

# Appendix 1e. Review of the Sustainable Forestry Initiative forest certification scheme

This appendix contains the full results of the review of the SFI forest certification scheme against the UK Government criteria.

## Executive Summary

Date of Current Assessment: June 2008 (published November 2008)

Anticipated Date of Next Assessment: May 2010

### Current Status

Meets requirements for legality.

Meets requirements for sustainability, provided the Chain of Custody system is used.

### Changes from last assessment

N/A

## Source Documents

Sustainable Forestry Initiative Standard (SFIS) 2005-2009 Standard

Accreditation Rule 17, ANSI-ASQ National Accreditation Board, 10 December 2007.

The Sustainable Forestry Initiative Program: Requirements for Fibre Sourcing, Chain of Custody and Product Labels, October 2006

Sustainable Forestry Initiative Program 2005-2009 SFI Standard Program: Overview, Governance, and Historical Information, January 2005.

Bylaws of the Sustainable Forestry Board Inc. [undated]

Sustainable Forestry initiative, Inc. Standard Setting Procedures. [undated]

SFI Application for PEFC Assessment and Endorsement, June 2005

About SFI, <http://www.aboutsfi.org/aboutsfi.cfm> (information obtained 28 April 2008).

SFI Audits Firms, <http://www.sfiprogram.org/certifiers.cfm> (information obtained on 28 April 2008)

SFI Board Members: <http://www.sfiprogram.org/board.cfm> (information obtained on 28 April 2008)

MLA Signatories, About IAF, International Accreditation Forum, Inc, <http://www.iaf.nu/> (information obtained on 28 April 2008)

# 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  | Partially addressed<br><br>The SFIS does not include a specific reference to legal use rights in the SFIS Principles or Objectives for Forest Management.’ The only appropriate reference is Objective 11 Legal and Regulatory Compliance: <i>Commitment to comply with applicable federal, provincial, state, or local laws and regulations.</i>  | 1     | ✓              |   |
| 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: <ul style="list-style-type: none"> <li>• Forest management</li> <li>• Environment</li> <li>• Labour and welfare</li> <li>• Health &amp; safety</li> <li>• Other parties’ tenure and use rights</li> </ul> | Fully addressed<br><br>SFIS Objective 11 <i>Commitment to comply with applicable federal, provincial, state, or local laws and regulations</i><br><br>SFIS 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><br><br>SFIS 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><br><br>Performance Measure 11.2 Indicator 1 <i>Written policy demonstrating commitment to comply with social laws, such as those covering civil rights, equal employment opportunities, antidiscrimination and antiharassment measures, workers’ compensation, indigenous peoples’ rights, workers and communities’ right to know, prevailing wages, workers’ right to organize, and occupational health and safety.</i> | 2     | ✓              |   |
| 1.1.3 The standard requires payment of all relevant royalties and taxes   | Partially addressed<br><br>There is no explicit requirement for payment of all relevant fees. This is implicitly addressed through Objective 11 Legal and Regulatory   | 1     | ✓              |   |

<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 |
|--|---|-------|----------------|---|
|  | Compliance: <i>Commitment to comply with applicable federal, provincial, state, or local laws and regulations.</i>  |       |                |   |
| 1.1.4 The standard requires compliance with the requirements of CITES. | Fully addressed<br><br>Not an explicit requirement in SFIS, but implicit in compliance with (Objective 11) laws and regulations within the context of US and Canadian legislative systems. The US and Canada are CITES signatories (ratified 14/01/1974 and 10/04/1975 respectively). | 2     | ✓              |   |

## ***1.2. Content of standards for sustainable variant***

| Criteria  | Findings  | Score | L | S |
|---|---|-------|---|---|
| 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. | Partially addressed<br><br>There is no international interpretation of the Montreal process requirements for use at the FMU level. Although not based specifically on the Montreal C&I, the 2005-2009 SFI Program: Overview, Governance, Guidance and Historical Information notes that the development and improvements were ' <i>significantly influenced by the emerging processes to define international principles and criteria for forest conservation and sustainable development such as the Montreal Process that began in 1993</i> '.<br><br>SFI Application to PEFC states that ' <i>During the revision process to produce the SFI 2005-2009 Standard there were specific revisions that were made to the Standard to better align it with the PEFC endorsement requirements as set out in the most recent version of the PEFC Memorandum Requirements Checklist dated 2003/04/02. Most of the revisions were around alignment with Montreal Process C&amp;I to provide for a tighter alignment with the PEOLG and other social aspects of forestry.</i> ' | 1     |   | ✓ |
| 1.2.2 The standard must be performance-based.   | Fully addressed<br><br>SFIS includes a range of performance based criteria addressing the requirements in 1.2.3 – 1.2.6.  | 2     |   | ✓ |
| 1.2.3 The standard must ensure that harm to ecosystems is minimised. In order to do this the standard   | Fully addressed<br><br>a. The SFIS 2005-2009 does not include a specific requirement for the assessment of  | 2     |   | ✓ |

