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PEFC Conformity Assessment

Hungarian Forest Certification Scheme



Client

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Acronyms

CAR	Corrective Action Request
CB	Certifying Body
CoC	Chain of Custody
IAF	International Accreditation Forum
ISO	International Organization for Standardization
FMU	Forest Management Unit
FSC	Forest Stewardship Council
HFC Scheme	Hungarian Forest Certification Scheme
HFC Council	Hungarian Forest Certification Council
HFC	Hungarian Forest Certification Non-profit Ltd. (the legal entity)
N.A.	Not applicable
NGO	Non-Governmental Organization
MER	Magyar Erdőtanúsítási Rendszer
OWL	Other Wooded Land area
PEFC GD	Guidance Document of PEFC International
PEFC IGD	PEFC Informative Guide
PEFC ST	Standard Document of PEFC International
PEFC	Programme for the Endorsement of Forest Certification
PEFCC TD	PEFC Council Technical Document
PEFCC	PEFC Council
PoE	Panel of Experts
Req.	Requirement
SFM	Sustainable Forest Management
SSRC	Standard and Scheme Requirement Checklist
v2	Version 2 (adjusted version)



1. Introduction

The Programme for Endorsement of Forest Certification schemes (PEFC) admits national schemes for Sustainable Forest Management to the PEFC system, after the national standards are endorsed based on a positive evaluation by an independent assessor. Every five years, the endorsed national schemes need to be revised after which an independent consultant assesses whether the revised scheme is in conformity with the PEFC Council requirements.

This report presents the results of the initial evaluation of the Hungarian Forest Certification Scheme (HFC Scheme) against PEFC Council requirements for forest certification schemes. The application for PEFC Council endorsement was submitted on the 7th of June 2016.

PEFC Council appointed Form international (Form) as the independent Assessor to carry out the assessment. This assessment report will be the basis for the decision of the PEFC Council, and provides a recommendation to the PEFC Board on the formal endorsement of the HFC Scheme for Sustainable Forest Management (SFM).

1.1. Form international

The assessment benefited from Form's specific experience and expertise in certification and SFM. Form has implemented many studies in which national or international certification standards were analysed versus another standard or scheme, for example for FSC and Keurhout. Moreover, Form has carried out conformity assessments for PEFC Council, such as the Certification Schemes of Australia, Austria, Belgium, Czech Republic, Denmark, Finland, Gabon, Germany, Indonesia, Ireland, Malaysia (Forest plantation), Norway, Poland, Portugal, Spain, Sweden, Switzerland, UK, USA and Canada.

The conformity assessment team consisted of Mr. Rutger de Wolf, Mrs. Christine Naaijen and Mr. Andries Polinder (Forestry Experts and Registered PEFC Assessors), and referred to as the Assessor in this report.

1.2. Scope of the assessment

The scope of this assessment is to assess the conformity of the HFC Scheme with the PEFC standards and system requirements as presented in PEFC IGD 1007-01:2012.

1.3. Documents and resources used

Various documents and resources were used in this conformity assessment. The documents received from the Hungarian Forest Certification Non-profit Ltd. (HFC) are shown in Table 1.1. Table 1.2 lists the documents used from PEFC. Besides these documents, the website of the HFC Scheme (www.pefc.hu) was consulted during the



assessment, as well as additional clarifications provided by HFC and other stakeholders during the Assessment process.

Table 1.1 Documents used for the conformity assessment

Code	Document title
0	Cover letter
1	Development Report
2	Checklist (PEFC Standard and System Requirements Checklist elaborated by HFC)
MER 00	Introduction to the Hungarian Forest Certification
MER 01	Definitions and Abbreviations v2
MER 02	Structure of Organization
MER 03	Decision making procedures
MER 04	Rules of standard setting v2
MER 05	Scheme Administration Procedures v2
MER 06	Scheme Administration Forms and Templates
MER 07	Resolution of Complaints
MER 1001	Sustainable Forest Management Requirements v2
MER 1002	Group Forest Certification Requirements v2
MER 1003	Forest Management Certification Requirements v2
Twelve folders containing evidence of the standard setting process:	
01	Kick-off
02	Workshops
03	Media appearance
04	Public Announcement
05	National Governing Body Establishment
06	Project Launch
07	Public Announcement
08	Working Group Meeting
09	Working Group Meeting
10	Public Consultation
11	Pilot Testing
12	Approval
List of additional documentation received during the assessment process	
01	Attendance list Working Group meeting
02	Public Announcement circulated state forestry
03	Public Announcement circulated private forestry
04	Public Announcement circulated state administration
05	Public Announcement circulated research - education
06	Public Announcement circulated wood industry
07	Public Announcement circulated NGOs
08	Public Announcement 2014 – translation to English
09	Agreements with Council Members
10	Council decisions
11	Invitation to Council – Ministry
12	Invitation to Council – National Association of Forestry
13	Publication approved standard on website
14	Invitation to 1st Working Group meeting



Code	Document title
15	Announcement Public Consultation
16	Translation of the Announcement of Public Consultation
17	Public Consultation on pefc.hu
	HFC Council decision on modifications
01	Attendance list Working Group meeting
03	Final approval
04	Public call
05	Constitution Hungary
07	Law on Forests

Table 1.2 The PEFC Council Technical documents used.

#	PEFC Council document	Date
1	PEFC GD 1007:2012: Endorsement and Mutual Recognition of National Systems and their Revision	16 November 2012
2	PEFCC TD Annex 1: Terms and Definitions	27 October 2006
3	PEFCC TD Annex 6: Certification and Accreditation Procedures	5 October 2007
4	PEFCC TD Annex 7: Endorsement and Mutual Recognition of National Schemes and their Revisions	5 October 2007
5	PEFC ST 1001:2010 Standard Setting – Requirements	26 November 2010
6	PEFC ST 1002:2010 Group Forest Management Certification – Requirements	26 November 2010
7	PEFC ST 1003:2010 Sustainable Forest Management – Requirements	26 November 2010
8	PEFC ST 2001:2008 v2 PEFC Logo usage rules - Requirements	26 November 2010
9	PEFC ST 2002:2013 Chain of Custody of Forest Based Products - Requirements	24 May 2013
10	PEFC ST 2003:2012 Requirements for Certification Bodies operating Certification against the PEFC International Chain of Custody Standard	16 July 2012
11	PEFC GD 1004:2009 Administration of PEFC scheme	5 October 2009
12	PEFC GD 1005:2012 Issuance of PEFC Logo Use Licenses by the PEFC Council	27 November 2012
13	PEFC IGD 1007-01:2012 PEFC Standard and System Requirement Checklist	6 May 2014
14	PEFC IGD 1007-03:2012 The Assessment Report	16 November 2012
15	PEFC Secretariat's clarification concerning the content of the assessment report (clarification 30/10/12).	30 October 2012

1.4. Methodology adopted

The work consisted of a desk study and a field visit in which an evaluation of the conformity was conducted. The assessment enabled the Assessor to identify any missing information, similarities and differences between the HFC Scheme and the



PEFC standards and system requirements. Next to a general analysis of the structure of the scheme, the assessment consisted of:

a. Assessment of the standard setting procedures

This aspect is evaluated on the basis of PEFC ST 1001:2010 Standard Setting - Requirements. The checklist (part I of PEFC IGD 1007-01:2012) has been used to assess the compliance of the HFC Scheme with the requirements of PEFC Council concerning the standard setting procedures and the actual process. The criteria for the standard setting procedure have been assessed in two stages:

1. compliance of the scheme documented procedures ('Procedures')
2. compliance of the standard setting process itself ('Process')

To assess the process, the Development report, additional evidential records and results of stakeholder consultations are used to evaluate compliance of the process.

PEFC Council conducted an international public consultation, and a stakeholder survey was held by Form international through questionnaires that were sent out to members of the Working Group and other relevant stakeholders identified by HFC during the revision process.

b. Assessment of the sustainable forest management standard

The compliance of the HFC Scheme with PEFC ST 1003:2010 Sustainable Forest Management was assessed based on part III of PEFC IGD 1007-01:2012.

c. Assessment of the group certification procedures

The compliance of the HFC Scheme with PEFC ST 1002:2010, Group Forest Management Certification – Requirements was assessed based on part II of PEFC IGD 1007-01:2012.

d. Assessment of the chain of custody standard

The compliance of the HFC Scheme with PEFC ST 2002:2010 – Chain of Custody of Forest Based Products – Requirements was assessed based on part V of PEFC IGD 1007-01:2012.

e. Assessment of the certification and accreditation procedures

The compliance of the HFC Scheme with PEFC TD Annex 6 (Certification and accreditation procedures) and PEFC ST 2003:2012 was assessed based on part IV of PEFC IGD 1007-01:2012.

f. Other aspects regarding functions and efficiency of the scheme

The functions and efficiency of the HFC Scheme were evaluated on the basis of descriptions and information obtained in correspondence with HFC and stakeholders.



g. Field visit Hungary

As this is the initial assessment of the HFC Scheme, a field visit was conducted to meet the people who have been involved in the standard-setting process. By consulting various stakeholders, Form obtained vital information on the way the standard was developed, revised and how it is received by stakeholders. Interviews were held with a wide range of stakeholders, including public and private forest managers, and auditors.

This mission enabled the Assessor:

- The clarification of any outstanding issues highlighted during the initial assessment;
- Discussions with the various stakeholders, involved in the standard setting process, and other external organisations who provided input and feedback to the Assessor.

The field visit was conducted prior to submitting the draft report, to enable the inclusion of field results in the draft version of the report. The actual planning of the field visit was done in close consultation with HFC.

It shall be noted that, in accordance with the tender procedure, no in-depth assessment was done of:

- the procedures for logo licensing;
- the complaints and dispute resolution procedures; and
- the procedures for notification of certification bodies.

These are only quickly touched in chapter 10. Further assessment of these procedures is conducted by the Technical Unit of PEFC Council.

The report is written in line with the guidelines of the PEFC Council: PEFC GD 1007-03:2012 for the content of an assessment report, and the additional PEFC Secretariat's clarification of 30 October 2012.

1.5. Assessment process

The assessment process consisted of the following steps:

1. Public consultation

The international public consultation was held from 15 June 2016 to 7 August 2016. No comments were received.

The national stakeholder consultation was held from 20 October 2016 to 3 November 2016. Form sent out questionnaires to all stakeholders that were members of the HFC Council or the Working Group and additional stakeholders that were invited and/or participated in public consultation meetings during the revision process. In total 115 questionnaires were sent out, 11 responses were received.



2. Technical desk study

The technical desk study was carried out on the HFC Scheme documentation. It comprised of a review of the documentation and a verification of the standards and system requirements checklist. During the assessment additional information and translations were requested from HFC.

3. Elaboration of draft report

The draft report was sent to HFC and PEFC Council on 7 December 2016.

4. Elaboration of final draft report

Based on the responses and additional references and clarifications to the draft report, the final draft report was developed and was sent to PEFC Council on 27 January 2017.

5. Review of the final draft report

Members of PEFC Council Panel of Experts contributed to the final report by providing Form with their feedback and comments.

6. Final analysis and reporting

The final report is elaborated taking into account the comments from Panel of Experts members and was sent to the PEFC Council on 28 February 2017.

1.6. Report structure

Chapter 2 gives an explicit statement in the form of a recommendation whether or not the Board of Directors of PEFC Council should endorse the HFC Scheme. In chapter 3, a summary of the findings is presented. Chapter 4 gives an overview of the key structures of the scheme, followed by the results of the assessment of the standard setting procedures and process in chapter 5. The assessment of the forest management standard and group certification procedures are presented in chapters 6 and 7. The Chain of Custody standard is quickly addressed in Chapter 8. The assessment of certification and accreditation procedures is presented in Chapter 9, and other aspects are discussed in Chapter 10. The standards and system requirements checklist is enclosed in Annex 1. Results of the stakeholder survey and international consultation are presented in respectively Annex 2 and Annex 3. The report on the Field Assessment is presented in Annex 4, and the Panel of Experts Comments are presented in Annex 5.



2. Recommendation

Based on the results of this conformity assessment, Form international recommends the PEFC Council Board of Directors **to endorse the Hungarian Forest Certification Scheme**, on the condition that the seven (7) identified non-conformities in the Sustainable Forest Management Standard and the one (1) identified non-conformity in the Standard Setting Procedures shall be corrected within six (6) months after endorsement.

In relation to the standard-setting process, four (4) non-conformities are identified. Based on the assessment, it is concluded that the non-conformities found in the process did not undermine or damage the standard-setting process.

All non-conformities identified in the procedures and process are classified as minor.



3. Summary of the Findings

3.1. Overall

The HFC Scheme is in general quite complete and clear. There are however seven (7) non-conformities found in the Forest Management Standard, one (1) in the Standard Setting Procedures, and four (4) in the process. This is in total twelve (12) non-conformities. They are all classified as minor.

3.2. Structure of the System

Attempts to set up PEFC forest certification in Hungary started as early as 1998, but initiatives failed repeatedly. In 2013, the Hungarian Forest Certification Nonprofit Ltd was established to coordinate a project financed by the PEFC Collaboration Fund. The HFC Scheme has three standards: Sustainable Forest Management Requirements (MER 1001), Group Forest Certification Requirements (MER 1002), and Forest Management Certification Requirements (MER 1003). It also has several scheme governance procedures: Introduction to the Hungarian Forest Certification (MER 00), Definitions and Abbreviations (MER 01), Structure of Organization (MER 02), Decision making procedures (MER 03), Rules of standard setting (MER 04), Scheme Administration Procedures (MER 05), Scheme Administration Forms (MER 06) and Templates and Resolution of Complaints (MER 07). It further adopts three PEFC Council standards: PEFC ST 2001:2008 Logo usage rules, PEFC ST 2002:2013 Chain of Custody for forest based products - requirements, and PEFC ST 2003:2012 Certification Body Requirements – Chain of Custody.

3.3. Standard Setting Procedures and Process

The Standard Setting Procedures are regulated in MER 04. One (1) non-conformity is found, classified as minor. It relates to the wording 'in a timely manner' and 'suitable media' (req. 5.6), which is not specified for the Hungarian context.

The Development Report is a concise report providing the overview of standard setting process activities. Additional records and minutes were provided upon request and during the field assessment, and interviews held with stakeholders that participated in the process, provided additional evidence. In general, the process was conducted according to the standard-setting procedures. There are however four (4) non-conformities found (all are classified as minor):

- The public announcement does not include an invitation to comment on the scope and the standard-setting process (req. 5.3d);
- There is no evidence found on registration sent in by stakeholders. It became clear that there was no formal establishment of the working group based on received nominations. The working group consisted in fact of the HFC Council and other stakeholders, and as such functioned more as a stakeholder consultation platform (req. 5.4);



- Consensus was reached in the HFC Council. However, no evidence is found that consensus was reached in the working group as well (req. 5.8);
- No evidence was found that the standards were approved based on evidence of consensus reached by the working group (req. 5.11).

Based on the assessment it is concluded that the non-conformities found in the process did not undermine or damage the standard setting process. It would therefore not be necessary to repeat the process to correct the non-conformities found in the process.

3.4. Forest Management Standard

The Sustainable Forest Management requirements are stipulated in MER 1001. The standard is rather complementary to existing legislation. There is however an issue of concern related to Forest Management Planning, which is initiated by the State, resulting in a Regional Forest Management Plan that is compulsory for all forest managers within the plan region, both State Forest Companies, and private forest owners / managers. The management plan, as defined by the State e.g. includes assignment of primary functions to each area of forest, and the silvicultural measures to be applied. Timing of harvesting is also determined by the government. As the main decisions relating to forest management planning are (largely) made at government level, there is little room for forest managers to make forest management planning decisions themselves and/or make changes to existing plans. The weakness for certification is the little direct influence a forest manager has on important subjects of forest management.

