirements. However, it must be explicit if the scheme can be used in non-signatory countries or countries which have not incorporated CITES requirements into national law.		
Comments on 1.1.4				
7	In line with guidance, CPET scored the SFI scheme 2 on the basis that the countries in which the scheme operates are signatories to CITES. The CPET assessment does not identify specific laws that implement the provisions of CITES. As noted under criterion 1.1.2, SFI certification assessments do not seek to confirm compliance with laws (see the observations under criterion 2.3 below).		24	This comment relates to the previous assessment of SFI (2005). As noted in CPET's 2006 assessment of SFI, the US and Canada are CITES signatories, and ratified on 14/01/1974 and 10/04/1975. Ratification is the process of adopting an international

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			<p>treaty by the legislature or a constitution, which makes it nationally binding.</p> <p>The guidance to this criterion notes ‘For standards which can only be applied in countries which are CITES signatories and have incorporated the requirements into national law this can be implicit under legal requirements.’</p> <p>SFI has scored a 2 in the 2006 assessment based on Objective 11 and Performance Measure 11.1.</p>
8	<p>US and Canadian law requires citizens and corporations to comply with CITES. CPET Guidance permits compliance to be implicit. However, CPET is relying on compliance with SFIS Objective 11, which, as we have said above, contains no performance measures or means for verifying compliance. Score should be, at best, -1.</p>	25	<p>SFIS Objective 11 contains explicit requirements for legal requirements:</p> <p>Performance measure 11.1. ‘<i>Program Participants shall take appropriate steps to comply with applicable federal, provincial, state and local forestry and related environmental laws and regulations.</i>’</p> <p>Performance measure 11.2. ‘<i>Program participants shall take appropriate steps to comply with all applicable social laws at the federal, provincial, state, and local levels in the country in which the Program Participant operates.</i>’</p>

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			<p>Compliance is assessed against the 'Performance Measures' as well as the 'Indicators'.</p> <p><i>The SFI Audit Procedures and Qualifications</i> (section 6.2) state that:</p> <p><i>'The audit firm shall assess conformance to each element of the SFI standard within the scope of the audit. SFI Standard elements are objectives, performance measures, and indicators.'</i></p>

1.2 Content of standards for sustainable variant

Criteria	Guidance on implementation	Commentator	CPET responses
<p>1.2.1 Certification standards must be consistent with a widely accepted set of international principles and criteria defining sustainable or responsible forest management at the forest management unit level.</p>	<p>It is not possible to define a detailed global standard for forest management because of the huge variation in climate, vegetation, topography, socio-economic context etc. Therefore, certification standards need to be adapted to local conditions, but to ensure consistency and avoid trade barriers, it is important to base each standard on accepted international principles such as:</p> <ul style="list-style-type: none"> • Intergovernmental processes designed for 		

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	<p>use at FMU level, for example the Pan-European Operational Level Guidelines (PEOLG).</p> <ul style="list-style-type: none"> • Requirements developed by an international organisation such as the ITTO Criteria • International principles developed explicitly for forest certification such as the FSC Principles and Criteria <p>Such international principles can be developed either to guide national planning and reporting, or to guide management at the scale of the forest management unit. As certification applies at the latter level it is appropriate to base certification standards on international principles designed for this use. However, use of a set of appropriate international criteria developed for national reporting or other uses is sufficient for a score of 1.</p>		
Comments on 1.2.1			
No comments received.			
1.2.2 The standard must be performance-based.	There are two types of requirements – performance and management system. Only performance requirements guarantee a defined level of performance. Therefore, only standards		

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	<p>which include performance requirements (which may be in addition to system requirements) can provide the basis for the delivery of the UK government requirements for legal compliance or sustainability.</p> <p>To score 2, the standard must address all of the requirements set out in 1.2.3 - 1.2.6 as performance elements, not as issues to be addressed by a management system without any minimum threshold of performance. To score 1, each of the criteria 1.2.3 - 1.2.6 must be at least partially addressed.</p>		
Comments on 1.2.2			
9	<p>The SFIS is predominantly systems-based and most of its “Performance Measures” and their associated “Indicators” appear to create a circular-reasoning reinforcement for a systems approach, with a great deal of flexibility built in. Many SFIS Performance Measures contain fairly vague language, and compliance would be very difficult to verify for a number of them. This means that examining the exact language of the SFIS Indicators is essential for a clear interpretation of how each Performance Measure is to be verified. Indeed, according to the SFIS Definitions, the Indicator is the primary tool “used to assess conformance” with Performance Measures. An accurate analysis of the ability of the SFIS to deliver verifiable “Sustainable” results in the forest thus requires a careful evaluation of each Indicator that applies to a given Performance Measure, and in particular whether it is explicit, concrete, and measurable/auditable. In fact, however, most SFIS Indicators measure only whether some form of ‘system’ (program/plan/process/provision/documentation) is in place, rather than whether a</p>	25	<p>Compliance is assessed against the ‘Performance Measures’ as well as the ‘Indicators’.</p> <p><i>The SFI Audit Procedures and Qualifications</i> (section 6.2) state that:</p> <p><i>‘The audit firm shall assess conformance to each element of the SFI standard within the scope of the audit. SFI Standard elements are objectives, performance measures, and indicators’.</i></p> <p>It also states that:</p>

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	<p>specific, verifiable condition or result is being achieved in the forest. Few of the Indicators contain clear, demonstrative performance terminology (e.g., “shall/will/must” or “is/are”) that would equate to mandatory; vague, unverifiable terms are common (e.g., “promote/contribute/address”); and many Indicators contain qualifiers that inject some degree of flexibility into how they are applied (e.g., “where practical” or “to achieve management objectives”). Rarely is actual, successful implementation of any of these systems/plans/programs, or achievement of specific management goals, explicitly required by the SFIS.</p> <p>Furthermore, according to the SFI Audit Procedures and Qualifications (SFI APQ – Audit Procedures and Qualifications), “Program Participants, with consent of the audit firm, may substitute or modify indicators... [provided they are] consistent with the spirit and intent of the SFI Standard performance measures and indicators...” This means, in effect, that no consistent set of SFIS Indicators actually exists. Finally, even though the SFI APQ (6.1.2) stipulates that SFI audits should “verify... conformance with SFI objectives, performance measures, and indicators” and “verify whether the Program Participant has effectively implemented its SFI Standard program requirements on the ground”, and (6.2) that “Evidence shall be compiled by... on the ground examination of field performance”, if the actual language of the SFIS is vague or in-auditable or only requires the existence of a system, process or document, then the seemingly tangible terms “on the ground” and “field performance” have, and can have, little or no practical meaning in the forest.</p> <p>In the final analysis, “performance based” should mean consistent, explicit, concrete, verifiable performance in the forest, particularly for CPET Criteria 1.2.3-1.2.6. Indeed, the very concept of forest management certification requires this. Score should be no more than -1-, and, based on the ability of Program Participants to modify the Indicators, a case can be made that it should be -0-.</p>		<p><i>‘Evidence shall be compiled byon-the-ground examination of field performance...’</i></p> <p>These requirements amount to the assessment of <i>‘successful implementation’</i>.</p> <p>The SFIS definition of <i>‘program’</i> is: <i>‘An organized system, process or set of activities to achieve an objective or performance measure.’</i></p> <p>The comments concerning the language of the specific requirements relating to CPET criteria 1.2.3 – 1.2.6 are responded to below.</p>
1.2.3 The standard must ensure that harm	The first sentence sets out the goal of the		