| Criteria   | Findings   | Score | L | S |
|--|--|-------|---|---|
| <p>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>impacts and planning to minimise impacts applicable to all participants. It does however include a number of issue-specific requirements on assessment of impacts such as SFIS Performance Measure 4.1 Indicator 5 (forest cover types and habitat), SFIS Performance Measure 5.1 (managing impact of harvesting and other operations on visual quality), and SFIS Performance Measure 2.1 Indicator 5 (artificial reforestation programs that consider potential ecological impacts of a different species or species mix). In addition, the following SFI requirements are relevant to the minimization of impacts. Objective 2 (Indicators 2.2.1, 2.2.2 part K, 2.3.3, 2.3.4, 2.3.6, 2.3.7), Objective 3 (Performance Measure 3.2 and its Indicators), and Objective 4 (Indicator 4.1.3).</p> <p>b. SFIS Objective 2 <i>To ensure long-term forest productivity and conservation of forest resources through prompt reforestation, soil conservation, afforestation, and other measures.</i></p> <p>SFIS Objective 3 <i>To protect water quality in streams, lakes, and other water bodies.</i></p> <p>SFIS Objective 4 <i>To manage the quality and distribution of wildlife habitats and contribute to the conservation of biological diversity...</i></p> <p>c. SFIS Performance Measure 2.2 <i>Program Participants shall minimize chemical use required to achieve management objectives while protecting employees, neighbours, the public, and the environment.</i></p> <p>Indicator 1: <i>Minimized chemical use required to achieve management objectives.</i></p> <p>Indicator 2: <i>Use of least-toxic and narrowest-spectrum pesticides necessary to achieve management objectives.</i></p> <p>Indicator 5: <i>Use of integrated pest management where feasible.</i></p> <p>d. Waste disposal not specified in SFIS but included in compliance with laws and regulations (SFIS Objective 11) within the context of US and Canadian legislative systems and existing administrative structures.</p> <p>In the US, the EPA manages the Code of Federal Regulations (CFR), Title 40 ("Protection of the</p> |       |   |   |

| Criteria   | Findings   | Score | L | S |
|--|--|-------|---|---|
|  | <p>Environment”) which contains the following parts relative to waste disposal (not an exhaustive list):</p> <ul style="list-style-type: none"> <li>◆ The Resource Conservation and Recovery Act or RCRA (1976)</li> <li>◆ Institution of the EPA Land Disposal Restrictions or LDR Program (1984)</li> </ul> <p>In Canada, Environment Canada oversees a variety of laws related to waste disposal. This is not an exhaustive list, as Canadian Provinces also have additional regulations:</p> <ul style="list-style-type: none"> <li>◆ Canadian Environmental Protection Act (CEPA 1999)</li> <li>◆ Environmental Management Act: Hazardous Waste Regulation [includes amendments up to B.C. Reg. 261/2006, September 2006].</li> </ul>   |       |   |   |
| <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 employees and contractors.</p> <p>e. Harvest levels that do not exceed the long-term production capacity of the forest, based on adequate</p> | <p>Fully addressed</p> <p>a. SFIS Principle 3 Reforestation and Productive Capacity: <i>to provide for regeneration after harvest and maintain the productive capacity of the forestland base.</i></p> <p>SFIS Principle 4 Forest Health and Productivity: <i>to protect forest from damaging agents and maintain and improve long-term forest health and productivity.</i></p> <p>SFIS Objective 2 <i>To ensure long-term forest productivity and conservation of forest resources through prompt reforestation, soil conservation, afforestation, and other measures.</i></p> <p>SFIS Performance Measure 2.3 <i>Program Participants shall implement management practices to protect and maintain forest and soil productivity.</i></p> <p>b. SFIS Objective 13 <i>To promote continual improvement in the practice of sustainable forestry and monitor, measure, and report performance in achieving the commitment to sustainable forestry.</i></p> <p>c. SFIS Performance Measure 2.3 <i>Program Participants shall implement management practices to protect and maintain forest and soil productivity.</i></p> <p>SFIS Objective 2 <i>To ensure long-term forest</i></p> | 2     |   | ✓ |