It shall be noted that the standard has separate requirements and interpretations for other wooded land (OWL). OWL is defined as “short rotation tree stands that meet the definition of forest except that they are not registered as forest by the forest authority and their rotation age is between 3 and 20 years.” To assess the conformity of the standard for OWL with the PEFC Council requirements, it is concluded that all PEFC ST 1003:2010 requirements are applicable for OWL, but since OWL is plantation forest with fast growing species and short rotations, the guidelines for interpretation in the case of plantation forestry, as defined in Appendix 1 of PEFC ST 1003:2010, are applied.

In total four (4) non-conformities are found for the main Standard (all classified as minor):

- It is insufficiently ensured that social, environmental and economic impacts of forestry management operations shall be assessed, and shall form a basis for a cycle of continuous improvement to minimize or avoid negative impacts (req. 5.1.2);
- Due to the wording “can be considered” in the standard’s clause, it is not ensured that forest management planning shall aim to achieve sound



- economic performance taking into account any available market studies and possibilities for new markets and economic activities (req. 5.3.2);
- Due to the wording “can be considered” in the standard’s clause, it is not ensured that the local employment shall be considered. (req. 5.6.1);
- It is not ensured that forest management shall comply with all legislation applicable to forest management issues (req. 5.7.1).

The last non-conformity presented in the list above (req. 5.7.1) also applies to OWL. Additionally, three (3) non-conformities are found for the OWL requirements (all classified as minor):

- It is insufficiently ensured that monitoring of OWL resources and evaluation of its management is performed during the implementation of the management plan (req. 5.1.7);
- It is insufficiently ensured that forest management planning shall take into account any available market studies and possibilities for new markets and economic activities. (req. 5.3.2);
- It is insufficiently ensured that management of OWL shall be based on the results of scientific research (5.6.14).

3.5. Group Certification Procedures

The procedures on Group Certification are regulated in MER 1002. The procedures comply with the PEFC Council requirements, no non-conformities are found.

3.6. Chain of Custody Standard

The HFC Scheme uses the PEFC ST 2002:2013 procedures. The procedures comply with the PEFC Council requirements, no non-conformities are found.

3.7. Certification and Accreditation Procedures

The requirements for certification and accreditation are regulated in MER 1003 and MER 05, and include references to ISO 17011, ISO 17021, ISO 17065, ISO 19011, other documents recognised by the IAF, PEFC ST 2001:2008 PEFC Logo Usage Rules – Requirements and PEFC ST 2003:2012 Certification Bodies Requirements – Chain of Custody. The procedures comply with the PEFC Council requirements, no non-conformities are found.

3.8. Other aspects

With regards to Scheme Administration Procedures, the following procedures were found:

- Notification of Certification Procedures (MER 05, chapters 1-6);
- Logo Usage Rules (MER 05, chapters 7-9 and PEFC ST 2001:2008, which is fully adopted);
- Complaints and Dispute Resolution Procedures (MER 07).



These are not further assessed in detail, in accordance with the tender document for this assignment. Further assessment of these procedures is conducted by the Technical Unit of PEFC Council.



4. Structure of the Hungarian Forest Certification Scheme

4.1. Introduction to the forest sector in Hungary¹

Hungary has a forest cover of 21%. The natural conditions of Hungary range from low mountains through hilly regions to large flatlands. In the heart of the Carpathian basin the highest elevation hardly exceeds 1000 m, and more than 80% of the area can be found below 200 m above sea level. There is only a limited area, where the annual precipitation is above 800 mm. About two third of the country receives less than 600 mm, with some extreme dry regions receiving less than 500 mm of rainfall per year.

Since the beginning of the 20th century the forest area has almost been doubled by various afforestation programmes (subsidized by the government). As these programmes were at first launched to increase wood supply and lower the import of round wood, short rotation plantations were established on former agricultural lands consisting mainly of poplar and black locust. Later, when private forestry was re-introduced in Hungary in the 1990s, private owners also preferred fast growing species. Through privatization processes (in 1996), the restructuring and redistribution of ownership led to a high number of private owners (500,000), with an average size of their management unit of 1.6 ha.; there are also 800 private forest cooperatives, managing about 100 hectare each. Currently, about 42% is in private hands, 56% belongs to the state (management in 22 State Forest Companies) and 1% is communal property. Approximately 40% of the present forest area is plantation forest, where black locust and hybrid poplars are dominant. According to HFC, about half of the forest surface is short rotation forest or young forest.

Maintaining and increasing forest cover has always been the first priority of forest policy in Hungary. Therefore, conversion of forests to other forms of land use is strictly prohibited, and regulations allow only a few exceptions. Loss of the forest area always needs to be compensated. In total 62% of the forests have production as primary function; 37% of the forest is protected (Natura 2000) and for 1% the primary function of the forest is recreation. Not all forests are under active management. In the past decade the forest administration privatized former state ownership in the attempt to decrease the area of forest with no management.

4.2. Important legislative issues in the Hungarian context

There are two main issues in relation to the Hungarian Forest Code that need attention here. The first relates to the topic of ‘naturalness’, and the second relates to forest management planning.

¹ Largely based on the Development report, and the brochure “Forest resources and forest management in Hungary, 2013” of the National Food Chain Safety Office – Forestry Directorate.



4.2.1. Degree of Naturalness

One main aim of the Forestry code is to drive forests closer to their natural conditions, as one of the objectives states: “Maintain natural or close-to-nature forest stands composed by indigenous tree species and extend their area in accordance with prevailing site conditions”. The act defines ‘quantitative naturalness’ and prescribes that it may not decrease due to management activities. The whole Hungarian forest area has been classified and mapped, according to the following categories (degrees of naturalness), which is based mainly on the share of non-indigenous and invasive tree species:

Natural and close-to-nature forests	448.156 ha
Semi-natural forests (secondary forest)	576.046 ha
Transferred forests (intermediate)	131.422 ha
Semi-plantations	656.793 ha
Plantations	125.722 ha
TOTAL	1.938.139 ha

A forest manager is allowed to increase the degree of naturalness, but cannot decrease it. Next, the act prescribes the use of “Continuous Cover Forestry” methods on a predetermined area of state-owned forests. This includes the preference for shelter wood or selective cutting measures, over clear felling, to improve naturalness.

4.2.2. Forest Management Planning

The Hungarian system of Forest Management Planning (as laid down in the Forest Code) is as follows². The State Planning Authority makes Regional Forest Management Plans, for a period of 10 years. All Forest Management Units (FMU's) within this area, whether private or state, receive a copy of this plan with reference to their FMU, and is elaborated up to sub-compartment level and includes the forest operations to be taken (shelter wood, thinning, etc.). When the plan is made, the planners, forest managers, registered forestry professionals and other stakeholders can take part in the process. After 5 and 10 years, the plan is evaluated. Part of the final evaluation (and preparation of a new Regional Forest Management Plan), is a field visit (monitoring).

The forestry operations are defined in the Forest Management Plan, and the FMU has to inform the Forestry Authority before the execution of operations. The Forestry Authority has 30 days to interfere if needed. On protected areas the Nature Conservation Authority is also involved and the deadline is extended to 45 days. If there are no comments within 30 or 45 days, the FMU can start harvesting. Field checks are carried out by the State Authorities. Fines on illegal harvest (for example when harvesting has been done outside compartment borders, without license or with technical mistakes etc.) are high. Regeneration after harvesting is also defined in the Forest Management Plans, including the type of regeneration and the main species.

² This was explained to the Assessor during one of the interviews with a State Forest Company.



4.3. Organisation of Hungarian Forest Certification Scheme

Attempts to set up PEFC forest certification in Hungary started as early as 1998, but initiatives failed repeatedly. It was a challenge during all these years to get stakeholders involved from forestry and related industries, as well as stakeholders from the public sector. Other stakeholders considered the standard setting process as being too complicated, and decided to quit these processes.

In 2013, the Hungarian Forest Certification Nonprofit Ltd was established to coordinate a project financed by the PEFC Collaboration Fund. The aim was to promote PEFC certification options among stakeholders and to gain momentum for the development process. The HFC is currently represented by one person, Mr. Endre Schiberna, who is employed by the Forest Research Institute (ERTI). The HFC secretary therefore does only exist of one person. At the start of the process, in 2012, there was a second person, Ms. Kitti Horvath, employed by the University, but she left in May 2014, and was not replaced.



4.4. The Hungarian Forest Certification Scheme

The HFC Scheme is based on a number of documents, which is schematically shown below.

Standards for operators	Standards for certifying bodies	Scheme governance
<p>MER 1001 Sustainable Forest Management Requirements</p> <p>MER 1002 Group Forest Certification Requirements</p> <p>PEFC ST 2002:2013 Chain of Custody for forest based products – requirements</p> <p>PEFC ST 2001:2008 v2 Logo usage rules</p>	<p>MER 1003 Forest Management Certification Requirements</p> <p>PEFC ST 2003:2012 Certification Body Requirements - Chain of Custody</p>	<p>MER 00 Introduction to the Hungarian Forest Certification</p> <p>MER 01 Definitions and Abbreviations</p> <p>MER 02 Structure of Organization</p> <p>MER 03 Decision making procedures</p> <p>MER 04 Rules of standard setting</p> <p>MER 05 Scheme Administration Procedures</p> <p>MER 06 Scheme Administration Forms and Templates</p> <p>MER 07 Resolution of Complaints</p>



5. Standard Setting Procedures and Process

This chapter presents the non-conformities and observations found in the Standard Setting Procedures and Process. There are five (5) non-conformities found, one (1) related to the procedures, and four (4) related to the process. All non-conformities are classified as minor. The non-conformity in the procedures can be addressed by providing additional evidence and/or adjusting the procedures. The Standard and Scheme Requirement Checklist related to the Standard Setting Procedures and Process can be found in Annex 1 part I, which presents all the conformities, non-conformities and related references.

5.1. Analysis

The Standard Setting Procedures are regulated in MER 04 Rules of Standard Setting, which is a clearly structured document. There is however one (1) non-conformity found.

A description of the standard setting process can be found in the development report and has been further discussed with stakeholders during the field assessment, from 14-18 November 2016. The report of the field assessment can be found in Annex 5.

The standard setting process took quite long, due to the fact that the standard setting body had no permanent staff, people involved in the management of the process had also other priorities, and continuous and time consuming background work was needed to motivate and persuade stakeholders to actively participate. The first public announcement (23 November 2012) did not comply with PEFC Council requirements, HFC therefore decided to start again, by sending a new public announcement on 7 April 2014. During the whole process, stakeholder involvement was sometimes difficult to establish, because there was little interest in standard setting. The same was experienced during the field assessment. Some stakeholders argued this was because there is already an elaborative and strict legal framework, with many and very strict rules and regulations. In their perception this reduces the need for a certification system. Furthermore, they argued that stakeholders in Hungary are generally not used to such a stakeholder involvement process.

In general, the process was conducted according to the standard setting procedures. In 2012 and 2013, several meetings and workshops were organized to raise awareness amongst stakeholders and mobilize them to participate in the process. To host the standard setting process the HFC was established in 2014. Based on the stakeholder analysis and the responses to the processes in 2012 and 2013, the HFC Council was established with six members plus the executive head of HFC. In March 2014 the HFC Council launched the standard setting process and also decided to act as the Standard Setting Committee. In April 2014, stakeholders were invited to participate in the working group. Two working group meetings followed, as well as additional consultations with an environmental NGO. The public consultation was held



mid 2015, and pilot testing was done at the end of 2015 and early 2016. The final standard was approved by the HFC Council on 30 May 2016.

The official structure of the organization is described in MER 02, which describes the roles and responsibilities of (amongst others) the following bodies:

- the HFC Council, e.g. responsible for establishing the Standard Setting Committee and adopting the final standard;
- the Standard Setting Committee, e.g. responsible for establishing Working Group(s) and building consensus;
- the Working Group, e.g. responsible for development of standard and reaching consensus.

The different roles and responsibilities do have some overlap between bodies, which makes it a bit confusing, and MER 02 clause 3.1 allows the HFC Council to fulfill the tasks of the Standard Setting Committee, which further contributes to this confusion. During the process, there was even not a very clear distinction between these three bodies, as it remains unclear who participated in which body, and prove of consensus was reached at HFC Council, although this would have been expected at working group level. It should however be noted that the HFC Council represented five stakeholder groups and they all agreed with the final standard.

In total 2 observations are made related to standard setting procedures and process:

- Clause 3.1 of MER 04 does only refer to the *revision* clauses (chapter 3), not to the standard-setting process (chapter 2), as would be expected.
- According to MER 02 clause 3.1 “HFC Council shall establish a Standard Setting Committee, or the Council may also fulfil the tasks of the Standard Setting Committee itself”. This provision is not a good practice as it confuses different roles. During the current standard setting process the HFC Council also fulfilled the task of the Standard Setting Committee. Furthermore, at least some of the HFC Council members also participated in the working group. It should however be noted that this was done to have enough persons per stakeholder group, as insufficient stakeholders could be motivated to participate in the standard setting process.

The standard setting process went relatively well, however, four (4) non-conformities are found in the process. Based on the assessment it is concluded that the non-conformities found in the process did not undermine or damage the standard setting process. It would therefore not be necessary repeat the process to correct the non-conformities found in the process.

5.2. Results: Non-Conformities

The non-conformity in the procedures is presented in the table below, followed by the non-conformities in the process.



Requirement	5.6 The standardising body shall organise a public consultation on the enquiry draft and shall ensure that: a) the start and the end of the public consultation is announced in a timely manner in suitable media
Evidence	Procedures; MER 04 Rules of Standard Setting “2.6 The standardising body shall organise a public consultation on the enquiry draft and shall ensure that: a) the start and the end of the public consultation is announced in a timely manner in suitable media”
Assessor’s comment	It is not defined what in Hungary is considered ‘in a timely manner’ and what are ‘suitable media’ to communicate the public consultation. It shall be noted that the generic PEFC Council requirement shall be specified for the Hungarian context.
Result	Does not conform - minor
CAR	Update the standard

The non-conformities found in the process are presented in the tables below.

Requirement	5.3 The announcement and invitation shall include: d) an invitation to comment on the scope and the standard-setting process
Evidence	Process; Public Announcement 7 April 2014 “The primary aim of this process is to develop a certification scheme – including the standard for sustainable forest management – that is based on consensus among the various stakeholders and the society, well adapted to the conditions in Hungary, and complies with the requirements of PEFC. (...) Should you have a comment of any kind regarding these documents, please let us know per e-mail or postal letter!”
Assessor’s comment	The invitation to comment is directed to the documents. No reference is found providing the evidence that the public announcement includes an invitation to comment on the scope and the standard-setting process.
Result	Does not conform - minor
CAR	If possible: provide evidence to show conformity

Requirement	5.4 The standardising body shall review the standard-setting process based on comments received from the public announcement and establish a working group/committee or adjust the composition of an already existing working group/committee based on received nominations. The acceptance and refusal of nominations shall be justifiable in relation to the requirements for balanced representation of the working group/committee and resources available for the standard-setting.
Evidence	Process; Development report 5.2 “5.4 No comment was received with regards to the standard setting process. All nominations to the working group were accepted.”
Assessor’s comment	Stakeholders interviewed during the field assessment did not contradict that there had been no comments on the standard-setting process.