Criteria	Guidance on implementation	Commentator	CPET responses
<p>to ecosystems is minimised. In order to do this the standard must include requirements for:</p> <p>a. Appropriate assessment of impacts and planning to minimise impacts;</p> <p>b. Protection of soil, water and biodiversity;</p> <p>c. Controlled and appropriate use of chemicals and use of Integrated Pest Management wherever possible.</p> <p>d. Proper disposal of wastes to minimise any negative impacts.</p>	<p>criterion. Compliance will be assessed against the list of requirements.</p> <p>To score a 2, each requirement must be adequately addressed. Where this is not achieved, but there are no major omissions, a score of 1 can be awarded.</p> <p>Where an issue (for example, waste disposal) is adequately covered by legal requirements in all countries where a scheme can be used, it need not be explicit provided that legal compliance is required by the standard.</p>		
Comments on 1.2.3			
10	<p>See previous comments on CPET Criterion 1.2.2 regarding ‘performance’]</p> <p>(a) SFIS Performance Measure 4.1 Indicator 5 contains an important qualifier, “...where practical and when consistent with management objectives.” Both SFIS Performance Measure 5.1 and Performance Measure 2.1 Indicator 5 lack any specific requirement that impacts be minimised, reduced or avoided. US law generally does not require private parties to conduct impact assessments on private lands. Thus (a) is not adequately addressed.</p> <p>(b) The Indicators associated with SFIS Objectives 2, 3 and 4 contain a mix of performance and systems-based requirements, many of which are incapable of delivering what the SFIS Objectives and Performance Measures imply. With respect</p>	25	<p>(a) CPET requirement 1.2.3 (a) is partially addressed through a number of issue-specific requirements on assessment of impacts such as SFIS Performance Measure 4.1 Indicator 5 and SFIS Performance Measure 2.1 Indicator 5.</p> <p>(b) CPET requirement 1.2.3b requires “Protection of soil, water and biodiversity.”</p> <p><i>The SFI Audit Procedures and</i></p>

³ Ibid.

Criteria	Guidance on implementation	Commentator	CPET responses
	<p>to water quality, Indicators 2.2.6, 3.1.1,2,4, and 3.2.2 place considerable reliance on BMPs. Yet BMPs are highly variable in quality from state to state in the US and do not exist, per se, in Canada. We cite the SFI Interpretations document³: Section 4.2-“There is a working assumption that BMPs will be sufficient in most cases to meet the needs of aquatic fauna”; and Section 14.3-“As is the case under the U.S. laws, protection specifics vary widely across the [Canadian] provinces, with Manitoba having relatively few specific regulations to address needs.” Overall, the SFI Program seems to rely on a patchwork of laws and regulations to address water quality and aquatic biodiversity requirements, the sum of which is inappropriately assumed to be greater than the individual parts. With respect to biodiversity, SFIS Objective 4 is thoroughly and glaringly deficient. This Objective and its two Performance Measures require only that SFI Program Participants vaguely “manage” wildlife habitats and “contribute to” or “promote” (rather than ‘ensure’, ‘protect’ or ‘maintain’) the conservation of biodiversity, and only one of the ten associated Indicators even hints at any result in the forest (4.1.4, which, even so, does not actually require a specific result on the ground); all the rest require only programs, plans, methodologies, or information collection. On water quality and biodiversity grounds, (b) is not adequately addressed.</p> <p>(c) Although some of the pertinent SFIS Indicator language is somewhat vague and contains some troubling qualifiers (e.g., “where feasible” and “to achieve management objectives”), (c) may be considered at least partially addressed. The chief uncertainty lies in the variability of US and Canadian laws and regulations (both federal and state/provincial) dealing with chemical use, and how well these are enforced.</p> <p>(d) Not only the language of CPET Sub-Criterion (d) itself, but the extent to which existing laws may or may not apply to a given forest management situation, as well as the extent to which effective enforcement of any laws actually takes place on</p>		<p><i>Qualifications</i> (section 6.2) state that:</p> <p><i>‘The audit firm shall assess conformance to each element of the SFI standard within the scope of the audit. SFI Standard elements are objectives, performance measures, and indicators.’</i></p> <p>These issues are covered by SFIS Objectives 2, 3 and 4.</p> <p>Objective 4 includes the following indicators:</p> <p><i>‘Indicator 2. Program to protect threatened and endangered species.’</i></p> <p><i>‘Indicator 3. Plans to locate and protect known sites associated with viable occurrences of critically imperilled and imperilled species and communities.’</i></p> <p><i>‘Indicator 4.retention of stand-level wildlife habitat elements.’</i></p>

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	<p>privately-managed forestlands, are all extremely vague and uncertain. Local and state laws and BMPs are the primary mechanisms likely to apply, yet cannot be counted on to deliver specific or consistent results. Thus, even at best, (d) could only be considered partially addressed.</p> <p>The critical factor here is the CPET Guidance language, which says that, "To score a 2, each requirement must be adequately addressed. Where this is not achieved, but there are no major omissions, a score of 1 can be awarded." In light of the major omission/failure related to biodiversity under (b), and given the fundamental significance of biodiversity protection to the achievement of sustainable forest management, a robust case can be made that the score should be -0-.</p>		
<p>1.2.4 The standard must seek to ensure that productivity of the forest is maintained. In order to do this the standard must include requirements for:</p> <p>a. Management planning and implementation of management activities to avoid significant negative impacts on forest productivity.</p> <p>b. Monitoring which is adequate to check compliance with all requirements, together with review and feedback into planning.</p> <p>c. Operations and operational procedures which minimise impacts on the range of forest resources and services.</p> <p>d. Adequate training of all personnel, both</p>	<p>The first sentence sets out the goal of the criterion. Compliance will be assessed against the list of requirements.</p> <p>To score a 2, each requirement must be adequately addressed. Where this is not achieved, but there are no major omissions, a score of 1 can be awarded.</p> <p>Where an issue is adequately covered by legal requirements in all countries where a scheme can be used, it need not be explicit provided that legal compliance is required by the standard.</p>		

Criteria	Guidance on implementation	Commentator	CPET responses
<p>employees and contractors.</p> <p>e. Harvest levels that do not exceed the long-term production capacity of the forest, based on adequate inventory and growth and yield data.</p>			
Comments on 1.2.4			
11	<p>[See previous comments on Criterion 1.2.2 regarding ‘performance’]</p> <p>(a) SFI APQ does not require audit firms to assess conformance to SFIS “Principles”. However, although the language of the Indicators associated with Performance Measure 2.3 are somewhat poorly crafted in terms of explicit performance ‘requirements’, (a) is probably adequately addressed.</p> <p>(b) The language of SFIS Objective 13 on its own is inadequate to produce desired results. Although Performance Measure 13.1 and its three associated Indicators contain language requiring the establishment of review and reporting systems, none of that language requires that any changes or improvements based on such reviews actually be implemented, thus failing to address the CPET requirement for “feedback into planning”. Thus (b) is only partially addressed.</p> <p>(c) Objective 5 and its associated Performance Measures and Indicators contain considerable vague language. For example, to merely “manage the impact of harvesting on visual quality” requires no specific, measurable result, for better or worse, in the forest. Performance Measure 5.3 calls for adoption of a ‘green-up’ requirement “or alternative methods that <i>provide for</i> visual quality”, none of which can be readily or consistently measured or verified, and the key Indicator 5.3.3, contains a rather sweeping qualifier, “...or as appropriate to address operational and economic considerations”. Although several other Objectives contain</p>	25	<p>(b) Performance Measure 13.1 requires Program Participants to:</p> <p><i>‘...establish a management review system to examine findings and progress in implementing the SFI Standard, to make appropriate improvements in programs...’</i></p> <p>(c) The CPET requirement is addressed by SFIS Objective 2, Performance Measure 2.3 and Objective 5.</p> <p>(e) Indicators under Performance Measure 1.1 require:</p> <ul style="list-style-type: none"> • <i>‘A periodic or on-going forest inventory;</i> • <i>Recommended sustainable harvest levels;</i> • <i>Documentation of annual harvest trends in relation to the sustainable</i>