| Criteria  | Findings   | Score | L | S |
|---|--|-------|---|---|
| inventory and growth and yield data.  | <p><i>productivity and conservation of forest resources through prompt reforestation, soil conservation, afforestation, and other measures.</i></p> <p>SFIS Objective 5 <i>To manage the visual impact of harvesting and other forest operations.</i></p> <p>d. SFIS Objective 10 <i>To improve the practice of sustainable forest management by resource professionals, logging professionals, and contractors through appropriate training and education programs.</i></p> <p>e. SFIS Performance Measure 1.1 <i>Program Participants shall ensure that long-term harvest levels are sustainable and consistent with appropriate growth-and-yield models and written plans.</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>c. Adequate protection of the forest from unauthorised activities such as illegal logging, mining and encroachment.</p> | <p>Fully addressed</p> <p>a. SFIS Objective 2 <i>To ensure long-term forest productivity and conservation of forest resources through prompt reforestation, soil conservation, afforestation, and other measures.</i></p> <p>SFIS Objective 4 <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 that promote habitat diversity and the conservation of forest plants and animals, including aquatic fauna.</i></p> <p>b. SFIS Performance Measure 2.4 <i>Program Participants shall manage so as to protect forests from damaging undesirable wildfire, pests, and diseases, to maintain and improve long-term forest health, productivity and economic viability.</i></p> <p>c. Unauthorised activities not specifically addressed in SFIS but included in compliance with laws and regulations (SFIS Objective 11) within the context of US and Canadian legislative systems and existing administrative structures. The TP was not presented with information about the provisions in USA and Canadian law regarding unauthorised activities. Nevertheless the TP gave a score of 2.</p> | 2     |   | ✓ |
| <p>1.2.6 The standard must seek to ensure that biodiversity is maintained. In order to do this</p>  | <p>Fully addressed</p> <p>a. SFIS Objective 4 <i>To manage the quality and</i></p>   | 2     |   | ✓ |

| Criteria   | Findings  | Score | L | S |
|--|---|-------|---|---|
| <p>the standard must include requirements for:</p> <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><i>distribution of wildlife habitats and contribute to the conservation of biological diversity by developing and implementing stand- and landscape-level measures that promote habitat diversity and the conservation of forest plants and animals, including aquatic fauna.</i></p> <p>SFIS Performance Measure 4.1 indicator 2<br/><i>Program to protect threatened and endangered species</i></p> <p>SFIS Performance Measure 2.2 indicator 6k: <i>use of methods to ensure protection of threatened and endangered species.</i></p> <p>b. SFIS Objective 4 <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 that promote habitat diversity and the conservation of forest plants and animals, including aquatic fauna.</i></p> <p><i>Performance Measure 4.1 Program participants shall have programs to promote biological diversity at stand and landscape levels.</i></p> <p>c. SFIS Objective 4 <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 that promote habitat diversity and the conservation of forest plants and animals, including aquatic fauna.</i></p> <p>SFIS Objective 6 <i>To manage Program Participant lands that are ecologically, geologically, historically, or culturally important in a manner that recognizes their special qualities</i></p> |       |   |   |

### 1.3. Standard-setting process

| Criteria   | Findings   | Score | L | S |
|--|--|-------|---|---|
| <p>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</p> | <p>Fully addressed</p> <p>SFI Inc, Standard Setting Procedures states that <i>'The SFI Standard setting process is consistent with the International Organisation for Standardisation (ISO) Guide 59, "Code of good practice for standardisation'</i></p> <p>The requirements detailed in the Standard</p> | 2     |   | ✓ |