	However, no documented evidence is found on registration, nomination and acceptance (or refusal) of candidates for the Working Group. Based on explanation of HFC and other stakeholders it became clear that there was no formal establishment of the working group based on received nominations. The working group consisted in fact of the HFC Council and other stakeholders, and as such functioned more as a stakeholder consultation platform.
Result	Does not conform - minor
CAR	If possible: provide evidence to show conformity

Requirement	5.8 The decision of the working group to recommend the final draft for formal approval shall be taken on the basis of a consensus.
Evidence	<p>Process; Decision Document</p> <p>“MER Council Decision 1/2016 The Council, in the role of Standard Setting Committee, accepts the results of the pilot testing of document MER 1003 Tartamos Erdőgazdálkodás v3.0. ACCEPTED 6 votes / 6 casted votes MER Council Decision 3/2016 The MER Council adopts the following documents submitted by the Secretariat of the governing Hungarian Forest Certification System, which makes part of the Hungarian Forest Certification System. (...) MER 1001 Sustainable Forest Management Requirements (...) ACCEPTED 6 votes / 6 casted votes”</p> <p>Additional explanation provided by HFC</p> <p>“This is a mistake in the documentation of the process. The decisions do not literally mention that they also refer to the working group. In practice, however, it was made clear for the participants how the decision in the working group was going to be made.”</p>
Assessor's comment	The provided evidence shows that consensus was reached in the HFC Council (both decisions were made on 30 May 2016). In the first decision, the HFC Council acted as Standard Setting Committee. However, no evidence is found that consensus was reached in the working group. It should be noted that stakeholders were invited for the working group, and that as a consequence the decision to recommend the final draft for formal approval shall be taken on the basis of a consensus in this working group. In the current process, the decision to recommend the final draft for formal approval was taken by HFC Council members and not by the persons that were nominated and accepted for the working group.
Result	Does not conform - minor
CAR	If possible: provide evidence to show conformity

Requirement	5.11 The standardising body shall formally approve the standards/normative documents based on evidence of consensus reached by the working group/committee.
Evidence	<p>Process; Decision Document</p> <p>“MER Council Decision, 3/2016</p>



	The MER Council adopts the following documents submitted by the Secretariat of the governing Hungarian Forest Certification System, which makes part of the Hungarian Forest Certification System. (...) MER 1001 Sustainable Forest Management Requirements (...) ACCEPTED 6 votes / 6 casted votes”
Assessor's comment	Although the formal approval of the standards is done by the HFC Council, no evidence was found that this was done based on evidence of consensus reached by the working group .
Result	Does not conform - minor
CAR	If possible: provide evidence to show conformity

5.3. Results: Selection of Conformities

In the tables below, a selection of conformities is presented that to the opinion of the assessment team are sensitive issues in the Hungarian context and/or illustrative examples of the Standard Setting Procedures and Process.

Requirement	4.1 The standardising body shall have written procedures for standard-setting activities describing: c) the procedures for balanced representation of stakeholders,
Evidence	MER 02 Structure of Organization “2 Hungarian Forest Certification Council 2.1 The HFC Council has 7 members: 6 members are the representatives of the (professional) interest groups related to forest certification (Representatives), and 1 member is the executive head of HFC. 2.2 The (professional) interest groups related to forest certification represented in the HFC Council: a) State-owned forest management operators b) Private forest management operators c) Public administration d) Education and research institutes e) Timber industry trading sector f) Environmental protection civil organizations and civil society organizations”
Assessor's comment	(none)
Result	Does conform

Requirement	4.4 The standardising body shall establish a permanent or temporary working group/committee responsible for standard-setting activities.
Evidence	Process; Public Announcement, 7 April 2014 “In order to take part in the work of the Working Group, you or your organization shall register. Working Group will be established on 28th of April 2014. Members of the Working Group will be notified upon the current status of the development process on a regular basis, they can



	submit their opinion on the standard, they can influence the decision making, and will be invited to the meetings.”
Assessor’s comment	<p>About 20 people replied, including HFC Council members, from different stakeholder categories that they were willing to contribute in standard setting activities. According to HFC, there was no selection of working group members, all respondents were given the opportunity to participate.</p> <p>It should be noted that there was no official ‘acceptance of Working group membership’, nor a document of formal establishment. However, various records such as attendance list of first Working Group meeting and invitation E-mails to 20 Working Group members provide the evidence of the existence and operation of a Working Group. This is furthermore confirmed by stakeholders interviewed during the assessment.</p>
Result	Does conform

Requirement	4.4 The working group/committee shall: a) be accessible to materially and directly affected stakeholders,
Evidence	<p>Process; Public Announcement, 7 April 2014</p> <p>“In order to take part in the work of the Working Group, you or your organization shall register. Working Group will be established on 28th of April 2014. Members of the Working Group will be notified upon the current status of the development process on a regular basis, they can submit their opinion on the standard, they can influence the decision making, and will be invited to the meetings.”</p>
Assessor’s comment	<p>The public announcement was distributed widely, by sending E-mails to all stakeholder categories and umbrella organisations, on the website of PEFC Hungary, and other forestry websites, such as the website of the wood industry FAGOSZ (www.fataj.hu), an independent forestry news site (www.forestpress.hu) and an independent agriculture related news site (www.erdo-mezo.hu). Special attention was paid to the private forest owners (identified as disadvantages stakeholders). Information was made available through their representative association MEGOSZ, to facilitate access to the process.</p>
Result	Does conform

Requirement	5.1 The standardising body shall identify stakeholders relevant to the objectives and scope of the standard-setting work.
Evidence	Process; (see below)
Assessor’s comment	<p>A report of the Stakeholder Analysis, updated version of June 2014, has been provided by HFC. The original stakeholder analysis report is from November 2012, which proves that the analysis had been carried out well before the start of the standard-setting work. In these documents, the following stakeholder categories had been identified:</p> <ol style="list-style-type: none"> 1. State forestry operators 2. Private forest owners 3. Public administration 4. Educational and research institutions 5. Wood and commercial sectors 6. Environmental NGOs and civil society



Result	Does conform
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Requirement	5.2 The standardising body shall identify disadvantaged and key stakeholders. The standardising body shall address the constraints of their participation and proactively seek their participation and contribution in the standard-setting activities.
Evidence	Process; (see below)
Assessor's comment	The report of the Stakeholder Analysis has been provided by HFC. Six stakeholder groups have been defined. Per stakeholder category, a list of stakeholders, including contact details is given. Some are classified as key stakeholders (K), or disadvantaged stakeholders (H), which refers to the private forest owners and small-scale forest managers. Special attention has been given to reach the group of disadvantaged stakeholders by including the managing president of MEGOSZ in the HFC Council. MEGOSZ is the largest national association of private forest owners (1000 members, 6 regional offices) which utilized their communication networks (mailing list and regional bureaus) to effectively communicate during the process. Private forest owners could have access to the process through their representative MEGOSZ in the HFC Council. MEGOSZ facilitated the standard setting process by providing information to their members, collect opinions, and use the voting rights in the HFC Council to support their stake.
Result	Does conform

Requirement	5.5 The work of the working group/committee shall be organised in an open and transparent manner where: a) working drafts shall be available to all members of the working group/committee
Evidence	Process; (see below)
Assessor's comment	The Working Group members interviewed during the field assessment confirmed that working drafts had been made available, with adequate version numbering, and the working group was organized in an open and transparent manner. The E-mails with enquiry drafts / scheme documentation attached were presented to the Assessor.
Result	Does conform

Requirement	5.5 The work of the working group/committee shall be organised in an open and transparent manner where: b) all members of the working group shall be provided with meaningful opportunities to contribute to the development or revision of the standard and submit comments to the working drafts
Evidence	Process; (see below)
Assessor's comment	Stakeholder interviewed during the field assessment confirmed that Working Group members could send their comments or attend working group meetings in order to submit their comments to the working drafts. During the 1st Working Group meeting (12 May 2014), all requirements of the FM standard were discussed by the attendants / working group members.



Result	Does conform
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Requirement	5.6 The standardising body shall organise a public consultation on the enquiry draft and shall ensure that: a) the start and the end of the public consultation is announced in a timely manner in suitable media,
Evidence	Process; Announcement of public consultation 12 May 2015 “Everybody can submit their remarks and suggestions between 20th May 2015 and 20th August 2015 via email (...) or through the contacts of the stakeholder representatives published on our website“
Assessor’s comment	The Public Consultation was announced by E-mail to 92 stakeholders and on the website of PEFC Hungary, and taken over by other forestry-related sites (Fatáj online, Erdő-Mező Online, MEGOSZ, Faipar and Országos Erdezeti Egyesület). According to stakeholders interviewed, the used means of communication and time frames were appropriate in the Hungarian context.
Result	Does conform

Requirement	5.6 The standardising body shall organise a public consultation on the enquiry draft and shall ensure that: e) all comments received are considered by the working group/committee in an objective manner,
Evidence	Process; (see below)
Assessor’s comment	Records of the consideration of comments have been found, and show that comments received are considered. This was confirmed by the respondents to the stakeholder survey and stakeholders interviewed during the field assessment.
Result	Does conform

Requirement	5.6 The standardising body shall organise a public consultation on the enquiry draft and shall ensure that: f) a synopsis of received comments compiled from material issues, including the results of their consideration, is publicly available, for example on a website.
Evidence	Process; (see below)
Assessor’s comment	The results of the Public consultation are recorded in a separate document, which could be found on the website of the HFC Scheme. The document presents the comments and whether it was accepted and led to modifications in the standard.
Result	Does conform

Requirement	5.10 Documentation on the implementation of the standard-setting process shall be made publicly available.
Evidence	Process; (see below)
Assessor’s comment	All relevant documents on the scheme development were found on the HFC Scheme website (www.pefc.hu), such as: <ul style="list-style-type: none"> - Development Report - Full certification system documentation



	<ul style="list-style-type: none"> - Standard adopted by the Hungarian Forest Certification System - Field test results - Comments received during the public for feedback - Draft standard for feedback Public Consultation - Working group meeting, lecture - Call for Participation in the standard-setting (Public Announcement) - Standard-setting process plan - Standard setting procedures - Document on Consensus and complaint handling procedures
Result	Does conform



6. Forest Management Standard

This chapter presents the findings of the assessment of the Sustainable Forest Management Standard. In total seven (7) non-conformities are found, which are all classified as minor. Three (3) of these non-conformities are related to the requirements related to other wooded land (OWL). Corrective action requests are formulated for each of the non-conformities raised. The Standard and Scheme Requirement Checklist related to the main assessment of the Sustainable Forest Management Standard can be found in Annex 1 part IIIa, and the assessment related to the OWL can be found in Annex 1 part IIIb. These annexes present all the conformities, non-conformities and related references.

6.1. Analysis

The Sustainable Forest Management requirements are stipulated in MER 1001 Sustainable Forest Management Requirements and covers the following subjects:

- 0 General requirements and principles of application
- 1 Group entity
- 2 Forest management planning
- 3 The forest management organization and the governance of forest management
- 4 Forestation and the maintenance of forest area
- 5 Silviculture
- 6 Timber harvest and felling operations
- 7 Non-wood forest products
- 8 Forest protection, protective functions of forest and protected forests
- 9 Plant protection and fertilization
- 10 Wild game management
- 11 Social responsibility and public relations
- 12 Other wooded land
- 13 Rules and recommendations of application

It shall be noted that the standard has separate requirements and interpretations for other wooded land (OWL). Chapter 12 describes the specific requirements for OWL, and chapter 13 defines which clauses of the standard are applicable for OWL certification. For example, chapter 2 is not applicable for OWL certification, specific requirements for forest management planning are provided in chapter 12. OWL is defined as “short rotation tree stands that meet the definition of forest except that they are not registered as forest by the forest authority and their rotation age is between 3 and 20 years.” To assess the conformity of the standard for OWL with the PEFC Council requirements, it is concluded that all PEFC ST 1003:2010 requirements are applicable for OWL, but since OWL is plantation forest with fast growing species and short rotations, the guidelines for interpretation in the case of plantation forestry, as defined in Appendix 1 of PEFC ST 1003:2010, are applied. The assessment of the



OWL is separately elaborated in Annex 1 Part IIIb. Results are presented in paragraph 6.3.

Requirements of the standard are concise and clear and in many cases objective-based, having sometimes (very) specific requirements for specific operations. This gives the standard a strong focus on forest management practices. The standard is rather complementary to existing legislation. There is however an issue of concern related to Forest Management Planning conducted by the government. Hungary has an elaborative legal framework for forestry. According to the 'Hungarian Code of Forests, Protection of forest and Forestry (2009)', forest management planning is done by the State (county level governmental office – forestry directorate), in a cycle of ten years, based on field inspections and monitoring data, and based on discussions with the forest managers and other stakeholders. The management plan, as defined by the State includes assignment of primary functions to each area of forest, and the silvicultural measures (type of regeneration, thinning, felling) to be applied. Timing of harvesting is related to the level of urgency, based on the target diameters of the compartments, and is as well determined by the government. It should be noted that the State-defined management plan is obligatory for both State Forest Companies, and private forest owners. As the main decisions relating to forest management planning are (largely) made at government level, there is little room for forest managers to make forest management planning decisions themselves and/or make changes to existing plans. The weakness for certification is the little direct influence a forest manager has on important subjects of forest management. The responsibility for forest management planning is partly covered outside the forest organization that might want to get certified.

The following observations are identified:

- The numbering of clauses in chapter 3 do not coincide between the English and Hungarian version;
- The phrasing of clause 5.7 is strange, likely the part 'without acceptable reasons' should be deleted.

Although the standard is in general quite well elaborated, four (4) non-conformities are found related to the main standard assessment, and additionally four (4) non-conformities are found related to the assessment of the OWL requirements. One of these non-conformities is however exactly the same as for the main assessment, which makes it a total of seven (7) non-conformities.

6.2. Results: Non-Conformities for main standard

The non-conformities found in the Forest Management Standard are presented in the tables below. The non-conformities found in relation to OWL are presented in paragraph 6.3.