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<p>requirements that could meet this criterion, due to the weaknesses of Objective 5, (c) could be considered only partially addressed.</p> <p>(d) Although SFIS Objective 10 addresses training, the language in its associated Performance Measures and Indicators, which should explicitly require that training actually be carried out, suffers from the same lack of strength and clarity that afflicts many other parts of the SFIS language. Nonetheless, (d) is probably adequately addressed.</p> <p>(e) All of the Indicators under SFIS Performance Measure 1.1 require only documents and systems, and do not require any verifiable performance in the forest. Although Performance Measure 1.1 states, "...shall ensure that long-term harvest levels are sustainable", there is no pertinent definition of "sustainable" provided, and nothing would prevent harvesting from significantly altering or even completely replacing an existing natural forest with an even-aged plantation. The CPET criterion seems to imply a continuum involving an existing forest over time, while the SFIS language appears not to. Whether this criterion is adequately met is questionable.</p> <p>The CPET Guidance language suggests that <u>the score should be -1-</u>.</p>			<p><i>forest management plan.</i></p> <ul style="list-style-type: none"> • <i>A forest inventory system and a method to calculate growth.</i> • <i>Periodic updates of inventory of recalculation of planned harvests.'</i> <p>Verification of compliance with these requirements would mainly require document review and interview, but in addition the <i>SFI Audit Procedures and Qualifications</i> (section 6.2) state that:</p> <p><i>'Evidence shall be compiled byon-the-ground examination of field performance...'</i></p>
<p>1.2.5 The standard must seek to ensure that forest ecosystem health and vitality is maintained. In order to do this the standard must include requirements for:</p> <p>a. Management planning which aims to maintain or increase the health and vitality of forest ecosystems</p> <p>b. Management of natural processes, fires, pests and diseases.</p>	<p>The first sentence sets out the goal of the criterion. Compliance will be assessed against the list of requirements.</p> <p>To score a 2, each requirement must be adequately addressed. Where this is not achieved, but there are no major omissions, a score of 1 can be awarded.</p> <p>Where an issue is adequately covered by legal requirements in all countries where a scheme</p>		

Criteria	Guidance on implementation	Commentator	CPET responses
c. Adequate protection of the forest from unauthorised activities such as illegal logging, mining and encroachment.	can be used, it need not be explicit provided that the standard assures legal compliance.		
Comments on 1.2.5			
12	<p>(a) SFIS Objective 2 is predominantly about silviculture, the management and re-stocking of timber resources, use of chemicals, soil productivity, damaging agents, and biotechnology, and there are no references to ecosystems. Furthermore, the silvicultural goals of each forest manager may differ significantly from each other. Although no explicit requirement exists under this objective for management planning, some implications can be drawn from a few of the indicators that seem to relate to plans, but they would be fairly narrow in their application. This said, most of those few indicators require no actual performance results and none of them deal explicitly with ecosystems – a term not found anywhere in the SFIS except in the Definitions section (but, even there, not as a stand-alone term). None of the performance measures or indicators under SFIS Objective 4 require any verifiable results in the forest [see previous comments on 1.2.3 regarding the serious weaknesses of this objective]. Even if the SFIS were given an extremely flexible interpretation, at best this sub-criterion would only be partially addressed.</p> <p>(b) Although SFIS Performance Measure 2.4 relates to this requirement, all of its Indicators are systems-based, address only ‘programs’ and ‘management to promote’, and do not require any verifiable performance result in the forest. Thus, at best this sub-criterion could only be partially addressed, if at all.</p> <p>(c) Nothing in this sub-criterion is explicitly addressed in the SFIS. CPET incorrectly assumes that SFIS Objective 11, dealing with laws and regulations, is sufficient to adequately address this sub-criterion, yet Objective 11 contains no performance-</p>	25	<p>(a) <i>The SFI Audit Procedures and Qualifications</i> (section 6.2) state that: <i>‘The audit firm shall assess conformance to each element of the SFI standard within the scope of the audit. SFI Standard elements are objectives, performance measures, and indicators.’</i></p> <p>Objective 4 includes the following indicators: <i>‘Indicator 2. Program to protect threatened and endangered species.</i> <i>Indicator 3. Plans to locate and protect known sites associated with viable occurrences of critically imperilled and imperilled species and communities.</i> <i>Indicator 4.retention of stand-level wildlife habitat elements.’</i></p> <p>(b) The SFIS definition of ‘<i>program</i>’ is: <i>‘An organized system, process or set of</i></p>

Criteria	Guidance on implementation	Commentator	CPET responses
	<p>related requirements or verifiable results in the forest [see previous comments on the weaknesses CPET Criterion 1.1.1]. Furthermore, laws and regulations dealing with unauthorised “encroachment” may differ widely state by state in the US. Even in a case where a strong and clear law may exist to prohibit and prosecute one of these unauthorised activities, if enforcement is poor or non-existent CPET would nonetheless give the forest manager credit for full compliance even though the result in the forest could be the opposite of what this sub-criterion requires. Therefore, it seems clear that this sub-criterion is poorly addressed, if at all.</p> <p>The focus and specifics of the SFIS in relation to (a), (b) and (c) cannot provide a broad enough approach capable of delivering the result this criterion requires. Furthermore, CPET reliance on SFIS Objective 11 to deliver an adequate result on sub-criterion (c) is unreasonable. Overall, given these shortcomings, the SFIS cannot possibly “Ensure that forest ecosystem health and vitality is maintained.” Therefore, the score can be no more than -1-, and should probably be -0-.</p>		<p><i>activities to achieve an objective or performance measure.’</i></p> <p>(c) SFIS Objective 11 contains explicit requirements for legal requirements:</p> <p>Performance measure 11.1. <i>‘Program Participants shall take appropriate steps to comply with applicable federal, provincial, state and local forestry and related environmental laws and regulations.’</i></p> <p>Performance measure 11.2. <i>‘Program participants shall take appropriate steps to comply with all applicable social laws at the federal, provincial, state, and local levels in the country in which the Program Participant operates.’</i></p> <p>The <i>SFI Audit Procedures and Qualifications</i> (section 6.2) state that:</p> <p><i>‘Evidence shall be compiled byon-the-ground examination of field performance...’</i></p>
<p>1.2.6 The standard must seek to ensure that biodiversity is maintained. In order to do this the standard must include requirements for:</p>	<p>The first sentence sets out the goal of the criterion. Compliance will be assessed against the list of requirements.</p> <p>To score a 2, each requirement must be</p>		

Criteria	Guidance on implementation	Commentator	CPET responses
<p>a. Implementation of safeguards to protect rare, threatened and endangered species.</p> <p>b. The conservation/set-aside of key ecosystems or habitats in their natural state.</p> <p>c. The protection of features and species of outstanding or exceptional value.</p>	<p>adequately addressed. Where this is not achieved, but there are no major omissions, a score of 1 can be awarded.</p> <p>Where an issue is adequately covered by legal requirements in all countries where a scheme can be used, it need not be explicit provided that the standard assures legal compliance.</p>		
Comments on 1.2.6			
13	<p>[* See previous comments on 1.2.3 regarding the major failure with respect to maintenance of biodiversity under SFIS Objective 4.] The key CPET deliverable under this criterion is evidence that biodiversity “is maintained”.</p> <p>(a) This CPET sub-criterion requires “implementation” of safeguards. SFIS Performance Measure 4.1 requires only that Program Participants “shall have programs to promote”; Indicator 2 only requires a “program” and fails to require either implementation of such a program or any verifiable result in the forest. SFIS Performance Measure 2.2 Indicator 6k only applies to chemical use, requires no verifiable result, and only applies to BMPs (which are highly variable from state to state in the US, are spotty in Canada, and primarily deal with soil erosion and water quality). The latter is so narrow in its possible application or benefit that it should not equate to a ‘partial’ addressing of this criterion. Thus (a) is not addressed.</p> <p>(b) Again, SFIS Performance Measure 4.1 requires only a “program to promote”. Indicator 3 only mentions “plans”, with no requirement either for implementation of</p>	25	<p>(a) Objective 4 includes the following indicators:</p> <p>Indicator 2. <i>‘Program to protect threatened and endangered species.’</i></p> <p>Indicator 3. <i>‘Plans to locate and protect known sites associated with viable occurrences of critically imperilled and imperilled species and communities.’</i></p> <p>(b) <i>The SFI Audit Procedures and Qualifications</i> (section 6.2) state that:</p> <p><i>‘The audit firm shall assess conformance to each element of the SFI standard within the scope of the audit. SFI Standard</i></p>

⁴ Ibid.