| Criteria  | Findings  | Score | L | S |
|---|---|-------|---|---|
| equivalent.   | Setting Procedures, although less detailed than ISO Guide 59, are consistent.   |       |   |   |
| 1.3.2 The standard-setting process must seek to ensure balanced representation and input from the economic, environmental and social interest categories. | <p>Partially addressed</p> <p>SFI Program is now managed by the Sustainable Forestry Initiative Inc (SFI Inc), which was established in January 2007. The Board of Directors of SFI Inc, is the sole governing body over the SFI standard, and all aspects of the program, including chain of custody certification and labelling, promotion and marketing. (web info 'About SFI')</p> <p>According to the Bylaws of the Sustainable Forestry Initiative, Inc, the Board of Directors consists of 18 members (Article III, 1). Article 111, 1.1: <i>'Six Directors shall be drawn from the forest, paper and wood products industry or other for-profit forest ownership or management entities. These Directors will comprise the Economic Sector of the Board. Six Directors shall be drawn from nonprofit environmental/ conservation organisations. These Directors will comprise the Environmental Sector of the Board. The remaining six Directors shall be from other stakeholder groups including community or social interests. These Directors will comprise the Social Sector of the Board.'</i></p> <p>The current SFI Standard 2005-2009 (adopted on 10<sup>th</sup> January 2005) was developed prior to the establishment of SFI, Inc. Previously, SFIS was overseen by the Sustainable Forestry Board (SFB). Section 2.0 of SFI Program: Overview, Governance, and Historical Information states that the SFB was an independent organisation responsible for maintaining and enhancing the SFI Standard and verification procedures. The 15-member Board consisted of</p> <ul style="list-style-type: none"> <li>• 5 from Program Participants (forest industry)</li> <li>• 5 from conservation and environmental organizations</li> <li>• 5 from broader forestry community representation (state and/or federal agencies; professional/ academic groups; non-industrial landowners)</li> </ul> | 1     |   | ✓ |

| Criteria  | Findings   | Score | L | S |
|---|--|-------|---|---|
|   | <p>The 3 chamber approach sought to reflect the full range of stakeholder groups. However, submissions from interested parties noted that the full range of stakeholder groups were not involved, such that some stakeholder groups in the social interest category were not represented on the SFB.</p> <p>The turnover in SFB membership should have allowed access to different groups not represented at a given time. The SFB had a number of voluntary working committees to maintain the SFI standard; appointments to sub-committees were not limited to SFB member organisations, which should have allowed other opportunities for input.</p> <p>The TP gave a score of 1 on the basis of the development process of the current standard. The TP concluded that a standard developed through the new arrangements would score 2.</p>  |       |   |   |
| <p>1.3.3 The standard-setting and decision-making process adopted must seek to ensure:</p> <ul style="list-style-type: none"> <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>Partially addressed</p> <p>SFI Program is now managed by the Sustainable Forestry Initiative Inc (SFI Inc), which was established in January 2007. The current standard SFI Standard 2005-2009 (adopted on 10<sup>th</sup> January 2005) was developed prior to the establishment of SFI, Inc. Previously, SFIS was overseen by the Sustainable Forestry Board (SFB).</p> <p>Section 5 of Bylaws of the Sustainable Forestry Board 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 sector to approve any action of the Board.'</i></p> <p>This 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 operated on the basis of achieving consensus for all decision-making.</p> | 1     |   | ✓ |

## 2. Certification

| Criteria  | Findings   | Score | L | S |
|---|--|-------|---|---|
| 2.1 Certification must be undertaken by a body whose organisation, systems and procedures conform to applicable ISO guidance, or publicly available equivalent. | <p>Fully addressed</p> <p><i>'In 2005 the ANSI-ASQ National Accreditation Board (ANAB) developed a new SFI-specific accreditation program for certification bodies conducting certification audits to the SFI 2005-2009 Standard. ANAB developed and now administers the accreditation program for SFI 2005-2009 based on ISO Guide 66.'</i><br/>(Web info: SFI Audit Firms)</p> <p>Section 2 of the Accreditation Rule requires that</p> <p>2.1 <i>'To participate in the ANAB accreditation program for SFI, a CB shall conform to ISO/IEC Guide 66.'</i></p> <p>2.2 <i>A CB shall be ISO/IEC Guide 66 (EMS)-accredited by ANAB or the Standards Council of Canada (SCC).'</i></p> | 2     | ✓ | ✓ |
| 2.2 Certification is undertaken by a body which is accredited to evaluate against forest management standards.  | <p>Fully addressed</p> <p>Section on Competence of SFI Audit Firms, Audit Teams and Auditors, Accreditation Rules 17 requires that <i>'CBs that conduct audits must be environmental management system (EMS) registrars or certification bodies and accredited by the ANSI-ASQ National Accreditation Body (ANAB) or the Standards Council of Canada (SCC) for certification of forest under the Sustainable Forestry Initiative 2005-2009.'</i></p>   | 2     | ✓ | ✓ |