Requirement	5.1.2 Forest management shall comprise the cycle of inventory and planning, implementation, monitoring and evaluation, and shall include an appropriate assessment of the social, environmental and economic impacts of forest management operations. This shall form a basis for a cycle of continuous improvement to minimise or avoid negative impacts.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.1 Inventory and mapping of forest resources are established and updated in every 10 years based on field inspections. Inventory describes at least: area, site conditions, tree species composition, age, growing sock and growth rate.</p> <p>2.8 Results of the evaluation of the previous forest management planning period is fed into the planning process.</p> <p>2.15 Forest damages on local, regional and national level, as well as risk factors are considered.”</p> <p>Additional explanation provided by HFC</p> <p>“In the context of Hungary every planning period (definition of a new regional forest management plan for the coming 10 years) starts with the setting of principles by the State, requiring amongst others the evaluation of the former management period. There is a chapter in every regional forest management plan that covers the assessment of a former period (but mostly focusing on the resources of the forest management unit).(…)</p> <p>Also the forest manager has to supply a yearly financial plan, including evaluation of the previous year.</p> <p>Furthermore a regional recreational Development Plan is elaborated, with the main objective to develop recreational functions and harmonize development projects within the regions. Reference is made to Forest Code, section 37.2, assuring that the development plan is also included in forest management planning. There is a system in place that assures that different plans are harmonized, the National Forest Database, meaning that the results of the recreational plans are not only fed into the databased, but also taken over in other plans, such as the regional Forest Management Plan.</p> <p>Section 40.2 of the Forest code states: If the primary function of the forest has been changed, then this should be taken over in the Forest Management Plan.</p> <p>Forest management planning in Hungary is a coordinated action, which is:</p> <ul style="list-style-type: none"> - regulated by legislation - covers 100% of the forest area - allows all parties and interests to be represented - requires harmonization of the various plans (national forest programme, nature conservation, recreation, rural development, regional development etc.) relevant to forest management - allows the consideration of the results of various monitoring networks



	<p>- allows the representation of all relevant experiences of the stakeholders that are not covered by monitoring</p> <p>- provide opportunity to address forestry and related issues on regional or landscape level</p> <p>- its process is designed in a way so that the evaluation of the previous planning period, a thorough field inspection and survey as well as a discussion part on the draft forest management plan can be considered. As a result of the process the forest management plan is issued to all forest managers in the region, which provide an inventory (map included) on the forest area and a detailed description of the site conditions and of the tree stand. Future forest operations are also described with all restrictions in connection to forest protection, nature conservation, recreational or other social functions.</p> <p>Forest management planning is also coupled with the supervision of the forestry operations by the forest authority. Forest operations are reported in advance allowing the forest authority and in case of protected areas the nature conservation authority, and in case of national heritage area the relevant authority to enforce further restrictions if needed. The execution of the forest operations is also reported to the forest authority, and the compliance with the forest management plan and with the restrictions are inspected in the field. The specific forest operations and the relevant restrictions specified in the forest management plan, coupled with the supervision by the authority does ensure that the daily forestry practice is included into the cycle.”</p>
Assessor’s comment	<p>Based on the additional explanation, it is concluded that the cycle of inventory and planning, implementation, monitoring and evaluation is covered in legislation, where the responsibilities and implementation of these activities are largely attributed at government level.</p> <p>However, the references insufficiently ensure that social, environmental and economic impacts of forestry management operations shall be assessed, and shall form a basis for a cycle of continuous improvement to minimize or avoid negative impacts.</p>
Result	Does not conform – minor
CAR	Provide evidence to show conformity or update the standard

Requirement	5.3.2 Forest management planning shall aim to achieve sound economic performance taking into account any available market studies and possibilities for new markets and economic activities in connection with all relevant goods and services of forests.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the course of forest management planning...</p> <p>2.7 Forest managers’ interest to achieve sound economic performance, to utilize new market and employment opportunities, or to apply non-traditional forest management methods can be considered.”</p>
Assessor’s comment	Due to the wording “can be considered”, clause 2.7 does not ensure that the requirement shall be met.
Result	Does not conform – minor



CAR	Provide evidence to show conformity or update the standard
Requirement	<p>5.6.1 Forest management planning shall aim to respect the multiple functions of forests to society, give due regard to the role of forestry in rural development, and especially consider new opportunities for employment in connection with the socio-economic functions of forests.</p>
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.4 Primary function of forests are registered and mapped, especially in forests with special functions.</p> <p>In the course of forest management planning...</p> <p>2.6 The public is given the opportunity to be informed and to express opinion.</p> <p>2.7 Forest managers’ interest to achieve sound economic performance, to utilize new market and employment opportunities, or to apply non-traditional forest management methods can be considered.</p> <p>The objectives and specific means of forest management plans serve...</p> <p>2.11 The maintenance of forest area, and the variegation of products and services.</p> <p>For responsible public relations the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.2 Maintains contact with local communities and civil organizations within its vicinity, and supports local initiatives in the field of sustainable and multifunctional forest management.</p> <p>For the accessibility of forests the manager of forest (...)...</p> <p>11.9 Makes efforts to provide the visitors in forests of primary recreational function with diverse forest landscape including open spaces and community areas, and informs them about the accessible areas.</p> <p>11.10 Does not limit the access on foot, unless it is justified by forestry related safety concerns or other respectable reasons.”</p> <p>Additional explanation provided by HFC</p> <p>“In Hungary, Forest Management Planning is done by the State Authorities. There are two ways to incorporate employment aspects into the Forest Management Planning: Rural development Plans and the National Forest Programme are always considered during the formulation of a specific Regional Forest Management Plan. Another way to incorporate employment aspects into the FMP is that the process is an open process where many stakeholder groups are invited. In this regard, county level bodies and municipalities have the major role, as they can represent such interests.</p> <p>Furthermore, ‘employment’ has different importance in different regions. In many regions it is difficult to find forestry workers, while in some it is important to maintain the employment, which is why this requirement</p>



	needs to be considered per regional case, which is what happens because of the procedure mentioned above.”
Assessor’s comment	Due to the wording “can be considered”, clause 2.7 does not ensure that opportunities for employment shall be considered.
Result	Does not conform – minor
CAR	Provide evidence to show conformity or update the standard

Requirement	5.7.1 Forest management shall comply with legislation applicable to forest management issues including forest management practices; nature and environmental protection; protected and endangered species; property, tenure and land-use rights for indigenous people; health, labour and safety issues; and the payment of royalties and taxes.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The forest management plans...</p> <p>2.17 Bear the approval of the relevant authority.</p> <p>To ensure responsible operation of the organization the manager of forest...</p> <p>3.9 Makes actions to correct unsound practice in case of penalty or warning in relation to forestry, nature conservation (including protected and endangered species), environmental protection, health, labour and safety issues, consumer protection, taxes and royalties.</p> <p>3.16 Ensures that those carrying out forestry operations in its forest on its assignment / on its behalf / by its authority (including the contractors) is competent and complies with this standard (personal supervision, supervision of forestry professional, written instruction, contract, timber harvest plan, timber removal documentation etc.)</p> <p>3.17 Administers its contracts with contractors, consumers and suppliers.”</p>
Assessor’s comment	Although the references refer to certain specific legislation, it is not ensured that forest management shall comply with all legislation applicable to forest management issues, as listed in the PEFC Council requirement. Clause 3.9 does not ensure that forest management in general shall comply with legislation, as it only requires responsible behavior in the case of penalties and/or warnings.
Result	Does not conform – minor
CAR	Provide evidence to show conformity or update the standard

6.3. Results: Non-Conformities for OWL

The non-conformities found in the Forest Management Standard related to OWL are presented in the tables below.

Requirement	5.1.7 Monitoring of forest resources and evaluation of their management shall be periodically performed, and results fed back into the planning process.
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Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.3 The content of the management plan:</p> <p>A) General description:</p> <p>Assessment of the social, environmental and economic impacts based on expert opinion at the stage of the establishment, or based on the relevant records and the results of monitoring in the previous rotation cycle</p> <ul style="list-style-type: none"> - Protection and enhancement of social and environmental values that fall within its boundaries - Protection of infrastructure - Contribution to the protection from adverse impacts of wind and water - Natural and artificial damages to soil and water - Health and vitality of tree stand - Utilization of resources, the economic performance and employment, range of products and services - Negative impacts of introduced species, provenances or varieties on the ecosystem and on the genetic integrity of native species and local provenances <p>12.4 Manager of the other wooded land maintains monitoring and keeps records covering the following subject areas (in addition to what is required in other parts of the standard):</p> <p>Operations: stumping, soil preparation, planting, weed control, tending, pruning, harvest etc.”</p>
Assessor’s comment	<p>Although monitoring is done at the start of the OWL and after a rotation cycle, it is insufficiently ensured that monitoring of OWL resources and evaluation of its management is performed during the implementation of the management plan. It is therefore not ensured that the results will be fed back into the planning process during the implementation period.</p>
Result	Does not conform – minor
CAR	Provide evidence to show conformity or update the standard

Requirement	<p>5.3.2 Forest management planning shall aim to achieve sound economic performance taking into account any available market studies and possibilities for new markets and economic activities in connection with all relevant goods and services of forests.</p>
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.3 The content of the management plan:</p> <p>A) General description:</p> <ul style="list-style-type: none"> - Assessment of the social, environmental and economic impacts based on expert (...) Utilization of resources, the economic performance and employment, range of products and services.”
Assessor’s comment	<p>The provided evidence insufficiently ensures that forest management planning shall take into account any available market studies and possibilities for new markets and economic activities.</p>
Result	Does not conform – minor
CAR	Provide evidence to show conformity or update the standard



Requirement	5.6.14 Forest management shall be based inter-alia on the results of scientific research. Forest management shall contribute to research activities and data collection needed for sustainable forest management or support relevant research activities carried out by other organisations, as appropriate.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In case of group forest certification the group entity...</p> <p>1.4 Participates in research, or contributes to the dissemination of research findings.</p> <p>The manager of forest, with due considerations to its size...</p> <p>3.8 In case of individual forest certification, complies with requirements 1.2, 1.3, 1.4.”</p>
Assessor’s comment	It is insufficiently ensured that management of OWL shall be based on the results of scientific research.
Result	Does not conform – minor
CAR	Provide evidence to show conformity or update the standard

The fourth non-conformity relates to requirement 5.7.1, but is the same as in the main standard assessment and is presented in paragraph 6.2.

6.4. Results: Selection of Conformities for the main standard

In the tables below, a selection of conformities is presented that to the opinion of the assessment team are sensitive issues in the Hungarian context and/or illustrative examples of the Sustainable Forest Management Standard.

Requirement	5.1.7 Monitoring of forest resources and evaluation of their management shall be periodically performed, and results fed back into the planning process.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.1 Inventory and mapping of forest resources are established and updated in every 10 years based on field inspections. Inventory describes at least: area, site conditions, tree species composition, age, growing sock and growth rate.</p> <p>In the course of forest management planning...</p> <p>2.8 Results of the evaluation of the previous forest management planning period is fed into the planning process.”</p>
Assessor’s comment	(none)
Result	Does conform

Requirement	5.1.9 Forest management practices shall safeguard the quantity and quality of the forest resources in the medium and long term by
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balancing harvesting and growth rates, and by preferring techniques that minimise direct or indirect damage to forest, soil or water resources.	
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.1 Inventory and mapping of forest resources are established and updated in every 10 years based on field inspections. Inventory describes at least: area, site conditions, tree species composition, age, growing sock and growth rate.</p> <p>As part of the detailed elaboration of forest management plans...</p> <p>2.16 Allowable cut is quantified with appropriate methods.</p> <p>The manager of forest, with due considerations to its size...</p> <p>3.6 Provides the professionals in charge of forestry operations with the forest management plan, and these plans are used in practice.</p> <p>The manager of forest...</p> <p>4.1 Keeps records on the planned forestations.</p> <p>4.2 Ensures the regeneration of forests, and considers afforestation on lands suitable for tree growing.</p> <p>4.4 Makes conversion of forest to other wooded land or to other land-use forms only if is approved by the legally authorised body, it entails a small proportion of forest type, and it does not violate outstanding interests of nature conservation, cultural heritage and recreational functions.</p> <p>Operations of forestation...</p> <p>4.15 Do not affect neighbouring fields; those involving stumping, land preparation and soil cultivation do not reduce productivity of the site permanently, unless there are no other ways of forest regeneration with rational costs.</p> <p>Timber harvest...</p> <p>6.2 Is carried out at suitable state of the soil, and permanent degradation of soil cannot be observed.”</p> <p>Forest Code, 2009</p> <p>“Section 36.1: In order to assure the sustainable use of forest, the forest authority during the forest management planning, elaborates a yield analysis</p> <p>36.2 If the analysis require further action (to balance the yields), the allowable cut will be adjusted accordingly.”</p>
Assessor’s comment	(none)
Result	Does conform
Requirement 5.1.10 Appropriate silvicultural measures shall be taken to maintain or reach a level of the growing stock that is economically, ecologically and socially desirable.	
Evidence	MER 1001 Sustainable Forest Management Requirements



	<p>“The manager of forest...</p> <p>5.1 Keeps records on the long-term forestry objectives, the cutting age and the allowable cut.</p> <p>5.2 Does not cause degradation of the naturalness of forest by unsound operations.</p> <p>Considering the degree of naturalness of forests, the silvicultural operations....</p> <p>5.3 Correspond to the silvicultural system and silvicultural prescriptions specified in the forest management plan.</p> <p>5.5 Maintain the forest stand suitable for the site, or the potential of development of such stand.</p> <p>Final harvest...</p> <p>5.12 Does not precede the final cutting age specified in the forest management plan without good cause.</p> <p>5.13 Is carried out at an age of the forest stand when timber can be sold, and financial loss for overmature timber does not occur, unless justified by nature conservation purposes or other reasons.”</p>
Assessor’s comment	(none)
Result	Does conform

Requirement	<p>5.1.11 Conversion of forests to other types of land use, including conversion of primary forests to forest plantations, shall not occur unless in justified circumstances where the conversion:</p> <p>a) is in compliance with national and regional policy and legislation relevant for land use and forest management and is a result of national or regional land-use planning governed by a governmental or other official authority including consultation with materially and directly interested persons and organisations; and</p> <p>b) entails a small proportion of forest type; and</p> <p>c) does not have negative impacts on threatened (including vulnerable, rare or endangered) forest ecosystems, culturally and socially significant areas, important habitats of threatened species or other protected areas; and</p> <p>d) makes a contribution to long-term conservation, economic, and social benefits.</p>
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>4.4 Makes conversion of forest to other wooded land or to other land-use forms only if is approved by the legally authorised body, it entails a small proportion of forest type, and it does not violate outstanding interests of nature conservation, cultural heritage and recreational functions.”</p> <p>Additional explanation provided by HFC</p> <p>“In Hungary, the process leading to conversion of land cannot be initiated by a forest manager alone. A so-called “Development Project” has to be started (for example because a road is planned). There is a pre-set</p>



	<p>process for the definition of a Development Project, including stakeholder involvement and harmonization of plans.</p> <p>Contribution to long-term conservation, economic and social benefits in case of forest conversion is guaranteed by legislation. The following references to the Law on Forest (2009) proves that conversion of forest require the approval of the forest authority. Furthermore, a definite public interest is a precondition to the approval, which covers the long-term conservation, economic and social benefits.</p> <p>The forest authority is required to consider evidences that are presented by the applicant, and it is required to collect all evidences that are relevant to the application. In case of a forest conversion, Regional Development Plans are such evidences that are used to assess, whether the public interest presented by the applicant is valid and is not contradicting with these plans.</p> <p>Regional Development Plans are containing regional land-use planning, and their elaboration process includes consultation with materially and directly interested persons and organisations.</p> <p>Section 77 – Section 83 of the Forest Coded specify all cases of conversion. In all cases, it requires the approval of the state authority.”</p> <p>Forest Code (2009), Chapter VIII</p> <p>“77 The irregular use of forest is a) its conversion to agricultural land</p> <p>78.1 The irregular use (conversion) of forest can be allowed only in exceptional cases, when it is in accordance with public interest</p> <p>78.2 Irregular use of forest (conversion) can only be permitted by the forest authority. Irregular use is only possible before the expiry date of the permit and for the purpose specified in the permit.</p> <p>78.3: forest loss has to be compensated by afforestation of the same size, the same or higher degree of naturalness in the same or in the neighbouring settlement.</p> <p>82.3 Forest Authority shall prescribe the replacement of the forest a) if the irregular use extends 0.5 hectare in natural or close-to-nature forests b) if the loss of forest is banned in the specific region.”</p> <p>Decree 218/2009. Government Regulation on the content of Regional Development Concept, Regional Development Program and Regional Development Plan, as well as their harmonization, elaboration, consultation, approval and publication</p> <p>“13.1 Partnership Plan that describes in detail the participation of the people, the interest representative organizations, NGOs and enterprises is a part of the elaboration of the Regional Development Concepts and Programmes.</p> <p>13.2 In the process of planning the Partnership Plan specifies a) the target group to be involved b) means and ways of participation in the various steps of the planning process, which may be: communication campaign, exhibition, local media, information materials, public collecting opinion of people, forums, conferences, temporal committee, public</p>
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	<p>opinion survey (sociological study, focus group study, working groups, judging board) c) the objectives of participation</p> <p>17.1 The major parts of the Regional Development Concept, Programme and Plan shall be sent to the participants of the planning process so that they can comment, and shall be submitted to the Regional Development Information System for public consultation.</p> <p>17.2 Comments, remarks and suggestions as well as the responses of the planning body shall be included in the documentation.</p> <p>19 There are 45 days for submitting comments”.</p>
Assessor’s comment	(none)
Result	Does conform