Criteria	Guidance on implementation	Commentator	CPET responses
	<p>such plans or any verifiable result in the forest. Thus (b) is not addressed.</p> <p>(c) SFIS Objective 4 represents a major failure in its entirety. Objective 6 and its Performance Measure and Indicators contain language so broad, vague and flexible as to make any assessment of performance in the field virtually impossible. Examples: “manage... lands... in a manner that recognizes their special qualities” [‘recognizes’ is un-measurable and un-verifiable]; “identify... and manage... in a manner appropriate for their unique features”, and “Appropriate management of sites” [‘appropriate’ is un-measurable and un-verifiable]. For these reasons, (c) is not addressed.</p> <p>We would like to cite several statements contained in the SFI Interpretations document⁴:</p> <p>-- With respect to critically imperiled or imperiled species and communities, Section 4.4- “...where the protection of an individual species or community carries exceptionally high costs or disproportionate impact and where the Program Participant is unable to implement any of the conservation strategies in a reasonable period of time... and where laws or regulations do not apply, the Program Participant is free to implement other management or operational alternatives.” This statement indicates that in some cases protection of species is not ultimately required, and that for some imperiled species, laws and regulations may not exist that provide sufficient protection. The latter point is particularly significant given both SFI’s and CPET’s sweeping assumptions that reliance on laws is sufficient for conformance with substantial requirements under the SFIS. This language identifies a major loophole in the SFIS.</p> <p>-- According to Section 4.5, there is “an expectation that Program Participants will seek to obtain known information about sites that may be on lands under their control”, but “There is not an expectation that a Program Participant be required to conduct surveys</p>		<p><i>elements are objectives, performance measures, and indicators.’</i></p> <p>SFIS Objective 4 requires:</p> <p><i>‘To manage the quality and distribution of wildlife habitats and contribute to the conservation of biological diversity by developing and implementing stand- and landscape-level measures...’</i></p> <p>The SFIS definition of ‘<i>program</i>’ is:</p> <p><i>‘An organized system, process or set of activities to achieve an objective or performance measure.’</i></p> <p>The <i>SFI Audit Procedures and Qualifications</i> (section 6.2) state that:</p> <p><i>‘Evidence shall be compiled byon-the-ground examination of field performance...’</i></p> <p>(d) Performance measure 6.1 requires:</p> <p><i>‘Program Participants shall identify special sites and manage them in a manner appropriate for their unique features.’</i></p> <p>Indicator 2 ‘<i>Appropriate mapping, cataloguing and management of</i></p>

Criteria	Guidance on implementation	Commentator	CPET responses
<p>to determine the presence or absence of such sites [with critically imperiled or imperiled species or communities] prior to conducting management activities.” This statement calls into serious question the effectiveness of SFIS Indicator 4.1.3, and is also relevant to CPET Sub-Criteria 1.2.3 (a) and (b).</p> <p>-- Regarding SFIS Performance Measure 6.1, which deals with “special sites”, Section 6.1- “The SFIS does not require a ‘survey’ before management can take place.”</p> <p>-- With respect to Canadian law, Section 14.4-“The Species at Risk (SAR) act applies to federal lands and operations which represent only a small portion of habitats... Canada has several other laws and regulations... and a wide array of forest practices codes that address protection needs for some species and habitats.” Again, the SFI Program appears to be relying on a patchwork of inadequate laws and regulations that may address the needs of only “<i>some</i> species and habitats”, in order to meet the biodiversity requirements of the SFIS.</p> <p>It must be emphasised that nothing in the SFIS appears to preclude a Program Participant from completely replacing diverse and even rare and endangered native ecosystems, including old-growth, with simplified ecosystems containing few or a single species managed to an even age – and to continue to do so over an expanding area over time. The limitations of the SFIS to prevent such conversion are attributable not only to the absence of clear and measurable performance language relating to the <i>maintenance</i> of biodiversity but also the absence of language specifically limiting such conversions. Plantations and conversions are neither defined nor regulated in any explicit way by the SFIS.</p> <p>The CPET Guidance requires that “each requirement must be adequately addressed” to score a -2-, and as long as there are “no major omissions” a score of -1- can be</p>			<p><i>identified special sites.’</i></p> <p>The CPET assessment of SFI has deferred to legal compliance requirements for only 2 sub-criteria in section 1.2.</p> <p>CPET criteria do not specific requirements for reforestation species composition, although environmental impacts of this would be covered by criteria 1.2.3, 1.2.5 and 1.2.6.</p>

Criteria	Guidance on implementation	Commentator	CPET responses
	awarded. Given the substantial weaknesses and failures of the SFIS to address any of the requirements of this criterion, representing numerous “major” omissions, the score should be -0-.		

1.3 Standard-setting process

Criteria	Guidance on implementation	Commentator	CPET responses
1.3.1 The standard-setting process must be consistent with the requirements of <i>ISO Guide 59: Code of Good Practice for Standardisation</i> or the <i>ISEAL Code of Good Practice for Setting Social and Environmental Standards</i> or equivalent.	Consistency or equivalence can be assessed by reference to the list of key requirements in Annex 1.		
Comments on 1.3.1			
14	<p>It is troubling that CPET seems to simply accept SFI’s assertion that its standard-setting procedures are “consistent” with ISO Guide 59 without apparently examining the actual SFI procedures document, or examining whether SFI implements those procedures in practice. [Insufficient time was available for this review to undertake such an examination.]</p> <p>A cursory examination of ISO Guide 59 does reveal at least one ISO provision/requirement that the SFI program fails to meet: “3.6 – Wherever possible standards to be expressed in terms of performance.” – As we have previously described, the SFIS has abundant failures concerning its lack of auditable performance requirements and mandatory language.</p>	25	The SFI standard-setting process was assessed as consistent with the requirements of <i>ISO Guide 59</i> .

Criteria	Guidance on implementation	Commentator	CPET responses
	<p>It should be noted that SFI's last standard-setting process involved posting notices and drafts on its website, outreach to a range of stakeholder groups and constituencies soliciting their input and comments on drafts, and regional public meetings. However, although a large number of comments were submitted via environmental NGOs (e.g., NRDC), the perception exists (K. Heaton) that SFI essentially ignored most of them. That should at least raise a question about SFI's ability to comply with ISO Guide 59, provision 4.5, which states that national-level participation "... should be organised according to consensus-building procedures which should provide for balanced representation of interest categories." Therefore also calls into question the maximum score of 2 received for this criterion.</p>		
<p>1.3.2 The standard-setting process must seek to ensure balanced representation and input from the economic, environmental and social interest categories.</p>	<p>It is widely accepted that 'sustainable forest management' is management which delivers an appropriate combination of economic, environmental and social benefits. In practice it is rarely possible to deliver all possible benefits all of the time so it is necessary to find appropriate compromises between competing interests.</p> <p>The only way to achieve balanced representation in practice is to ensure that the range of issues and viewpoints of the different stakeholder groups making up the economic, environmental and social interest categories are fed into and influence the standard-setting process.</p> <p>Major stakeholder groups include such groups</p>		

Criteria	Guidance on implementation	Commentator	CPET responses
	<p>as forest owners and managers, processors, buyers, governments, academics, conservation organisations, NGOs, workers, forest users, indigenous groups, and communities.</p> <p>To score 2 the process must actively seek to ensure that the full range of stakeholder groups within each interest category are engaged and involved. A score of 1 can be achieved if the range of stakeholder groups within each interest category have access to the standard-setting process.</p>		
Comments on 1.3.2			
15	<p>According to the findings of the CPET assessment, the SFI standard setting body does not include balanced representation of social organizations and yet was scored 2.</p>	24	<p>This comment relates to the previous assessment of SFI (2005). The guidance for criterion 1.3.2 has changed since the 2005 assessment of SFI.</p> <p>According to the current guidance for criterion 1.3.2, to score 2 the process must actively seek to ensure that the full range of stakeholder groups within each interest category are engaged and involved.</p> <p>The Sustainable Forestry Board consists of 3 chambers: program participants, conservation and environmental</p>