| Criteria   | Findings   | Score | L | S |
|--|--|-------|---|---|
| <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>Fully addressed</p> <p>Section on Objectives and Scope for SFI Audits, SFI Audit Activities in Accreditation Rule 17:</p> <p><i>'Audit objectives and scope are determined jointly by the CB and the Program Participant. The CB must ensure that the objectives and scope of the audit:</i></p> <ul style="list-style-type: none"> <li>• <i>Meet the SFI Standard requirements</i></li> <li>• <i>Set an appropriate geographic scale</i></li> <li>• <i>Allow for accurate field determination of conformance for the entire operating unit and</i></li> <li>• <i>Apply all relevant portions of the standard [principles, policies, objectives, performance measures and indicators]</i></li> </ul> <p>In addition, section on Determination of Conformance, SFI Audit Activities in Accreditation Rule 17 requires that <i>'Evidence shall be compiled by examination of operating procedures, study of materials relating to forestry practices, and on-the-ground examination of field performance, and through meetings with employees, contractors and other third parties (e.g., government agencies, community groups, conservation organisations), as appropriate to determine conformance to the Standard.'</i></p> | 2     | ✓ | ✓ |
| <p>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>   | <p>Partially addressed</p> <p>Section on Determination of Conformance, SFI Audit Activities in Accreditation Rule 17 requires that <i>'Evidence shall be compiled by examination of operating procedures, study of materials relating to forestry practices, and on-the-ground examination of field performance, and through meetings with employees, contractors and other third parties (e.g., government agencies, community groups, conservation organisations), as appropriate to determine conformance to the Standard.'</i> This does not specifically require that stakeholder consultation must be designed to ensure the identification of all</p>   | 1     |   | ✓ |

| Criteria   | Findings  | Score | L | S |
|--|---|-------|---|---|
|  | relevant issues.  |       |   |   |
| 2.5 A summary of the results of the certification audit (excluding confidential information) must be publicly available to interested parties. | <p>Fully addressed</p> <p>Section on Development and Release of Public Reports in Accreditation Rules 17 states that <i>'A Program Participant 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 report public. The public report will be posted on the SFB website and available for public review.</i></p> <p><i>The CB shall work with the Program Participants to prepare the public report which shall include at a minimum:</i></p> <ul style="list-style-type: none"> <li>• <i>A description of the audit process, objectives and scope</i></li> <li>• <i>A description of substitute indicators, if any, used in the audit and a rationale for each;</i></li> <li>• <i>The name of the Program Participants that was audited, including its SFI representative;</i></li> <li>• <i>A general description of the Program Participant's forestland and manufacturing operations included in the audit;</i></li> <li>• <i>The name of the CB and lead auditor (name of audit team members, including technical experts may be included at the discretion of the CB and the Program Participant);</i></li> <li>• <i>The date the certification was conducted and completed;</i></li> <li>• <i>A summary of the findings, including general descriptions of any nonconformances and corrective action plans to address them, opportunities for improvement and exceptional practices, and;</i></li> <li>• <i>The certification recommendation.'</i></li> </ul> | 2     |   | ✓ |
| 2.6 There is an accessible and functioning mechanism for dealing with complaints and   | <p>Fully addressed</p> <p>Section on Interpretations, Feedback, and Disputes and Appeals in Accreditation Rules</p>   | 2     | ✓ | ✓ |

| Criteria  | Findings   | Score | L | S |
|---|--|-------|---|---|
| disputes which is open to any interested party. | <p>17 requires that <i>'Disputes or appeals between an Auditor and a Program Participants, between an external party and a Program Participant, regarding a single instance of claim of non-conformance, or questioning the validity of a certification should be first submitted to the Program Participant's CB, that is the entity that performed the audit and issued the certificate of conformance.</i></p> <p><i>If the dispute or appeal cannot be resolved working with the CB then the dispute or appeal should be submitted to the CB's accreditation body (e.g. ANSI-ASQ National Accreditation Program or other AB whose mark appears on the certificate of conformance).'</i>'</p> |       |   |   |