Requirement	5.2.4 Forest management plans or their equivalents shall specify ways and means to minimise the risk of degradation of and damages to forest ecosystems. Forest management planning shall make use of those policy instruments set up to support these activities.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The objectives and specific means of forest management plans serve...</p> <p>2.9 The protection of the species and genetic diversity of ecosystems, as well as the protection of landscape.</p> <p>2.10 The improvement of the degree of naturalness, resilience and state of health.</p> <p>2.11 The maintenance of forest area, and the variegation of products and services.</p> <p>As part of the detailed elaboration of forest management plans...</p> <p>2.12 Primary function of forests, such as protection (especially primary soil and water protection, as well as sensitive and representative forest ecosystems and areas containing endemic species in significant concentrations) and recreational functions are considered.</p> <p>2.14 Areas under nature protection, NATURA 200 sites, ‘ex lege’ values and other values of public interest in the precincts of forests are taken into account.</p> <p>2.15 Forest damages on local, regional and national level, as well as risk factors are considered.</p> <p>To ensure responsible operation of the organization the manager of forest...</p> <p>3.9 Makes actions to correct unsound practice in case of penalty or warning in relation to forestry, nature conservation (including protected and endangered species), environmental protection, health, labour and safety issues, consumer protection, taxes and royalties.</p> <p>The manager of forest...</p> <p>5.2 Does not cause degradation of the naturalness of forest by unsound operations.”</p>



Assessor's comment	(none)
Result	Does conform

Requirement	5.2.7 Appropriate forest management practices such as reforestation and afforestation with tree species and provenances that are suited to the site conditions or the use of tending, harvesting and transport techniques that minimise tree and/or soil damages shall be applied. The spillage of oil during forest management operations or the indiscriminate disposal of waste on forest land shall be strictly avoided. Non-organic waste and litter shall be avoided, collected, stored in designated areas and removed in an environmentally-responsible manner.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Forestation...</p> <p>4.6 Contains tree species that can potentially develop a forest of good health and vitality</p> <p>Timber harvest...</p> <p>6.2 Is carried out at suitable state of the soil, and permanent degradation of soil cannot be observed.</p> <p>6.3 On slopes steeper than 10° logging tracks are designated with special care to the risk of erosion.</p> <p>6.4 When it implies forest regeneration and in cases when terrain and other conditions relevant to possible erosion justify, saves a protective belt of forests within the close surroundings of streams, creeks, wells and open water surfaces of no less than 20m in width measured from the edge of the water. These protective belts are maintained at least for the period of forest regeneration.</p> <p>6.5 Damages in the crown and on the bark of the trunk occurs on less than 10% of the stems.</p> <p>For forest protection the manager of forest...</p> <p>8.8 Ensures that non-organic waste and litter is avoided, and waste is collected, stored in designated areas and removed in an environmentally-responsible manner.</p> <p>8.9 Ensures the avoidance of fuel and lubricant contamination, and make actions to proper disposal if there are any.”</p>
Assessor's comment	(none)
Result	Does conform

Requirement	5.2.8 The use of pesticides shall be minimised and appropriate silvicultural alternatives and other biological measures preferred.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“9 Plant protection and fertilization</p> <p>The manager of forest within its forest area...</p>



	9.1 Favours preventive silvicultural and biological measures. 9.4 Uses pesticides (...) with due considerations for the environment.”
Assessor’s comment	(none)
Result	Does conform

Requirement	5.3.5 Regeneration, tending and harvesting operations shall be carried out in time, and in a way that does not reduce the productive capacity of the site, for example by avoiding damage to retained stands and trees as well as to the forest soil, and by using appropriate systems.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Operations of forestation...</p> <p>4.14 Do not result in the salinization of the soil, if irrigation is applied.</p> <p>4.15 Do not affect neighbouring fields; those involving stumping, land preparation and soil cultivation do not reduce productivity of the site permanently, unless there are no other ways of forest regeneration with rational costs.</p> <p>Final harvest...</p> <p>5.12 Does not precede the final cutting age specified in the forest management plan without good cause.</p> <p>5.13 Is carried out at an age of the forest stand when timber can be sold, and financial loss for overmature timber does not occur, unless justified by nature conservation purposes or other reasons.</p> <p>Timber harvest...</p> <p>6.2 Is carried out at suitable state of the soil, and permanent degradation of soil cannot be observed.</p> <p>6.5 Damages in the crown and on the bark of the trunk occurs on less than 10% of the stems.”</p> <p>Forest Code, 2009</p> <p>“51.7 After the final harvest, furthermore if the forest is died out on an area larger than 5000 sq meter for any reasons, or if the canopy cover falls below 70% of the area of forest plot in forests with timber production as primary function, the manager of forest shall start the regeneration of forest within two years and shall finish it within the timeframe set by the regulation issued for the execution of this law.</p> <p>53.1 The further development of finished afforestations and forest regenerations (together: forestations) shall be supported by nursing, cleaning, pre-commercial and commercial thinning (together: tending) in accordance with the primary function of forest.</p> <p>53.2 Tending (including tree felling in forests of single selection and conversion silvicultural systems) shall ensure the improvement of the quality, and the growing stock is reduced only temporarily, furthermore the soil and the ecosystem is not damaged permanently.”</p>
Assessor’s comment	(none)



Result	Does conform
Requirement	5.3.6 Harvesting levels of both wood and non-wood forest products shall not exceed a rate that can be sustained in the long term, and optimum use shall be made of the harvested forest products, with due regard to nutrient off-take.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“As part of the detailed elaboration of forest management plans... 2.16 Allowable cut is quantified with appropriate methods. Considering the degree of naturalness of forests, the silvicultural operations.... 5.3 Correspond to the silvicultural system and silvicultural prescriptions specified in the forest management plan. Timber harvest... 6.6 Is aiming at the optimal use of forest products, but it does not entails the removal of twigs and branches, unless justified by economic, or forest health purposes, and with due considerations of the degree of naturalness of forests, as well as the occurrence of fertilization. In case of recurring (multiple consecutive years) commercial utilization of non-wood forest products... 7.3 The populations of the non-wood forest products utilized are regularly monitored. 7.4 Management plan with the objective of sustainable utilization is needed, if the population is declining, including the evaluation of the effects on nutrient off-take.”</p>
Assessor’s comment	(none)
Result	Does conform

Requirement	5.4.2 Forest management planning, inventory and mapping of forest resources shall identify, protect and/or conserve ecologically important forest areas containing significant concentrations of: a) protected, rare, sensitive or representative forest ecosystems such as riparian areas and wetland biotopes; b) areas containing endemic species and habitats of threatened species, as defined in recognised reference lists; c) endangered or protected genetic in situ resources; and taking into account d) globally, regionally and nationally significant large landscape areas with natural distribution and abundance of naturally occurring species.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning... 2.3 Degree of protection and the inclusion into the NATURA 2000 network of forests is registered. In the course of forest management planning...</p>



	<p>2.5 The organization responsible for the monitoring of NATURA 2000 network is taking part.</p> <p>As part of the detailed elaboration of forest management plans...</p> <p>2.12 Primary function of forests, such as protection (especially primary soil and water protection, as well as sensitive and representative forest ecosystems and areas containing endemic species in significant concentrations) and recreational functions are considered.</p> <p>2.14 Areas under nature protection, NATURA 200 sites, 'ex lege' values and other values of public interest in the precincts of forests are taken into account.</p> <p>Considering the degree of naturalness of forests, the silvicultural operations....</p> <p>5.6. Maintain and where appropriate promote the natural composition of the forest, with special care on rare species.</p> <p>For forest protection, the manager of forest...</p> <p>8.4 Possesses records on the populations of strictly protected organisms, and uses nature protection management plans that specify measures to protect and – where relevant – to increase their population, if they are available.”</p> <p>Additional explanation provided by HFC</p> <p>“Hungary has established the following legislative framework on the protection or conservation of ecologically important forest areas:</p> <ul style="list-style-type: none"> • (...) Law on Nature Conservation (1996) • Regulation on the execution of the Nature Conservation Law (including the list of protected and strictly protected species, including those being regarded as endemic species). <p>In Hungary, besides the Regional Forest Management Plans, also Nature conservation management plans are elaborated by the state (Nature Conservation Authority), in close cooperation with National Parks, and put into force by regulations issued by the minister of Agriculture.</p> <p>Main parts of such a Nature conservation Management Plan: :</p> <ul style="list-style-type: none"> • (...) reasons for protection • Identification of the area by listing the land lots • Objectives of nature protection • (...) Maps <p>There is also a system in place to assure harmonization of plans. Regulation 11/2010 (of the Ministry of Agriculture on the elaboration of a Forest Management Plan and Regional Forest Management Plan) is stating which other authorities shall be informed about the process of Forest Management planning and shall be involved in the process, and receive the Forest Management Plan:</p> <ul style="list-style-type: none"> • Nature conservation authority • (...) Plant protection authority”
<p>Assessor's comment</p>	<p>(none)</p>



Result	Does conform
Requirement	5.4.4 Forest management shall ensure successful regeneration through natural regeneration or, where not appropriate, planting that is adequate to ensure the quantity and quality of the forest resources.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>4.2 Ensures the regeneration of forests (...).</p> <p>4.3 Keeps records on the initial plantings.</p> <p>Forestation...</p> <p>4.7 Is carried out using propagation material with certificate of origin.</p> <p>Forest regeneration...</p> <p>4.10 Takes place as a natural regeneration, wherever it is possible.”</p>
Assessor’s comment	(none)
Result	Does conform

Requirement	5.4.10 Tending and harvesting operations shall be conducted in a way that does not cause lasting damage to ecosystems. Wherever possible, practical measures shall be taken to improve or maintain biological diversity.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>5.2 Does not cause degradation of the naturalness of forest by unsound operations.</p> <p>Considering the degree of naturalness of forests, the silvicultural operations...</p> <p>5.4 Do not reduce canopy closure beneath 50% in general, and 30% in protective forests.</p> <p>5.6 Maintain and where appropriate promote the natural composition of the forest, with special care on rare species.</p> <p>5.7 Maintain and where appropriate promote natural vertical structure without acceptable reasons.</p> <p>5.8 Maintain forest edges.</p> <p>5.9 Protect understory plants insofar as possible.</p> <p>5.10 In natural and semi-natural forests leave dead trees that are there at least for 5 years in the forest, unless regeneration, health issues or public access requires otherwise.</p> <p>5.14 Does not exceed area limits in the law.</p> <p>5.15 Preserves remnant trees in the form of tree groups or fractions of forest, to the extent of no less than 5 m³/ha and 3 tree/ha of native species suitable for the prospective forest, which are not meant to be harvested later – except in clear cuts in forests classified according to</p>



	<p>their degree of naturalness as ‘semi-plantation forests’ and ‘plantation forests’.</p> <p>6.5 Damages in the crown and on the bark of the trunk occurs on less than 10% of the stems.”</p>
Assessor’s comment	(none)
Result	Does conform

Requirement	5.5.1 Forest management planning shall aim to maintain and enhance protective functions of forests for society, such as protection of infrastructure, protection from soil erosion, protection of water resources and from adverse impacts of water such as floods or avalanches.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.4 Primary function of forests are registered and mapped, especially in forests with special functions.</p> <p>As part of the detailed elaboration of forest management plans...</p> <p>2.12 Primary function of forests, such as protection (especially primary soil and water protection, as well as sensitive and representative forest ecosystems and areas containing endemic species in significant concentrations) and recreational functions are considered.”</p>
Assessor’s comment	(none)
Result	Does conform

Requirement	5.6.11 Forestry work shall be planned, organised and performed in a manner that enables health and accident risks to be identified and all reasonable measures to be applied to protect workers from work-related risks. Workers shall be informed about the risks involved with their work and about preventive measures.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure responsible operation of the organization the manager of forest...</p> <p>3.9 Makes actions to correct unsound practice in case of penalty or warning in relation to forestry, nature conservation (including protected and endangered species), environmental protection, health, labour and safety issues, consumer protection, taxes and royalties.</p> <p>3.12 Hires employees with appropriate education, who regularly pass health examination, and take part in safety training, where they are informed about health and safety risks, preventive measures and safe working practices.</p> <p>3.13 Provides for its employees safe working conditions, where health and safety risks can be identified, and all reasonable measures can be applied.</p>



	3.16 Ensures that those carrying out forestry operations in its forest on its assignment / on its behalf / by its authority (including the contractors) is competent and complies with this standard (personal supervision, supervision of forestry professional, written instruction, contract, timber harvest plan, timber removal documentation etc.)”
Assessor’s comment	(none)
Result	Does conform

6.5. Results: Selection of Conformities for OWL

In the tables below, a selection of conformities is presented that to the opinion of the assessment team are sensitive issues in the Hungarian context and/or illustrative examples of the Sustainable Forest Management Standard related to OWL.

Requirement	5.1.4 Management plans or their equivalents, appropriate to the size and use of the forest area, shall be elaborated and periodically updated. They shall be based on legislation as well as existing land-use plans, and adequately cover the forest resources.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“0.3 Compliance to the standard shall always be evaluated with reasonable consideration to the size of forest area</p> <p>12.3 At the establishment of the other wooded land a management plan is elaborated, and it is updated after the rotation cycle or every 10 years, whichever is shorter. The management plan is signed by a forestry professional.</p> <p>The content of the management plan:</p> <ul style="list-style-type: none"> - Approval of the establishment by the relevant authority. The approval shall be based on an evaluation of the suitability of the applied tree species to site conditions, and the comparison with relevant land-use plans. In the absence of the approval of a legally authorized body conformity with legal regulations and relevant land-use plans shall be demonstrated.”
Assessor’s comment	(none)
Result	Does conform

Requirement	5.1.9 Forest management practices shall safeguard the quantity and quality of the forest resources in the medium and long term by balancing harvesting and growth rates, and by preferring techniques that minimise direct or indirect damage to forest, soil or water resources.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>4.1 Keeps records on the planned forestations.</p>



	<p>4.2 Ensures the regeneration of forests, and considers afforestation on lands suitable for tree growing.</p> <p>Operations of forestation...</p> <p>4.15 Do not affect neighbouring fields; those involving stumping, land preparation and soil cultivation do not reduce productivity of the site permanently, unless there are no other ways of forest regeneration with rational costs.</p> <p>Timber harvest...</p> <p>6.2 Is carried out at suitable state of the soil, and permanent degradation of soil cannot be observed.</p> <p>12.3 The content of the management plan:</p> <p>A) General description:</p> <p>Average annual allowable cut and its justification</p> <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively - Avoidance of natural and artificial damages to soil, water and trees - Maintenance of health and vitality of tree stand - Avoidance of degradation of forest ecosystems - Avoidance of negative impacts of introduced species, provenances or varieties”
Assessor’s comment	(none)
Result	Does conform

Requirement	5.1.11 Conversion of forests to other types of land use, including conversion of primary forests to forest plantations, shall not occur unless in justified circumstances
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.2 Other wooded land established after 31 December 2010 is not a result of a forest conversion.</p> <p>12.3 The content of the management plan:</p> <p>A) General description:</p> <ul style="list-style-type: none"> - Description of the type of land use before the establishment, including the date of conversion to other wooded land. Justification of conformity with MER 1001 12.2”
Assessor’s comment	(none)
Result	Does conform