Criteria	Guidance on implementation	Commentator	CPET responses
			<p>organisations and broader forestry community representation. The Bylaws of the Sustainable Forestry Board state '<i>The Board of Directors shall strive to represent a diversity of stakeholders</i>' (1.1).</p> <p>The 3 chamber approach seeks to reflect the range of stakeholder groups; however the full range of stakeholder groups are not involved, such that some stakeholder groups in the social interest category are not currently represented on the SFB. The turnover in SFB membership allows access to groups that are not currently represented on the Board. The SFB has a number of voluntary working committees to maintain the SFI standard; appointments to sub-committees are not limited to SFB member organisations, which should allow other opportunities for input.</p> <p>Accordingly, SFI has been noted as only partially addressing this criterion (a score of 1).</p>
16	The CPET assessment rationale above is an incomplete evaluation. The SFB fails to include any 'social' interests (governmental and academic interests would not meet the		The 3 chamber approach seeks to reflect the range of stakeholder groups; however

Criteria	Guidance on implementation	Commentator	CPET responses
	<p>commonly understood meaning of ‘social’). The SFB also places conservation/environmental interests in a numerical minority (5 of 15 seats) compared to economic interests (7 of 15 seats). Despite these failures, CPET’s assertion implies that the SFB membership is sufficient to comply with this criterion. Clearly it is not. Thus, given the SFB’s “sole responsibility” for the SFIS, this criterion cannot be considered “adequately addressed”.</p> <p>We should note that the SFI standard-setting process is broader than the SFB, and does involve some outreach to external organisations for input [see previous comments regarding CPET Criterion 1.3.1], but again the SFB is the final decision-maker. Part of the challenge lies in accurately interpreting CPET’s Guidance, which uses terms like “actively seek to ensure” that the “full range” of stakeholder groups are “engaged and involved” [for a score of 2], or at least “have access to” [for a score of 1] the standard-setting process. If these are applied to the SFB, it does not comply.</p> <p>Finally, SFI Program Participants (i.e., forest management operations being evaluated for compliance to the SFIS) may themselves modify SFIS indicators. For all practical purposes, then, such action must be considered part of the standard-setting process. It is quite obvious that this extremely narrow modification process, which involves only the Program Participant and the auditor, does not involve balanced representation and input from the three essential interest categories. This is a notable weakness in the process.</p> <p>[A request was submitted orally and electronically to the SFB staff for copies of the SFB By-Laws and the SFI standard-setting procedures, neither of which was available via the SFB or SFI websites. Several days later the two documents were provided, but insufficient time was available to review them for this critique. The consultant was also informed by the head of the SFB staff that the current SFB By-Laws essentially no longer apply because they are under revision, and that the revision process still has some time remaining before it is completed.</p>		<p>the full range of stakeholder groups are not involved, such that some stakeholder groups in the social interest category are not currently represented on the SFB. The turnover in SFB membership allows access to groups that are not currently represented on the Board. The SFB has a number of voluntary working committees to maintain the SFI standard; appointments to sub-committees are not limited to SFB member organisations, which should allow other opportunities for input.</p> <p>Accordingly, SFI has been noted as only partially addressing this criterion (a score of 1).</p>

Criteria	Guidance on implementation	Commentator	CPET responses
	<p>Given CPET's reliance on the unbalanced SFB membership and process to meet the requirements of this criterion, the outside-the-process mechanism for modifying SFIS indicators, and the current state of flux of the SFB By-Laws, the score can be no greater than -1-, and a strong case can be made for a -0-.</p>		
<p>1.3.3 The standard-setting and decision-making process adopted must seek to ensure:</p> <ul style="list-style-type: none"> • No single interest can dominate the process; • No decision can be made in the absence of agreement from the majority of an interest category. 	<p>The way in which the process is run and decisions are made is as important as the range of interests represented since an appropriate compromise will only be achieved if all the interest categories are able to influence the standard-setting and decision-making process.</p> <p>To achieve a score of 2 the standard-setting process must be designed to ensure that all three interest categories can influence the process equally and that the standard cannot be finalised in the absence of agreement from a majority of an interest category. In practice this can be achieved by:</p> <ul style="list-style-type: none"> • A process based on consensus where this means that a decision cannot be reached if any major stakeholder group sustains a strong objection; or • A process based on majority voting within 		

⁵ If a process provides a genuine opportunity for any major stakeholder group to influence the content of the standard, but a group chooses not to participate, this would not constitute a failure.

Criteria	Guidance on implementation	Commentator	CPET responses
	<p>each of the three interest categories.</p> <p>Where neither of these approaches is followed, in order to achieve a score of 1 the scheme must ensure⁵ that it would not be possible for a standard to be finalised if:</p> <ul style="list-style-type: none"> • It would be possible for a major stakeholder group to be involved in the process but not able to significantly influence the content of the standard; and • The stakeholder group was strongly opposed to the content of the standard. 		
Comments on 1.3.3			
17	<p>The assessor found that the decision-taking procedure <i>“ensures that no individual organisation or person can veto the process and no single interest can dominate the process”</i> - this is indeed so - <i>“However, these rules do allow the potential for decisions to be made without the majority agreement from all membership sectors.”</i> In spite of what appears to be a fundamental failure against the test of the criterion, SFI scored 1.</p>	24	<p>This comment relates to the previous assessment of SFI (2005). The guidance for criterion 1.3.3 has changed since the 2005 assessment of SFI.</p> <p>Section 5 of <i>Bylaws of the Sustainable Forestry Board</i> requires that <i>‘Except where provided otherwise by law or by these Bylaws, it shall take a minimum of eighty percent (80%) of those present which must include at least two representatives of each membership</i></p>

Criteria	Guidance on implementation	Commentator	CPET responses
			<i>sector to approve any action of the Board.'</i> This configuration, together with the fact that in practice, SFB has to date operated on the basis of achieving consensus for all decision-making, is deemed sufficient to score a '1'.
18	[See previous comments on CPET Criteria 1.3.1 and 1.3.2] Both CPET (in its assessment here) and SFI (in their comment above) evidently are relying entirely on the SFB membership and process to constitute compliance with this criterion. If that is the case, then we reiterate that the SFB has <i>no</i> 'social' membership "category"/"sector" and its environmental and economic membership "sectors" are numerically imbalanced (Economic-7, Environmental-5, other-3). Clearly the economic sector can dominate the process, and with no 'social' members on the SFB it is impossible for that sector to agree or disagree with a decision. The CPET Guidance emphasises that "all three interest categories" (i.e., environmental, economic and social) must not only be involved but must have equal influence and provide their majority agreement with any decision. It is thus very clear that the SFIS fails to comply with this criterion on both counts, and that the score must be -0-.	25	See comments and responses under criterion 1.3.2 relating to representation of interest categories. The decision-making process ensures that no single interest can dominate the process. However, these rules do theoretically allow the potential for decisions to be made without the majority agreement from all membership sectors. In practice, SFB has to date operated on the basis of achieving consensus for all decision-making.

2. Certification

Criteria	Guidance on implementation	Commentator	CPET responses
2.1 Certification must be undertaken by a body whose organisation, systems and procedures conform to applicable ISO	Applicable ISO guidance includes: <ul style="list-style-type: none"> ISO Guide 62:1996 General requirements 		

Criteria	Guidance on implementation	Commentator	CPET responses
guidance, or publicly available equivalent.	<p>for bodies operating assessment and certification/registration of quality systems</p> <ul style="list-style-type: none"> • ISO Guide 65: 1996 General Requirements for bodies operating product certification systems • ISO Guide 66: 1999 General requirements for bodies operating assessment and certification/registration of environmental management systems (EMS). <p>Note if this is not delivered by the scope of the accreditation, then the checklist in Annex 2 must be completed.</p>		
Comments on 2.1			
19	In the absence of a detailed comparison of SFI-accredited certification bodies against all relevant ISO guidelines, it can be assumed that the SFI APQ are sufficient to ensure compliance with this criterion.	25	No response needed.
2.2 Certification is undertaken by a-body which is accredited to evaluate against forest management standards.	The scope of the accreditation should include the elements set out in 2.3 - 2.6.		
Comments on 2.2			
20	Although neither the ANSI-ANAB documentation nor the letter from ANAB are accessible for review, the SFI APQ are fairly clear and explicit regarding this matter, and can thus be assumed to be sufficient to comply with this criterion.	25	No response needed.