### 3. Accreditation

| Criteria   | Findings  | Score | L | S |
|--|---|-------|---|---|
| 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 assessment -- General requirements for accreditation bodies accrediting conformity assessment bodies</i> or equivalent. | <p>Fully addressed</p> <p>Accreditation is carried out by <i>ANSI-ASQ National Accreditation Body (ANAB)</i> and <i>Standards Council of Canada (SCC)</i>. Both ANAB and SCC are <i>International Accreditation Forum (IAF)</i> members and <i>Multilateral Recognition Arrangement (MLA)</i> Signatories for <i>Environmental Management Systems</i> and therefore have had peer evaluation of their systems' consistency with ISO 17011 requirements.</p> | 2     | ✓ | ✓ |

### 4. Chain of custody

| Criteria  | Findings  | Score | L | S |
|---|---|-------|---|---|
| 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. | <p>Fully addressed</p> <p>The Sustainable Forestry initiative Program: Requirements for Fiber Sourcing, Chain of Custody and Product Labels; Annex 2 SFI Chain of Custody Standard, section 1.1 Scope:</p> <p><i>'The conformity assessment carried out by the third party (third party certification) is considered as product certification and shall follow ISO/IEC Guide 65/1996.'</i></p> <p>SFI Audit Firms, SFI website information:</p> | 2     | ✓ | ✓ |

| Criteria   | Findings   | Score | L | S |
|--|--|-------|---|---|
|  | <p><i>'In 2005 the American National Standards Institute (ANSI) develop(ed) a new CoC accreditation program for certification bodies that would quality them to deliver CoC certification to either SFI Annex 2 and/ or PEFC Annex 4 and/ or an integrated certification audit to SFI Annex 2 and PEFC Annex 4 simultaneously.</i></p> <p><i>The SFI Standard is also implemented in Canada and certification bodies will also have the option to obtain the appropriate accreditation in Canada. In Canada, the Standards Council of Canada (SCC) delivers accreditation for audit forms wishing to perform 2005-2009 SFI certification audits and also SFI and PEFC CoC audits.'</i></p> <p>Both ANSI/ANAB and SCC are International Accreditation Forum (IAF) members and Multilateral Recognition Arrangement (MLA) Signatories for Environmental Management Systems and therefore have had peer evaluation of their systems' consistency with ISO 17011 requirements. However, ANSI/ANAB are not MLA signatories for product certification.</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>Fully addressed</p> <p>The Sustainable Forestry Initiative Program: Requirements for Fiber Sourcing, Chain of Custody and Product Labels, Annex 1 SFI Label Use and Fibre Sourcing Requirements, Section 6 Percent Content Labels:</p> <p>6.1 X Percent Content Label:</p> <p>6.1.2 <i>Label meaning: This product was produced by a manufacturing unit that qualifies as a label user and that has been certified to the SFI Chain of Custody Standard or other credible chain of custody standard that demonstrates a percentage of its raw material in the product or production comes from forests independently certified to the SFI Standard or other acceptable standards.'</i></p> <p>Manufacturers using 100 percent content label (section 6.2) and volume credit label (section 6.3) are also requires to follow SFI Chain of Custody Standard or equivalent.</p> <p>Product labelled under the wood flow</p>  | 2     | ✓ | ✓ |

| Criteria   | Findings  | Score | L | S |
|--|---|-------|---|---|
|  | accounting approach is not acceptable.  |       |   |   |
| <p>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 designed to ensure that it is from legal sources.</p> | <p>Fully addressed</p> <p>The Sustainable Forestry Initiative Program: Requirements for Fiber Sourcing, Chain of Custody and Product Labels; Annex 2 SFI Chain of Custody Standard, Section 3.6 Controversial sources:</p> <p><i>'3.6.1 The organisation shall establish adequate measures to ensure that the certified products do not include raw material from controversial sources.</i></p> <p><i>3.6.2 The organisation shall require from all suppliers of the forest based raw material, which is not classified as certified raw material, at least a signed self-declaration that the supplied raw material does not originate from a controversial source. The organisation, which has signed contracts with its suppliers, shall include such a declaration in the contracts.</i></p> <p><i>3.6.3 The organisation shall evaluate the potential risk of procuring raw material from controversial sources and establish a sampling based program of second or third party verification of the supplier's self-declaration if a high risk exists that raw material originates from controversial sources.'</i></p> <p><i>1.3.4 Controversial sources: Illegal logging is the theft of timber or logs and cutting in parks, reserves or other similar areas where otherwise precluded by law.</i></p> <p>SFI Standard 2005-2009 also requires participants to avoid illegal sources. SFIS Objectives for Procurement, Objective 8 <i>To broaden the practice of sustainable forestry through procurement programs.</i></p> <p>Performance Measure 8.5 <i>Program Participants shall ensure their procurement programs support the principles of sustainable forestry, including efforts to thwart illegal logging and promote conservation of biological diversity.</i></p> <p><i>8.5.1 Process to assess the risk that the Program Participant's procurement program could acquire material from illegal logging. This process may include relying on the adequacy of legal protections in the United States and</i></p> | 2     | ✓ |   |