Requirement	5.3.6 Harvesting levels of both wood and non-wood forest products shall not exceed a rate that can be sustained in the long term, and
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optimum use shall be made of the harvested forest products, with due regard to nutrient off-take.	
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Timber harvest...</p> <p>6.6 Is aiming at the optimal use of forest products, but it does not entails the removal of twigs and branches, unless justified by economic, or forest health purposes, and with due considerations of the degree of naturalness of forests, as well as the occurrence of fertilization.</p> <p>In case of recurring (multiple consecutive years) commercial utilization of non-wood forest products...</p> <p>7.3 The populations of the non-wood forest products utilized are regularly monitored.</p> <p>7.4 Management plan with the objective of sustainable utilization is needed, if the population is declining, including the evaluation of the effects on nutrient off-take.</p> <p>12.3 The content of the management plan:</p> <p>A) General description:</p> <ul style="list-style-type: none"> - Assessment of the social, environmental and economic impacts based on expert opinion at the stage of the establishment, or based on the relevant records and the results of monitoring in the previous rotation cycle - Natural and artificial damages to soil and water - Average annual allowable cut and its justification <p>B) Description of the OWL by land lots or sub-compartment level as appropriate</p> <ul style="list-style-type: none"> - Site analysis and nutrient content analysis updated after every rotation cycle <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Use of fertilizers and chemicals - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively”
Assessor’s comment	(none)
Result	Does conform

Requirement	5.4.1 Forest management planning shall aim to maintain, conserve and enhance biodiversity on ecosystem, species and genetic levels and, where appropriate, diversity at landscape level.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“4.8 With introduced species does not pose threats to the degree of naturalness, or to the site conditions of other forests and non-forest vegetation of high biological value within its immediate environment (...).</p>



	<p>12.1 Other wooded land is completed by 1 hectare of buffer zones per each 100 hectares of other wooded land at minimum. Buffer zones shall be PEFC certified, but not necessarily under the management of the other wooded land's user.</p> <p>12.3 The content of the management plan:</p> <p>A) General description:</p> <ul style="list-style-type: none"> - Description of the bioregion and identification of areas of social and environmental importance. - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. - Map indicating the other wooded land, buffer-zones, infrastructure, relevant areas and locations of social and environmental values. <p>B) Description of the OWL by land lots or sub-compartment level as appropriate</p> <ul style="list-style-type: none"> - Description of special functions such as nature conservation, recreation, protection of historical values or other social functions, if there are any <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively - Protection and enhancement of social and environmental values in the area”
Assessor's comment	(none)
Result	Does conform

Requirement	<p>5.4.5 For reforestation and afforestation, origins of native species and local provenances that are well-adapted to site conditions shall be preferred, where appropriate. Only those introduced species, provenances or varieties shall be used whose impacts on the ecosystem and on the genetic integrity of native species and local provenances have been evaluated, and if negative impacts can be avoided or minimised.</p>
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Forestation...</p> <p>4.6 Contains tree species that can potentially develop a forest of good health and vitality (e.g. relevant guidance are met).</p> <p>4.7 Is carried out using propagation material with certificate of origin.</p> <p>4.8 With introduced species does not pose threats to the degree of naturalness, or to the site conditions of other forests and non-forest vegetation of high biological value within its immediate environment, and does not infringe the interest of the community.</p> <p>Considering the degree of naturalness of forests, the silvicultural operations....</p>



	<p>5.11 Prevent the expansion of invasive tree species, and the control those already present to a reasonable extent.</p> <p>12.3 The content of the management plan:</p> <p>A) General description:</p> <ul style="list-style-type: none"> - Assessment of the social, environmental and economic impacts based on expert (...) Negative impacts of introduced species, provenances or varieties on the ecosystem and on the genetic integrity of native species and local provenances. - Approval of the establishment by the relevant authority. The approval shall be based on an evaluation of the suitability of the applied tree species to site conditions, <p>B) Description of the OWL by land lots or sub-compartment level as appropriate</p> <ul style="list-style-type: none"> - Identification of the plot, description of the site, size, tree species, growth during the rotation period and cutting age - Site analysis <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively - Avoidance of negative impacts of introduced species, provenances or varieties”
Assessor's comment	(none)
Result	Does conform

Requirement	5.4.6 Afforestation and reforestation activities that contribute to the improvement and restoration of ecological connectivity shall be promoted.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Afforestation...</p> <p>4.12 Is carried out according to an afforestation plan with site survey.</p> <p>12.1 Other wooded land is completed by 1 hectare of buffer zones per each 100 hectares of other wooded land at minimum.</p> <p>12.3 The content of the management plan:</p> <p>A) General description</p> <ul style="list-style-type: none"> - Description of the bioregion and identification of areas of social and environmental importance. - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. <p>B) Description of the OWL by land lots or sub-compartment level as appropriate</p>



	<ul style="list-style-type: none"> - Description of special functions such as nature conservation, recreation, protection of historical values or other social functions, if there are any C) Planning of operations and special measures - Protection and enhancement of social and environmental values in the area”
Assessor’s comment	(none)
Result	Does conform

Requirement	5.5.1 Forest management planning shall aim to maintain and enhance protective functions of forests for society, such as protection of infrastructure, protection from soil erosion, protection of water resources and from adverse impacts of water such as floods or avalanches.
Evidence	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.3 The content of the management plan:</p> <p>A) General description</p> <ul style="list-style-type: none"> - Assessment of the social, environmental and economic impacts based on expert opinion at the stage of the establishment, or based on the relevant records and the results of monitoring in the previous rotation cycle - Protection and enhancement of social and environmental values that fall within its boundaries - Protection of infrastructure - Contribution to the protection from adverse impacts of wind and water - Natural and artificial damages to soil and water <p>B) Description of the OWL by land lots or sub-compartment level as appropriate</p> <ul style="list-style-type: none"> - Description of special functions such as nature conservation, recreation, protection of historical values or other social functions, if there are any <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively - Protection and enhancement of social and environmental values in the area - Protection of infrastructure - Contribution to the protection from adverse impacts of wind and water - Avoidance of natural and artificial damages to soil, water and trees”
Assessor’s comment	(none)
Result	Does conform



7. Group Certification Procedures

This chapter presents the findings of the assessment of the Group Forest Management Certification Procedures. No non-conformities are found. The Standard and Scheme Requirement Checklist related to the Group Forest Management Certification can be found in Annex 1 part II, which presents all conformities and related references.

7.1. Analysis

The procedures for Group Certification are regulated in MER 1002, which is clearly structured and auditable. Through privatization processes (in 1996), the restructuring and redistribution of ownership led to a high number of private owners (500,000), with an average size of their management unit of 1.6 ha.; there are also 800 private forest cooperatives, managing about 100 hectare each. In order to make it possible for such forest owners to get certified, group-certification through Group Entities has been elaborated. These procedures do not allow an individual forest owner to be covered by more than one certificate, and the entire forest area of an individual forest owner is to be included under the certificate.

7.2. Results: Non-Conformities

No non-conformities are found in the Group Certification Procedures.

7.3. Results: Selection of Conformities

In the tables below, a selection of conformities is presented that to the opinion of the assessment team are sensitive issues in the Hungarian context and/or illustrative examples of the Group Certification Procedures.

Requirement	4.1.3 The forest certification scheme shall define requirements for group forest certification which ensure that participants' conformity with the sustainable forest management standard is centrally administered and is subject to central review and that all participants shall be subject to the internal monitoring programme.
Evidence	<p>MER 1002 - 1 Requirements for group entity and group organization</p> <p>“1.1 Group entity shall represent the group participants in relation to forest certification”</p> <p>MER 1002 – 2 Administration</p> <p>“2.3 Group entity shall administer all information relevant to the group organization’s conformity with sustainable forest management standard and other parts of the HFC scheme.</p> <p>2.6 Group entity shall have contract or other written agreement with all group participants including:</p>



	<p>c) the group participants commitment to comply with the sustainable forest management standard and other applicable parts of the HFC scheme on all its forest area and other wooded land</p> <p>d) the group participants commitment to subject itself to external audit</p> <p>e) the right of the group entity to carry out internal monitoring</p> <p>f) the right of the group entity to implement and enforce any preventive or corrective measures</p> <p>g) the right of the group entity to exclude the group participant in the event of non-conformity with the sustainable forest management standard”</p> <p>MER 1002 – 5 Internal monitoring programme</p> <p>“5.2 All group participants shall be subject to the internal monitoring programme.”</p>
Assessor’s comment	None
Result	Does conform

Requirement	<p>4.2.1 The forest certification scheme shall define the following requirements for the function and responsibility of the group entity: c) To establish written procedures for the management of the group organisation;</p>
Evidence	<p>MER 1002 - 2 Administration</p> <p>“2.1 Group Entity’s operation shall be based on written procedures. 2.2 Group entity shall have written procedures regarding the inclusion and exclusion of group participants.”</p>
Assessor’s comment	Although it is not literally mentioned, based on the above it is assumed that the development of the written procedures is the responsibility of the group entity.
Result	Does conform

Requirement	<p>4.2.1 The forest certification scheme shall define the following requirements for the function and responsibility of the group entity: e) To establish connections with all participants based on a written agreement which shall include the participants’ commitment to comply with the sustainable forest management standard. The group entity shall have a written contract or other written agreement with all participants covering the right of the group entity to implement and enforce any corrective or preventive measures, and to initiate the exclusion of any participant from the scope of certification in the event of non-conformity with the sustainable forest management standard</p>
Evidence	<p>MER 1002 - 2 Administration</p> <p>“2.6 Group entity shall have contract or other written agreement with all group participants including: a) the long-term commitment of the group participant to the principles of sustainable forest management (...)</p>



	<p>c) the group participants commitment to comply with the sustainable forest management standard and other applicable parts of the HFC scheme on all its forest area and other wooded land</p> <p>f) the right of the group entity to implement and enforce any preventive or corrective measures</p> <p>g) the right of the group entity to exclude the group participant in the event of non-conformity with the sustainable forest management standard”</p>
Assessor’s comment	None
Result	Does conform



8. Chain of Custody Standard

According to MER 00 Introduction to the Hungarian Forest Certification clause 3.7, “Hungarian Forest Certification adopts the following PEFC documents as part of its scheme: a) PEFC ST 2002:2013”. The HFC Scheme does therefore comply with PEFC Council requirements, no further assessment was carried out.



9. Certification and Accreditation Procedures

This chapter presents the findings of the assessment of the Certification and Accreditation Procedures. No non-conformities are found. The Standard and Scheme Requirement Checklist related to the Certification and Accreditation Procedures can be found in Annex 1 part IV, which presents all conformities and related references.

9.1. Analysis

The requirements for accreditation and certification are regulated in MER 1003 Forest Management Certification Requirements and in MER 05 Scheme Administration Procedures. These define the qualification criteria that have to be met by certification bodies and auditors, as well as procedures connected to certification.

The accreditation body must be “signatory of the Multilateral Recognition Arrangement (MLA) for Quality Management Systems certification of the International Accreditation Forum (IAF)” and have an agreement with the International Accreditation Forum (IAF). The accreditation body shall conform to the procedures described in document ISO 17011 and other documents acknowledged by IAF. The accreditation shall be issued against ISO/IEC 17021:2011, and the scope of the accreditation shall explicitly include MER 1001 v1 Sustainable Forest Management Requirements.

The following documents are included as references for requirements for certification organisations:

- MER 1001 v1 Sustainable Forest Management Requirements
- MER 1002 v1 Group Forest Certification Requirements
- ISO 17011: Conformity assessment -- General requirements for accreditation bodies accrediting conformity assessment bodies
- ISO 17021: Compliance assessment – Requirements for bodies offering auditing and certification of management systems
- ISO/IEC 17065: Conformity assessment - Requirements for bodies certifying products, processes and services
- ISO 19011: Guidelines for auditing management systems
- PEFC ST 2001:2008 v1 Logo usage rules
- PEFC ST 2002:2013: Chain of custody of forest based products
- PEFC ST 2003:2012 Requirements for Certification Bodies operating Certification against the PEFC International Chain of Custody Standard

According to MER 05, chapter 3.3, “the certification body notified by HFC for Chain of Custody certification shall: a) Have and keep valid accreditation issued in compliance with PEFC ST 2003:2012 (...) b) Carry out PEFC chain of custody certification against PEFC ST 2002:2013 within the scope of the valid accreditation. the criteria that qualify certification bodies to carry out chain of custody certification are laid down in PEFC



ST 2003:2012 Requirements for Certification Bodies operating Certification against the PEFC International Chain of Custody Standard.”

The following observations are made:

- MER 1003, chapter 1.4 requires that “certification body shall use competent auditors”, and chapter 2.1 requires that the “auditor team shall include member(s) who a) is competent in forest management (...) b) understands legal regulation of forest management, wild game management and nature protection in Hungary”. However: competence in forest management and understanding of legal regulation of forest management, wild game management and nature protection in Hungary is difficult to assess due to the lack of specific requirements for the demonstration of this competence and understanding.
- MER 1003, chapter 5.2 requires that the “audit report shall contain b) summary to be made publically available by the auditee with due considerations to confidential information”. PEFC Council interprets “publically available” as being directly available (e.g. via a website) or on request. In the latter case however, this should be within a defined timescale. It is unclear if the HFC Scheme uses the same interpretation.
- MER 1003, chapter 4.8 requires that the “audit evidence to determine the conformity with relevant standards shall include information from external parties as appropriate.” PEFC Council interprets “information from external parties” as: “include sufficient consultation with external stakeholders”. It is unclear if the HFC Scheme uses the same interpretation.

9.2. Results

No non-conformities are found in the certification and accreditation procedures.



10. Other aspects

This chapter presents other findings of the assessment of the Scheme. With regards to Scheme Administration Procedures, the following procedures were found:

- **Notification of Certification Procedures**
These procedures are elaborated in MER 05 Scheme Administration Procedures, in specific chapters 1 to 6;
- **Logo Usage Rules**
These procedures are elaborated in MER 05 Scheme Administration Procedures, in specific chapters 7 to 9; Furthermore, according to clause 7.3 of the same procedure, “PEFC logo can only be used according to the requirements set by PEFC International Standard ‘PEFC logo Usage Rules – Requirements’ PEFC ST 2001:2008.” The PEFC ST 2001:2008 is fully adopted by the HFC Scheme;
- **Complaints and Dispute Resolution Procedures**
These procedures are elaborated in MER 07 Investigation of Complaints and Appeals.

It shall be noted that the conformity of these procedures with respectively chapter 5, 6 and 8 of PEFC GD 1004:2009 Administration of PEFC scheme is not further assessed in detail, in accordance with tender document for this assignment. Further assessment of these procedures is conducted by the Technical Unit of PEFC Council.



Annex 1 PEFC Standard and Scheme Requirement Checklist

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The following formatting rules are used in the column of “Reference to application documents”:

- Bold** The source from which the quotation is cited, this can be either a document or written / oral explanation provided by the Applicant Scheme.
- Italic* Comments provided by the Assessor.
- Underlined (used in comments provided by the Assessor) Extra attention should be paid on these parts of a comment.
- (...) Irrelevant parts of the quotation are left out.