Criteria	Guidance on implementation	Commentator	CPET responses
<p>2.3 The requirements for certification audits 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.</p>	<p>The make-up of the team, the sampling strategy and the amount of time spent carrying out the audit are all important in ensuring that sufficient objective evidence of compliance with the standard is collected to make the final decision robust.</p> <p>The possible scores against this criterion are either 0 or 2.</p>		
<p>Comments on 2.3</p>			
<p>21</p>	<p>[See previous comments on 1.2.2 regarding serious failures in terms of performance outcomes in the forest]</p> <p>CPET’s citation of the SFI APQ sections are correct and relevant as far as they go, and SFI board members and advisors maintain that auditors are bound to seek concrete evidence in the field that the full intent of the SFIS is being met. However, evaluating compliance with this CPET criterion would necessitate matching the cited APQ requirements with the actual language contained in the SFIS, much of which is either extremely vague or only requires that various documents or systems be in place rather than verifiable evidence of results <i>in the forest</i>. This means that, regardless of whether an auditor verifies implementation of SFIS “program requirements on the ground” (as required by the APQ), if the language of those requirements fails to explicitly require tangible and measurable results <i>in the forest</i>, it can be credibly asserted that the CPET requirement in this criterion for “outcomes in the forest” cannot be assured by SFI’s APQ requirements – <i>because, in every sense of the term, and particularly where results in the forest are concerned, the APQ requirements cannot be performance-oriented if the underlying SFIS language is not performance-oriented.</i> Furthermore, we must again</p>	<p>25</p>	<p>Compliance is assessed against the ‘Performance Measures’ as well as the ‘Indicators’.</p> <p><i>The SFI Audit Procedures and Qualifications</i> (section 6.2) state that:</p> <p><i>‘The audit firm shall assess conformance to each element of the SFI standard within the scope of the audit. SFI Standard elements are objectives, performance measures, and indicators.’</i></p> <p>See previous responses relating to definitions and requirements to “protect” values.</p> <p><i>The SFI Audit Procedures and Qualifications</i> (section 6.1.3) state that</p>

Criteria		Guidance on implementation	Commentator	CPET responses
	note that SFI APQ Section 6.1.3 permits Program Participants to modify the SFIS's existing indicators, meaning that even some of the SFIS performance language may ultimately be modified in a manner that weakens or even eliminates its performance character. Having said this, the CPET Guidance for this criterion permits a score of only -0- or -2-, and seems to focus very narrowly on the audit process, apparently disconnected from the underlying SFIS. This makes scoring on this criterion quite problematic. Our recommendation is that CPET permit a score of -1-.			indicators may be substituted or modified: <i>'..to address local conditions based on a thorough analysis and adequate justification...consistent with the spirit and intent of the SFIS performance measures...'</i>
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.	<p>Consultation with external stakeholders is very important to establish whether there are any issues which might prevent full compliance with the standard which the audit team has not identified (e.g. seasonal issues not evident at the time of the audit, ongoing social conflicts) and to ensure that any interpretation of the requirements of the standard for the immediate local conditions is appropriate.</p> <p>To score 2, the stakeholder consultation must be designed to ensure identification of all relevant issues. To score 1, there must be some provision for consultation.</p>		
Comments on 2.4				
22	In order to meet the criterion in full, certification bodies must run a consultation process that engages external stakeholders in such a way that it achieves as a result that "all relevant issues relating to compliance with the standard are identified". The intended test might be that a scheme's rules require certification bodies to run		24	<p>This comment relates to the previous assessment of SFI (2005).</p> <p>As noted in the 2006 assessment, the <i>SFI APQ</i> section 6.2 requires that 'Evidence</p>

Criteria	Guidance on implementation	Commentator	CPET responses
	<p>consultation processes that reach out to everyone who has information relevant to the assessment of compliance pass the test. If that is so, schemes that allow certification bodies to run consultation processes that are unlikely to reach everyone or that exclude people who have information relevant to the assessment fail the test. The procedures cited by CPET in the assessment of the PEFC and SFI schemes allow certification bodies to run exclusive information gathering processes. Neither scheme requires a process that could reasonably be assessed as meeting the test of the criterion. In spite of this both schemes were scored 2.</p>		<p><i>shall be compiled...through meetings with employees, contractors and other third parties (e.g. government agencies, community groups, conservation organizations), as appropriate, to determine conformance to the standard".</i></p> <p>In reference to the comment, according to Section 9.3.1 <i>'Any party with information or claims about a Program participant's individual practices that may be in non-conformance may seek to have those claims investigated. [...] the Program Participant shall respond to the complainant and forward a copy of the complaint and its response to the Program Participant's auditor for future review via surveillance or certification audits.'</i> In this way, external party comments are considered as part of the audit.</p> <p>However, this does not specifically require that stakeholder consultation must be designed to ensure the identification of all relevant issues. Accordingly, SFI has been noted as only partially addressing this criterion (a score of 1).</p>
23	<p>The key language in the SFI APQ citation is "e.g." and "as appropriate". Not only does</p>	25	<p><i>SFI APQ</i> Section 6.2 requires that</p>

Criteria	Guidance on implementation	Commentator	CPET responses
	<p>this make this requirement flexible and open to the interpretation and judgement of the auditor, but it seems pretty unlikely that it could “ensure” the identification of “all relevant issues”. With respect to controversial issues and potentially antagonistic or dissenting stakeholder constituencies, it is possible that an auditor, either consciously or unconsciously, may avoid contacting a particular interest group. The CPET Guidance, however, says that consultation “must be designed to ensure identification of all relevant issues”, implying pretty clearly that such consultation cannot be cursory or miss any key constituencies. The real test is how this operates in practice at the hands of auditors, and may have to be evaluated case by case. Insufficient time was available for this review to explore such cases. The scoring of this criterion needs to be reviewed.</p>		<p><i>‘Evidence shall be compiled... through meetings with employees, contractors and other third parties (e.g. government agencies, community groups, conservation organizations), as appropriate, to determine conformance to the Standard.’</i></p> <p>This does not specifically require that stakeholder consultation must be designed to ensure the identification of all relevant issues. Accordingly, SFI has been noted as only partially addressing this criterion (a score of 1).</p>
<p>2.5 A summary of the results of the certification audit (excluding confidential information) must be publicly available to interested parties.</p>	<p>Sustainability can only be delivered by an appropriate balance of economic, social and environmental imperatives. It is important that representatives of each of these groups can monitor certification to make sure that the appropriate balance is being delivered.</p> <p>The information must, at a minimum, provide a summary of the findings with respect to conformance with the requirements of the forest management standard.</p> <p>To score 2, the public summary must be available on a relevant website. To score 1, the summary must be electronically available to</p>		