| Criteria  | Findings   | Score | L | S |
|---|--|-------|---|---|
|   | <p><i>Canada, where laws against domestic illegal logging are enforced.</i></p> <p>8.5.2 Program to address any significant risk identified under 8.5.1</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>Inadequately addressed</p> <p>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. However, <i>Program Participants</i> are required to ensure their procurement programmes support the principles of sustainable forestry, including efforts to thwart illegal logging and promote conservation of biological diversity (SFIS 2005-2009 Objective 8).</p>  | 0     |   | ✓ |
| 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 action is taken to prevent any false or misleading claims.  | <p>Fully addressed</p> <p>The Sustainable Forestry Initiative Program: Requirements for Fiber Sourcing, Chain of Custody and Product Labels; Annex 1 SFI Label Use and Fiber Sourcing Requirements Section 7 Office of Label Use &amp; Licensing:</p> <p><i>'7.1 The Office of Label Use &amp; Licensing shall evaluate and approve applications for use of the SFI on-product label, shall establish label-use rules and procedures, and shall maintain oversight of use of the SFI on-product labels.'</i></p> <p>Annex 3 Rules for Use of SFI Product Labels also provide details on the use of SFI labels.</p> | 2     | ✓ | ✓ |
| 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: <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> </ul>      | <p>Fully addressed</p> <p>The Sustainable Forestry Initiative Program: Requirements for Fiber Sourcing, Chain of Custody and Product Labels; Annex 1 SFI Label Use and Fiber Sourcing Requirements Section 3 Definitions:</p> <p><i>3.7 Neutral sources: Recovered wood fiber and recovered paper and sawdust or dry shavings produced as a by-product of a primary or secondary manufacturing process.</i></p> <p>- Annex 2 SFI Chain of Custody Standard sections 2.2 and 3.2 require that <i>'the organisation shall identify and verify the</i></p>  | 2     | ✓ | ✓ |

| Criteria   | Findings   | Score | L | S |
|--|--|-------|---|---|
| <ul style="list-style-type: none"> <li>Drift wood</li> </ul> | <p><i>category of the origin of all procured raw material.'</i></p> <p>The TP was not able to identify evidence that the procedures were designed to ensure that sawmill co-products could not be counted as recycled material.</p> <p>However, the SFI Chain-of-Custody and Label Use requirements have undergone a recent review. The revised Chain-of-Custody and Label Use Requirements, effective from 31 October 2008, include the definitions below:</p> <p><b>SFI treats pre-consumer</b> recovered fiber as “other” non-certified content and therefore pre-consumer fiber is used to calculate the % NOT certified in the product; Moreover, pre-consumer recovered fiber can not be used for SFI calculations regarding SFI recycled content labels or claims.</p> <p><b>SFI treats post-consumer</b> recovered fiber as neutral and it is therefore not included when calculating the % certified content, unless using the SFI recycled content calculations for labelling in which case % post-consumer recovered fiber is calculated to determine the % recycled content for SFI % recycled content labels and claims.</p> <p><b>Recycled Wood Fiber:</b></p> <p>Wood, paper, and paper by-products derived from post-consumer wood fiber.</p> <p><b>Neutral Raw Material:</b></p> <p>Raw material whose origin is considered as neutral is not included in the calculation of the certification percentage for the SFI labels.</p> <p>The revised Chain-of-Custody and Label Use Requirements would appear to have the effect of excluding sawmill co-products from being counted as recycled material. If this is so then adoption of the draft revised requirements would result in the SFI scheme complying with criterion 4.6 and meriting a score of 2.</p> |       |   |   |