Part I: PEFC Standard Requirements Checklist for standard setting

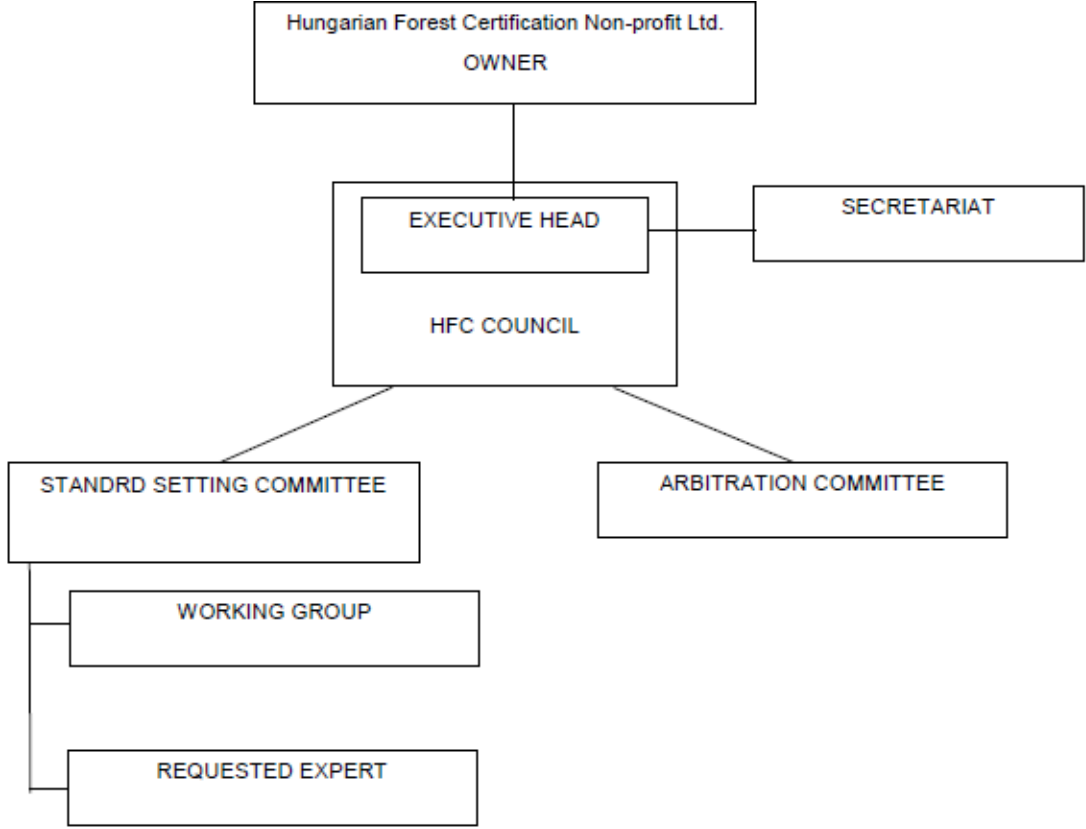
1 Scope

Part I covers the requirements for standard setting defined in PEFC ST 1001:2010, Standard Setting – Requirements.

2 Checklist

Question	Assess. basis	YES /NO	Reference to application documents
Standardising Body			
4.1 The standardising body shall have written procedures for standard-setting activities describing:			
a) its status and structure, including a body responsible for consensus building (see 4.4) and for formal adoption of the standard (see 5.11),	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“1.4 The standardising body shall establish a permanent or temporary working group/committee responsible for standard-setting activities.</p> <p>2.11 The standardising body shall formally approve the standards/normative documents based on evidence of consensus reached by the working group/committee.</p> <p>3.1 The standards/normative documents shall be reviewed and revised at intervals that do not exceed a five-year period. The procedures for the revision of the standards/normative documents shall follow those set out in chapter 3.”</p> <p>MER 02 Structure of Organization</p> <p>“2.7 The parties concerned may participate in the decision-making of the HFC Council through the Representative of the interest group they consider appropriate.</p> <p>2.11 The HFC Council shall fulfil the following tasks:</p> <p>a) requests the secretariat to prepare the proposal related to standard setting (primarily standard setting and standard revision) and thereby initiates the proceeding,</p> <p>b) establishes the Standard Setting Committee,</p> <p>c) may form working groups helping the operation of the system,</p> <p>e) decides on the acceptance of the standard and system proposal,</p>

Question	Assess. basis	YES /NO	Reference to application documents
			f) decides on the initiation of the international recognition of the standard 3.2 The Standard Setting Committee shall be responsible for: a) the acceptance of standard setting or revision proposal, b) exploring the sphere of parties concerned by standard setting/revision process, c) determine the sphere of key and disadvantaged interested parties, e) for inviting experts for the execution of preparatory draft, f) the establishment of working groups (...), of which establishment of a working group responsible for standard setting activity shall be compulsory, g) building consensus.

Question	Assess. basis	YES /NO	Reference to application documents
			<p>7. Organization chart:</p>  <pre> graph TD Owner["Hungarian Forest Certification Non-profit Ltd. OWNER"] --> ExecHead["EXECUTIVE HEAD HFC COUNCIL"] ExecHead --- Secretariat["SECRETARIAT"] ExecHead --> Standrd["STANDRD SETTING COMMITTEE"] ExecHead --> Arbitration["ARBITRATION COMMITTEE"] Standrd --> WorkingGroup["WORKING GROUP"] Standrd --> RequestedExpert["REQUESTED EXPERT"] </pre> <p><i>From MER 02 it becomes clear that the body for consensus building is the Standard Setting Committee and decisions on formal adoption of the standard is the HFC Council.</i></p> <p><i>Observation: clause 3.1 of MER 04 Rules of Standard Setting does only refer to the revision clauses (chapter 3), not to the standard-setting process (chapter 2).</i></p>
b) the record-keeping procedures,	Procedures	YES	MER 04 Rules of Standard Setting

Question	Assess. basis	YES /NO	Reference to application documents
			"1.3 The standardising body shall keep records relating to the standard-setting process providing evidence of compliance with the requirements of this document and the standardising body's own procedures. The records shall be kept for a minimum of five years and shall be available to interested parties upon request."
c) the procedures for balanced representation of stakeholders,	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>"2.2 The standardising body shall identify disadvantaged and key stakeholders. The standardising body shall address the constraints of their participation and proactively seek their participation and contribution in the standard-setting activities. 1.4 The standardising body shall establish a permanent or temporary working group/committee responsible for standard-setting activities. The working group/committee shall:</p> <ul style="list-style-type: none"> a) be accessible to materially and directly affected stakeholders, b) have balanced representation and decision-making by stakeholder categories relevant to the subject matter and geographical scope of the standard" <p>MER 02 Structure of Organization</p> <p>"2 Hungarian Forest Certification Council</p> <p>2.1 The HFC Council has 7 members: 6 members are the representatives of the (professional) interest groups related to forest certification (Representatives), and 1 member is the executive head of HFC.</p> <p>2.2 The (professional) interest groups related to forest certification represented in the HFC Council:</p> <ul style="list-style-type: none"> a) State-owned forest management operators b) Private forest management operators c) Public administration d) Education and research institutes e) Timber industry trading sector f) Environmental protection civil organizations and civil society organizations"
d) the standard-setting process,	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>Chapter 4 Flowchart of standard setting process</p>



Question	Assess. basis	YES /NO	Reference to application documents
			<pre> graph TD A[Stakeholder mapping (2.1, 2.2)] --> B[Announcement of standard-setting and invitation of stakeholders (2.3)] B --> C[Creation of the working group/committee (2.4)] C --> D[Working group/committee - development of draft document (2.5)] D --> E[Public consultation (2.6) and pilot testing (2.7)] E --> F[Consensus-building on the final draft (5.8 and 5.9)] F --> G[Formal approval of the standard (5.11)] G --> H[Publication of the standard (5.12)] A --- I[Periodic revision of the standard (3)] H --- I </pre>
e) the mechanism for reaching consensus, and	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“2.8 The decision of the working group to recommend the final draft for formal approval shall be taken on the basis of a consensus. In order to reach a consensus the working group/committee can utilise the following alternative processes to establish whether there is opposition:</p> <ul style="list-style-type: none"> a) a face-to face meeting where there is a verbal yes/no vote, show of hands for a yes/no vote; a statement on consensus from the Chair where there are no dissenting voices or hands (votes); a formal balloting process, etc., b) a telephone conference meeting where there is a verbal yes/no vote, c) an e-mail meeting where a request for agreement or objection is provided to members with the members providing a written response (a proxy for a vote), or d) combinations thereof.”

Question	Assess. basis	YES /NO	Reference to application documents
f) revision of standards/normative documents.	Procedures	YES	MER 04 Rules of Standard Setting “3.1 The standards/normative documents shall be reviewed and revised at intervals that do not exceed a five-year period.”
4.2 The standardising body shall make its standard-setting procedures publicly available and shall regularly review its standard-setting procedures including consideration of comments from stakeholders.	Procedures	YES	MER 04 Rules of Standard Setting “1.2 The standardising body shall make its standard-setting procedures publicly available and shall regularly review its standard-setting procedures including consideration of comments from stakeholders.”
	Process	YES	Public Announcement, 7 April 2014 “(…) relevant documents, such as the Standard Setting Procedure (MER 1001), the Consensus Building and Resolution of Complaints (MER 03) and the Rules of Operation can be found on our webpage, or it can be requested by post. The above documents are also available in the regional offices of MEGOSZ. Should you have a comment of any kind regarding these documents, please let us know per e-mail or postal letter!” <i>Respondents interviewed during the field visit confirmed the availability of the procedures during the respective phase of the process. No comments on the procedures were received by the HFC Secretariat.</i>
4.3 The standardising body shall keep records relating to the standard-setting process providing evidence of compliance with the requirements of this document and the standardising body’s own procedures. The	Procedures	YES	MER 04 Rules of Standard Setting “1.3 The standardising body shall keep records relating to the standard-setting process providing evidence of compliance with the requirements of this document and the standardising body’s own procedures. The records shall be kept for a minimum of five years and shall be available to interested parties upon request.”
	Process	YES	<i>Documentation on the process has been seen by the Assessor. All different versions of the scheme documentation are kept, referring to the stage of the process (initial version, enquiry draft, adopted draft). Variable records, partly digital, partly in hard copies have been seen by the Assessor, and extend back to the first activities in 2012. No evidence has been found that records are missing, nor inconsistencies were found by the Assessor.</i>



Question	Assess. basis	YES /NO	Reference to application documents
records shall be kept for a minimum of five years and shall be available to interested parties upon request.			
4.4 The standardising body shall establish a permanent or temporary working group/committee responsible for standard-setting activities.	Procedures	YES	MER 04 Rules of Standard Setting “1.4 The standardising body shall establish a permanent or temporary working group/committee responsible for standard-setting activities.”
	Process	YES	Public Announcement, 7 April 2014 “In order to take part in the work of the Working Group, you or your organization shall register. Working Group will be established on 28 th of April 2014. Members of the Working Group will be notified upon the current status of the development process on a regular basis, they can submit their opinion on the standard, they can influence the decision making, and will be invited to the meetings.” <i>About 20 people replied, including HFC council members, from different stakeholder categories that they were willing to contribute in standard setting activities. According to HFC, there was no selection of working group members, all respondents were given the opportunity to participate.</i> <i>It should be noted that there was no official ‘acceptance of Working group membership’, nor a document of formal establishment. However, various records such as attendance list of first Working Group meeting and invitation E-mails to 20 Working Group members provide the evidence of the existence and operation of a Working Group. This is furthermore confirmed by stakeholders interviewed during the assessment.</i>
4.4 The working group/committee shall:			
a) be accessible to materially and directly affected stakeholders,	Procedures	YES	MER 04 Rules of Standard Setting “1.4 (...) The working group/committee shall: a) be accessible to materially and directly affected stakeholders”
	Process	YES	Public Announcement, 7 April 2014

Question	Assess. basis	YES /NO	Reference to application documents
			<p>“In order to take part in the work of the Working Group, you or your organization shall register. Working Group will be established on 28th of April 2014. Members of the Working Group will be notified upon the current status of the development process on a regular basis, they can submit their opinion on the standard, they can influence the decision making, and will be invited to the meetings.”</p> <p><i>The public announcement was distributed widely, by sending E-mails to all stakeholder categories and umbrella organisations, on the website of PEFC Hungary, and other forestry websites, such as the website of the wood industry FAGOSZ (www.fataj.hu), an independent forestry news site (www.forestpress.hu) and an independent agriculture related news site (www.erdo-mezo.hu). Special attention was paid to the private forest owners (identified as disadvantages stakeholders). Information was made available through their representative association MEGOSZ, to facilitate access to the process.</i></p>
b) have balanced representation and decision-making by stakeholder categories relevant to the subject matter and geographical scope of the standard where single concerned interests shall not dominate nor be dominated in the process, and	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“1.4 (...) The working group/committee shall:</p> <p>b) have balanced representation and decision-making by stakeholder categories relevant to the subject matter and geographical scope of the standard where single concerned interests shall not dominate nor be dominated in the process“</p>
	Process	YES	<p>Additional explanation provided by HFC</p> <p>“The final approval of the standard was done by the representatives of the stakeholder groups (Assessor’s comment: HFC Council). Each group had one vote, which ensured balanced representation.”</p> <p><i>From the attendance list of the first working group meeting and the picture of people attending the second meeting, it becomes clear that all stakeholder categories were represented in the Working Group, except Research and Education. Additionally, other representatives were contacted directly. This was confirmed by stakeholders interviewed during the field assessment.</i></p> <p><i>Observation: It must be noted that the open structure of the Working Group, with no official nomination and acceptance/refusal of candidates, did not necessarily facilitate a balanced representation. However, in the situation of Hungary this was solved by a formal HFC Council, in which all stakeholder categories were represented, and which had the task of formal approval of documents.</i></p>
c) include stakeholders with	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“1.4 (...) The working group/committee shall:</p>



Question	Assess. basis	YES /NO	Reference to application documents
<p>expertise relevant to the subject matter of the standard, those that are materially affected by the standard, and those that can influence the implementation of the standard. The materially affected stakeholders shall represent a meaningful segment of the participants.</p>			<p>c) include stakeholders with expertise relevant to the subject matter of the standard, those that are materially affected by the standard, and those that can influence the implementation of the standard. The materially affected stakeholders shall represent a meaningful segment of the participants.”</p>
	Process	YES	<p><i>According to stakeholders interviewed during the field assessment, all working group members had a direct (professional) relation with forestry and all six stakeholder categories were represented. A meaningful segment of the participants is taken by the materially affected stakeholders, as at least three State Forest Companies participated as well as two national associations for private forest owners: MEGOSZ (1000 members) and MERD (200 members).</i></p>
<p>4.5 The standardising body shall establish procedures for dealing with any substantive and procedural complaints relating to the standardising activities which are accessible to stakeholders.</p>	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“1.5 The standardising body shall establish procedures for dealing with any substantive and procedural complaints relating to the standardising activities which are accessible to stakeholders. Upon receipt of the complaint, the standard-setting body shall:</p> <ul style="list-style-type: none"> a) acknowledge receipt of the complaint to the complainant, b) gather and verify all necessary information to validate the complaint, impartially and objectively evaluate the subject matter of the complaint, and make a decision upon the complaint, and c) formally communicate the decision on the complaint and of the complaint handling process to the complainant.”
	Process	YES	<p><i>The procedures for dealing with any substantive and procedural complaints (MER 07) as well as the Rules of Standard Setting (MER 04) are found on the website of HFC (www.pefc.hu).</i></p>
<p>4.5 Upon receipt of the complaint, the standard-setting body shall:</p>			
<p>a) acknowledge receipt of the</p>	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“1.5 (...) Upon receipt of the complaint, the standard-setting body shall:</p>