Criteria	Guidance on implementation	Commentator	CPET responses
	any interested party on request within a defined timescale.		
Comments on 2.5			
24	<p>Although this criterion ostensibly requires that such a summary be publicly available for every certification, the SFI APQ only requires summary reports for a particular subset of certifications where the Program Participant wishes to make a “public claim”. An examination of SFI documents leaves unresolved whether the application of an SFI label to a product, or an offer of sale of a so-labelled product to a procuring government agency, would constitute such a claim. This raises the potential that a customer/consumer may seek information about the forest source of an SFI-certified/labelled product but be unable to find such information, which seems contrary to the intent of this CPET criterion, and which in turn calls into question CPET’s assessment of SFI’s compliance with the criterion as well as CPET’s Guidance for scoring the criterion.</p> <p>It should be noted that the available SFI reports vary widely in length, substance and detail, with most containing information insufficient to determine with any confidence the adherence of the certified operation to the full set of SFIS.</p> <p>Although International Paper is a current SFI Program Participant and touts its SFI certifications in documents available on its website (including in its 2004-2006 Sustainability Update), as of 5 October 2006 no IP certification audit reports appear either on the SFB website (a clear violation of the SFI APQ Section 8.1) or on the IP website. IP’s SFI certification was granted in 2001. A similar violation occurs in relation to Palco, an SFI Program Participant granted SFI certification in 2002, which even features an image of one of its SFI certificates on its website. No Palco audit reports can be found on either the SFB or Palco websites. [An E-Mail request for a copy of its report was submitted to Palco’s SFI certification representative, and the report was promised,</p>	25	<p><i>SFI APQ Section 8.1 Preparing and Submitting a Public Report requires that ‘A Program Participants that wishes to make any public claims or statements about its SFI certification, recertification, or surveillance audit shall provide a report to the SFB not less than two weeks before making the public report. The public report will be posted on the SFB website and available for public review.’</i></p> <p>This information relating to potential non-compliance with the documented scheme requirements was not submitted during the public consultation period.</p>

Criteria		Guidance on implementation	Commentator	CPET responses
	<p>although the Palco representative first requested the organisational affiliation and mailing address of this consultant. However, no report had been received at the time of this writing. A similar E-Mail request was sent to IP's SFI certification representative, but no reply had been received at the time of this writing.]</p> <p>We recommend that CPET review its scoring guidance and consider a score for this criterion of -1-.</p>			
2.6	There is an accessible and functioning mechanism for dealing with complaints and disputes which is open to any interested party.	It is widely accepted good practice to ensure that any issues or concerns are dealt with efficiently and transparently, whatever their origin.		
Comments on 2.6				
25	[The CPET reference to SFI APQ 9.3 is actually from 9.2] Without further research into whether these procedures have functioned effectively in practice, it is impossible to know whether SFI complies with this criterion. However, on paper the SFI Program does offer an apparently reasonable and accessible process for dealing with complaints and disputes, and several appeals have been filed.		25	No response needed.

3. Accreditation

Criteria		Guidance on implementation	Commentator	CPET responses
3.1	Accreditation must be undertaken by a national or international body whose organisation, systems and procedures are consistent with ISO 17011:2004 <i>Conformity</i>	Note if this is not provided by the requirements of the certification system, or through other mechanisms such as the International Accreditation Forum's		

Criteria		Guidance on implementation	Commentator	CPET responses
<i>assessment -- General requirements for accreditation bodies accrediting conformity assessment bodies or equivalent.</i>		Multilateral Recognitions Arrangements then the checklist in Annex 3 must be completed.		
Comments on 3.1				
26	No comment. Without time for additional review against ISO requirements, we will assume compliance.		25	No response needed.

4. Chain of Custody

Criteria		Guidance on implementation	Commentator	CPET responses
4.1 Assessment of chain of custody must be undertaken by a certification body operating in accordance with ISO Guide 65 or equivalent and accredited by an accreditation body operating in accordance with ISO 17011 or equivalent.		Chain of custody certification must be undertaken by an accredited competent third-party just as for forest management certification.		
Comments on 4.1				
27	Although the documents and language cited by CPET all presume compliance, the language of the SFI Program's Interpretations document ⁶ raises some issues. In response to the question, "Do verifiable monitoring systems need to track fiber from the consuming mill back to the harvested tract...?", Section 8.1 states: "... pertaining to wood purchased by Program Participant from lands not owned or controlled... It is up		25	CPET criterion 4.1 relates to the certification body. CPET criterion 4.2 relates to requirements for implementation of chain of custody control by the certified organisation.

⁶ Ibid.

Criteria	Guidance on implementation	Commentator	CPET responses
	<p>to each Program Participant to establish a system to accomplish this [assess data that accurately reflects conditions on the ground], which may include a process of tracking wood supplies back to the tract of origin.” The implication is that a Program Participant, rather than an accredited, ISO-compliant, third-party certification body, would be in charge of establishing such a system, and that such a system <i>may</i> (or may not) include a chain-of-custody tracking process. Without further assessment of how this works in practice, it is difficult to determine compliance with this criterion. Even so, sufficient doubts are raised, that suggest a score of less than -2- is probably in order. Otherwise, all products originating from lands not owned or directly controlled by fully certified SFI Program Participants should be disallowed.</p> <p>According to a 3 October 2006 document describing the SFI labelling program found on the SFI website (www.aboutsfi.org), products can carry either the SFI primary producer label “Certified Participant” or the secondary producer label “Certified Sourcing” even though these products can originate in a forest managed “in conformance with... other acceptable standards” (e.g., PEFC and the American Tree Farm System). Both PEFC and ATFS not only differ from SFI in a number of ways, but have both been criticised by environmental groups for a range of their own weaknesses. At a minimum, this raises questions about compliance and consistency in terms of forest products bearing the SFI label.</p> <p>Insufficient time was available to adequately review SFI’s “Requirements for Fiber Sourcing, Chain of Custody and Product Labels”.</p>		<p><i>The Sustainable Forestry Initiative Program: Requirements for Fiber Sourcing, Chain of Custody and Product Labels</i>, Annex 1 <i>SFI Label Use and Fiber Sourcing Requirements</i> Section 6 <i>Percent Content Labels</i>, using Annex 2 <i>SFI Chain of Custody Standard</i> provide a means for linking certified material in the product or product line to SFI-certified land bases.</p> <p>Product labelled under the wood flow accounting approach is not acceptable.</p> <p>Certified product may contain uncertified material, from non-controversial sources. See criterion 4.3.</p>
<p>4.2 There must be a certified chain of custody in place from the forest of origin to the final certified product which provides a link between the certified material in the product or product line and certified forests.</p>	<p>This means that each organisation in the chain from forest to final certified product which owns or processes the material in any way must have been audited to confirm that they are implementing chain of custody requirements and have a valid chain of</p>		

Criteria	Guidance on implementation	Commentator	CPET responses
	<p>custody certificate.</p> <p>The possible scores against this criterion are either 0 or 2.</p>		
Comments on 4.2			
28	<p>With regard to SFI, there is no guarantee that products marketed with SFI labels or claims actually originate in SFI-certified forests. Non-SFI certified wood—including wood that might come from conversions or other destructive forestry practices in the United States or abroad—may be included in products marketed with SFI labels or claims, without any indication of the product’s real content. In spite of this, the CPET assessment scored SFI 2. The assessor’s findings concerning use of the PEFC logo by SFI programme participants are not relevant to the assessment of SFI as an independent scheme.</p>	24	<p>This comment relates to the previous assessment of SFI (2005).</p> <p>Only timber certified and sold under the SFI Chain of Custody system is acceptable. This system indicates the product’s real content, which does originate from an SFI certified forest.</p> <p>As noted in the 2005 and 2006 assessments, product labelled under the wood flow approach is not acceptable.</p>
29	<p>[See previous comments under Criterion 4.1] [Note: Sufficient time was not available to adequately review the highly-detailed, 56-page SFI document, “Requirements for Fiber Sourcing, Chain of Custody and Product Labels”, which was not available via the SFI or SFB websites.] Without further review, it would be difficult to determine how well these requirements work in practice.</p>	25	No response needed.
4.3 If mixing of certified and uncertified material in a product or product line is allowed, the uncertified material must be covered by a verifiable system which is	<p>This requirement is relevant when mixing of certified and non-certified material is allowed. Mixing occurs whenever the following approaches are used: percentage labelling,</p>		

Criteria	Guidance on implementation	Commentator	CPET responses
<p>designed to ensure that it is from legal sources.</p>	<p>volume accounting, input-output or processor certification.</p> <p>In such cases, in order to meet UK government requirements for legality, there must be a system in place which provides assurance that the uncertified material is from a legal source.</p> <p>The UK government requires all timber and wood products to be from legal sources. Therefore, if mixing of certified and uncertified material is allowed, in order to meet UK government requirements for legality, there must be a system in place which provides assurance that the uncertified material is from a legal source.</p> <p>If the certification system does not include requirements to ensure that the uncertified material is from legal sources, then only products which are 100% certified can be accepted as providing assurance of legality.</p> <p>NB If a scheme scores 0 for this criterion, it only affects acceptance of products containing uncertified material.</p>		
Comments on 4.3			
All schemes fail the test because the criterion is too demanding - no system can provide 100%		24	This comment relates to the previous

Criteria	Guidance on implementation	Commentator	CPET responses
assurance that all uncertified material used is from legal sources. The phrase “that provides a high degree of assurance” would be more appropriate. Applying the CPET findings to this less demanding but still exacting test, PEFC passes, SFI fails (no verifiable system in place)..			<p>assessment of SFI (2005).</p> <p>The criterion does not require 100% assurance that all uncertified material used is from legal sources - it requires a ‘verifiable system that is designed to ensure...’.</p> <p>The 2006 Assessment notes Performance Measure 8.5.1 and 8.5.2 address the use of a system to exclude illegally logged timber. The Chain of Custody standard also addresses controversial sources in Section 3.6.</p> <p>Based on these requirements, the criterion has been adequately addressed.</p>
<p>[See previous comments under Criterion 4.1] [Note: Insufficient time was available to review the SFI “Requirements for Fiber Sourcing...” document.]</p> <p>SFIS Objective 8 contains no language requiring verified performance in the forest. Performance Measure 8.5 only applies to “sources outside the United States and Canada”. There is no comparable procurement requirement in the SFIS which references the legality of US or Canadian sources not owned by the Program Participant. Furthermore, it is not at all clear that SFI’s accredited auditors have any means of assessing the legality of any uncertified material sourced from independent private landowners yet ultimately bearing the SFI label (which is permitted under SFI, and which constitutes as much as half of all SFI-labelled product).</p> <p>SFIS Indicator 8.5.1 requires only an assessment of risk, and it is unlikely that this would cover</p>			

Criteria	Guidance on implementation	Commentator	CPET responses
<p>all four components of CPET’s definition of ‘legal’ since SFIS requirements only pertain to “illegal logging”, a much more narrowly defined term . It is also extremely difficult to understand the practical meaning of the additional SFIS language “may include relying on the adequacy of legal protections in the United States and Canada...” More importantly, Indicator 8.5.2 is not performance-oriented and requires only a “program to address... risk”. This language does not require successful implementation of such a program, and it also would be extremely difficult if not impossible to tangibly verify “address” in the field. These failings suggest a score no greater than -1-, and a case can surely be made that it should be -0-.</p>			
<p>4.4 If mixing of certified and uncertified material in a product or product line is allowed and the proportion of uncertified material can exceed 30%, then the uncertified material must be covered by a verifiable system which ensures that it is from sustainable forest sources where the requirements for sustainability set out in criteria 1.2.3 – 1.2.6 above are being met.</p>	<p>This requirement is relevant when mixing of certified and non-certified material is allowed. Mixing occurs whenever the following approaches are used: percentage labelling, volume accounting, input-output or processor certification.</p> <p>The UK government requires that 70% of the material in a product or product line is from sustainable sources. To meet this requirement, if the proportion of uncertified material is more than 30% then there must be a system in place which provides assurance that the uncertified material is from a sustainable source.</p> <p>If such a system is not in place, then only material which contains 70% or more certified material can be accepted. Examples of approaches which provide such information include:</p>		

Criteria	Guidance on implementation	Commentator	CPET responses
	<ul style="list-style-type: none"> • Segregation: material from a certified forest is kept separate from uncertified material throughout the production process. • Percentage-based claims: the percentage of material in the product or product line from a certified forest is reported. • Mass-balance: the proportion of product sold as certified is equivalent to the proportion of certified raw material entering the process. <p>NB If a scheme scores 0 for this criterion, it only affects acceptance of products or product lines containing more than 30% uncertified material.</p>		
Comments on 4.4			
	All schemes fail the test because the criterion is too demanding - no system can provide 100% assurance that all uncertified material used is from sustainable sources. The phrase “that provides a high degree of assurance” would be more appropriate. Applying the CPET findings to this less demanding but still exacting test, all schemes would still fail.	24	All schemes have failed this criterion. As noted in the 2006 Review, a zero score does not result in an overall failure.
4.5 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	<p>If claims are not controlled, then the veracity of any claim made is in question.</p> <p>Note ISO 14020 contains general guidance on environmental labels and declarations.</p>		

Criteria	Guidance on implementation	Commentator	CPET responses
action is taken to prevent any false or misleading claims.			
Comments on 4.5			
Without sufficient time to review this document and how well the 'mechanism' works in practice, it is difficult to assess compliance; nevertheless, the requirements appear to be detailed and comprehensive. SFI APQ Section 8.2 also addresses this issue, though briefly. A <u>score of -2- may be justified.</u>			
<p>4.6 If recycled material is used there must be a verifiable system in place which is designed to ensure that recycled material is from the following categories:</p> <ul style="list-style-type: none"> • Pre-consumer recycled wood and wood fibre or industrial by-products but excluding sawmill co-products • Post-consumer recycled wood and wood fibre • Drift wood 	<p>Further guidance needs to be developed.</p> <p>NB If a scheme scores 0 for this criterion, it only affects acceptance of products containing recycled material</p>		
Comments on 4.6			
9	<p>[It] is not clear if a scheme will pass the test if it has in place a verifiable system that is designed to ensure that recycled material is from the listed categories passes, or if the system must ensure that recycled material is from the listed categories.</p> <p>If the intended test is that the system ensures that recycled material is from the listed categories, schemes that do not have verifiable systems in place or whose systems do not ensure that recycled material is from the listed categories do not comply with the</p>	24	The SFI standard allows for 'recovered wood fibre and recovered paper and sawdust or dry shavings produced as a by product of primary or secondary manufacturing process.' (Annex 1 <i>SFI label Use and Fibre Sourcing Requirements</i>)

Criteria	Guidance on implementation	Commentator	CPET responses
	<p>criterion. On this basis the [...] SFI schemes merit a score of 0 because they do not have in place a system that ensures that recycled material is from the listed categories. CPET scored [...] SFI 2. Neither of the interpretations is an appropriate test. Systems that are “designed to ensure” may provide only a low degree of assurance. On the other hand no system can provide 100% assurance that recycled material is from the listed categories. The phrase “that provides a high degree of assurance” would be more appropriate. PEFC and SFI would also fail this test.</p>		<p>Section 3.7). Annex 2 (<i>Chain of Custody Standard</i>) sections 2.2 and 3.2 require that ‘<i>the organisation shall identify and verify the category of the origin of all procured raw material</i>’.</p>
10	<p>[Insufficient time was available to adequately review the “Requirements for Fiber Sourcing...” document.]</p> <p>One interesting discovery is that Annex 1 of the “Requirements for Fiber Sourcing...” document, “SFI Label Use and Fiber Sourcing Requirements Section 5.4.2”, states that “Neutral sources are considered certified and may be counted in the 2/3 calculation” of certified content, yet Annex 2, “SFI Chain of Custody Standard Section 1.3.7”, definition of ‘Neutral Raw Material’, says, “Raw material whose origin is considered as neutral is not included in the calculation of the certification percentage for raw material from independently certified forests.” This is confusing at best. Also, neither the SFIS, the SFI APQ, nor the “Requirements” document make any reference to “drift wood”. Finally, CPET’s citation from the “Requirements” document deals with “neutral sources” as though they were synonymous with “recycled”, which they are not, particularly since SFI’s “neutral” includes apparent pre-consumer “sawmill co-products”, which this CPET criterion seems to proscribe.</p> <p>There is sufficient confusion and lack of general clarity here that CPET should re-assess SFI’s compliance with this criterion.</p>	25	Comment noted.