Question	Assess. basis	YES /NO	Reference to application documents
complaint to the complainant,			a) acknowledge receipt of the complaint to the complainant,”
	Process	N.A.	<i>According to HFC, no complaints were received during the standard setting process. This was confirmed by respondents of the stakeholder survey and stakeholders interviewed during the field assessment.</i>
b) gather and verify all necessary information to validate the complaint, impartially and objectively evaluate the subject matter of the complaint, and make a decision upon the complaint, and	Procedures	YES	MER 04 Rules of Standard Setting “1.5 (...) Upon receipt of the complaint, the standard-setting body shall: b) gather and verify all necessary information to validate the complaint, impartially and objectively evaluate the subject matter of the complaint, and make a decision upon the complaint”
	Process	N.A.	<i>According to HFC, no complaints were received during the standard setting process. This was confirmed by respondents of the stakeholder survey and stakeholders interviewed during the field assessment.</i>
c) formally communicate the decision on the complaint and of the complaint handling process to the complainant.	Procedures	YES	MER 04 Rules of Standard Setting “1.5 (...) Upon receipt of the complaint, the standard-setting body shall: c) formally communicate the decision on the complaint and of the complaint handling process to the complainant.”
	Process	N.A.	<i>According to HFC, no complaints were received during the standard setting process. This was confirmed by respondents of the stakeholder survey and stakeholders interviewed during the field assessment.</i>
4.6 The standardising body shall establish at least one contact point for enquiries and complaints relating to its	Procedures	YES	MER 04 Rules of Standard Setting “1.6 The standardising body shall establish at least one contact point for enquiries and complaints relating to its standard-setting activities. The contact point shall be made easily available.” MER 07 Investigation of Complaints and Appeals “3.1 All complaints and appeals shall be addressed to the HFC Secretariat (hereinafter “Secretariat”).” MER 02 Organisation structure



Question	Assess. basis	YES /NO	Reference to application documents
standard-setting activities. The contact point shall be made easily available.			<p>“1.2 In addition to the scope of tasks specified in the Articles of Association and the relevant laws the Secretariat shall fulfil the following tasks:</p> <p>m) create a contact for interested parties, complainants, and those submitting appeals.”</p> <p><i>The cover of the scheme documents contains the address of the HFC Secretariat.</i></p>
Standard-setting process			
5.1 The standardising body shall identify stakeholders relevant to the objectives and scope of the standard-setting work.	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“2.1 The standardising body shall identify stakeholders relevant to the objectives and scope of the standard-setting work.”</p>
	Process	YES	<p><i>A report of the Stakeholder Analysis, updated version of June 2014, has been provided by HFC. The original stakeholder analysis report is from November 2012, which proves that the analysis had been carried out well before the start of the standard-setting work. In these documents, the following stakeholder categories had been identified:</i></p> <ol style="list-style-type: none"> <i>1. State forestry operators</i> <i>2. Private forest owners</i> <i>3. Public administration</i> <i>4. Educational and research institutions</i> <i>5. Wood and commercial sectors</i> <i>6. Environmental NGOs and civil society</i>
5.2 The standardising body shall identify disadvantaged and key stakeholders. The standardising body shall address the constraints of	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“2.2 The standardising body shall identify disadvantaged and key stakeholders. The standardising body shall address the constraints of their participation and proactively seek their participation and contribution in the standard-setting activities.”</p>
	Process	YES	<p><i>The report of the Stakeholder Analysis has been provided by HFC. Six stakeholder groups have been defined. Per stakeholder category, a list of stakeholders, including contact details is given. Some are</i></p>



Question	Assess. basis	YES /NO	Reference to application documents
their participation and proactively seek their participation and contribution in the standard-setting activities.			<p><i>classified as key stakeholders (K), or disadvantaged stakeholders (H), which refers to the private forest owners and small-scale forest managers.</i></p> <p><i>Special attention has been given to reach the group of disadvantaged stakeholders by including the managing president of MEGOSZ in the HFC Council. MEGOSZ is the largest national association of private forest owners (1000 members, 6 regional offices) which utilized their communication networks (mailing list and regional bureaus) to effectively communicate during the process. Private forest owners could have access to the process through their representative MEGOSZ in the HFC Council. MEGOSZ facilitated the standard setting process by providing information to their members, collect opinions, and use the voting rights in the HFC Council to support their stake.</i></p>
5.3 The standardising body shall make a public announcement of the start of the standard-setting process and include an invitation for participation in a timely manner on its website and in suitable media as appropriate to afford stakeholders an opportunity for meaningful contributions.	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“2.3 The standardising body shall make a public announcement of the start of the standard-setting process and include an invitation for participation 15 days prior to the start on its website and in the major forestry related internet new sites and printed magazines to afford stakeholders an opportunity for meaningful contributions.”</p>
	Process	YES	<p>Public Announcement, 7 April 2014</p> <p>“We encourage you to participate in the development process! (...) In order to take part in the work of the Working Group, you or your organizations shall register. Working Group will be established on 28th of April 2014. Members of the Working Group will be notified upon the current status of the development process on a regular basis, they can submit their opinion on the standard, they can influence the decision making, and will be invited to the meetings.”</p> <p><i>The Public announcement was sent to all stakeholder groups by E-mail (address lists seen by Assessor) and published on the PEFC Hungary website. Stakeholders were given three weeks to respond. According to stakeholders interviewed during the field assessment, this was in a timely manner and in suitable media.</i></p>
5.3 The announcement and invitation shall include:			
a) information about the objectives,	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“2.3 (...) The announcement and invitation shall include:</p>

Question	Assess. basis	YES /NO	Reference to application documents	
scope and the steps of the standard-setting process and its timetable,			a) information about the objectives, scope and the steps of the standard-setting process b) and its timetable”	
	Process	YES	<p>Public Announcement 7 April 2014</p> <p>“The primary aim of this process is to develop a certification scheme – including the standard for sustainable forest management – that is based on consensus among the various stakeholders and the society, well adapted to the conditions in Hungary, and complies with the requirements of PEFC. We encourage you to participate in the development process! The following stages and their schedule is planned:</p> <table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top; width: 50%;"> <p>Drafting (2013. December – 2014. March)</p> <p>Working Group (2014. April – June)</p> <p>Public Consultation (2014. July – August)</p> <p>Pilot Testing (2014. September – November)</p> <p>Official Approval (2014. November)</p> <p>Publicising (2014. November)</p> </td> <td style="vertical-align: top; width: 50%;"> <p>A group of a few experts is delivering a proposal on the SFM standard.</p> <p>Working Group is formed from delegates of stakeholders, which will further develop the draft standard on the basis of consensus</p> <p>The draft standard will be displayed to public consultation for a 2 month period.</p> <p>Working Group finalizes the draft standard with the incorporation of the results of the Public Consultation.</p> <p>The Standard Setting Committee and consequently the HFC Council approves the draft standard and the rest of the scheme.</p> <p>Secretariat publishes the approved standard and the scheme.</p> </td> </tr> </table>	<p>Drafting (2013. December – 2014. March)</p> <p>Working Group (2014. April – June)</p> <p>Public Consultation (2014. July – August)</p> <p>Pilot Testing (2014. September – November)</p> <p>Official Approval (2014. November)</p> <p>Publicising (2014. November)</p>
<p>Drafting (2013. December – 2014. March)</p> <p>Working Group (2014. April – June)</p> <p>Public Consultation (2014. July – August)</p> <p>Pilot Testing (2014. September – November)</p> <p>Official Approval (2014. November)</p> <p>Publicising (2014. November)</p>	<p>A group of a few experts is delivering a proposal on the SFM standard.</p> <p>Working Group is formed from delegates of stakeholders, which will further develop the draft standard on the basis of consensus</p> <p>The draft standard will be displayed to public consultation for a 2 month period.</p> <p>Working Group finalizes the draft standard with the incorporation of the results of the Public Consultation.</p> <p>The Standard Setting Committee and consequently the HFC Council approves the draft standard and the rest of the scheme.</p> <p>Secretariat publishes the approved standard and the scheme.</p>			
b) information about opportunities for stakeholders to participate in the process,	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“2.3 (...) The announcement and invitation shall include: c) information about opportunities for stakeholders to participate in the process,”</p>	
	Process	YES	<p>Public Announcement 7 April 2014</p> <p>“In order to take part in the work of the Working Group, you or your organization shall register. (...) Members of the Working Group will be notified upon the current status of the development process on a regular basis,</p>	

Question	Assess. basis	YES /NO	Reference to application documents
			they can submit their opinion on the standard, they can influence the decision making, and will be invited to the meetings. During the phase of Public Consultation even those can comment on the standard that will be published on the www.pefc.hu website, who were not taking part in the work of the Working Group. (...) In order to be a part of the process, please send us your contact details”
(c) an invitation to stakeholders to nominate their representative(s) to the working group/committee. The invitation to disadvantaged and key stakeholders shall be made in a manner that ensures that the information reaches intended recipients and in a format that is understandable,	Procedures	YES	MER 04 Rules of Standard Setting “2.3 (...) The announcement and invitation shall include: c) (...) an invitation to stakeholders to nominate their representative(s) to the working group/committee. The invitation to disadvantaged and key stakeholders shall be made in a manner that ensures that the information reaches intended recipients and in a format that is understandable”
	Process	YES	Public Announcement 7 April 2014 “In order to take part in the work of the Working Group, you or your organization shall register. ” <i>Observation: The Public Announcement does not contain information on nomination of representatives. The Working Group was however open to individuals or organizations (which was confirmed during the field assessment), as long as they had registered. There is no special invitation to disadvantaged or key stakeholders, but the relevant documents had been made available through the offices of their national association MEGOSZ and other websites, so in practice this went well.</i>
d) an invitation to comment on the scope and the standard-setting process, and	Procedures	YES	MER 04 Rules of Standard Setting “2.3 (...) The announcement and invitation shall include: d) an invitation to comment on the scope and the standard-setting process”
	Process	NO	Public Announcement 7 April 2014 “The primary aim of this process is to develop a certification scheme – including the standard for sustainable forest management – that is based on consensus among the various stakeholders and the society, well adapted to the conditions in Hungary, and complies with the requirements of PEFC. (...) Should you have a comment of any kind regarding these documents, please let us know per e-mail or postal letter!”

Question	Assess. basis	YES /NO	Reference to application documents
			<i>The invitation to comment is directed to the documents. No reference is found providing the evidence that the public announcement includes an invitation to comment on the scope and the standard-setting process.</i>
e) reference to publicly available standard-setting procedures.	Procedures	YES	MER 04 Rules of Standard Setting “2.3 (...) The announcement and invitation shall include: e) reference to publicly available standard-setting procedures.”
	Process	YES	Public Announcement 7 April 2014 “Relevant documents, such as the Standard Setting Procedure (...) can be found on our webpage, or it can be requested by post. The above documents were also available in the regional offices of MEGOSZ.”
5.4 The standardising body shall review the standard-setting process based on comments received from the public announcement and establish a working group/committee or adjust the composition of an already existing working group/committee based on received nominations. The acceptance and refusal of nominations shall be justifiable in	Procedures	YES	MER 04 Rules of Standard Setting “2.4 The standardising body shall review the standard-setting process based on comments received from the public announcement and establish a working group/committee or adjust the composition of an already existing working group/committee based on received nominations. The acceptance and refusal of nominations shall be justifiable in relation to the requirements for balanced representation of the working group/committee and resources available for the standard-setting.”
	Process	NO	Development Report, 5.2 “5.4 No comment was received with regards to the standard setting process. All nominations to the working group were accepted.” <i>Stakeholders interviewed during the field assessment did not contradict that there had been no comments on the standard-setting process.</i> <i>However, no documented evidence is found on registration, nomination and acceptance (or refusal) of candidates for the Working Group. Based on explanation of HFC and other stakeholders it became clear that there was no formal establishment of the working group based on received nominations. The working group consisted in fact of the HFC Council and other stakeholders, and as such functioned more as a stakeholder consultation platform.</i>



Question	Assess. basis	YES /NO	Reference to application documents
relation to the requirements for balanced representation of the working group/committee and resources available for the standard-setting.			
5.5 The work of the working group/committee shall be organised in an open and transparent manner where:			
a) working drafts shall be available to all members of the working group/committee,	Procedures	YES	MER 04 Rules of Standard Setting “2.5 The work of the working group/committee shall be organised in an open and transparent manner where: a) working drafts shall be available to all members of the working group/committee”
	Process	YES	<i>The Working Group members interviewed during the field assessment confirmed that working drafts had been made available, with adequate version numbering, and the working group was organized in an open and transparent manner. The E-mails with enquiry drafts / scheme documentation attached were presented to the Assessor.</i>
b) all members of the working group shall be provided with meaningful opportunities to contribute to the development or revision of the standard and submit comments to the working drafts, and	Procedures	YES	MER 04 Rules of Standard Setting “2.5 The work of the working group/committee shall be organised in an open and transparent manner where: b) all members of the working group shall be provided with meaningful opportunities to contribute to the development or revision of the standard and submit comments to the working drafts”
	Process	YES	<i>Stakeholder interviewed during the field assessment confirmed that Working Group members could send their comments or attend working group meetings in order to submit their comments to the working drafts. During the 1st Working Group meeting (12 May 2014), all requirements of the FM standard were discussed by the attendants / working group members.</i>



Question	Assess. basis	YES /NO	Reference to application documents
<p>c) comments and views submitted by any member of the working group/committee shall be considered in an open and transparent way and their resolution and proposed changes shall be recorded.</p>	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“2.5 The work of the working group/committee shall be organised in an open and transparent manner where: c) comments and views submitted by any member of the working group/committee shall be considered in an open and transparent way and their resolution and proposed changes shall be recorded.”</p>
	Process	YES	<p>MER_1003_kriteriumok_v.2.0 (Draft version of the Forest Management Standard)</p> <p>“deleted text” and <u>added text</u> in v2.1. compared to v2.0.</p> <p>5.3.6 The assessment of the forest manager with regards to the reduction of nutrient content of the soil during timber harvest especially through:</p> <ul style="list-style-type: none"> - inducing erosion - unjustified removal of branches (<u>except when it is processed</u>) with due regards to the degree of naturalness and the occurring fertilization <p>The assessment of the process of the elaboration of the NWFP management plans <u>inner regulations and the practice</u> of the forest management unit with respect to whether the <u>extent of the commercial</u> utilization of non-wood forest products has a <u>significant</u> impact on the nutrient balance of the soil.”</p> <p><i>During the first meeting of the Working Group (12 May 2014) each requirement of the Hungarian draft standard was discussed. In the example provided above, the function track changes was used to make clear which parts of the text have been deleted and which was added. Different versions of the draft scheme documents prove that comments were integrated and have led to modification of the standards.</i></p>
<p>5.6 The standardising body shall organise a public consultation on the enquiry draft and shall ensure that:</p>			
<p>a) the start and the end of the public consultation is announced in a timely manner in suitable media,</p>	Procedures	NO	<p>MER 04 Rules of Standard Setting</p> <p>“2.6 The standardising body shall organise a public consultation on the enquiry draft and shall ensure that: a) the start and the end of the public consultation is announced in a timely manner in suitable media”</p> <p><i>It is not defined what in Hungary is considered ‘in a timely manner’ and what are ‘suitable media’ to communicate the public consultation. It shall be noted that the generic PEFC Council requirement shall be specified for the Hungarian context.</i></p>
	Process	YES	<p>Announcement of public consultation 12 May 2015</p>



Question	Assess. basis	YES /NO	Reference to application documents
			<p>“Everybody can submit their remarks and suggestions between 20th May 2015 and 20th August 2015 via email (...) or through the contacts of the stakeholder representatives published on our website“</p> <p><i>The Public Consultation was announced by E-mail to 92 stakeholders and on the website of PEFC Hungary, and taken over by other forestry-related sites (Fatáj online, Erdő-Mező Online, MEGOSZ, Faipar and Országos Erdézetlegyesület). According to stakeholders interviewed, the used means of communication and time frames were appropriate in the Hungarian context.</i></p>
b) the invitation of disadvantaged and key stakeholders shall be made by means that ensure that the information reaches its recipient and is understandable,	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“2.6 The standardising body shall organise a public consultation on the enquiry draft and shall ensure that: b) the invitation of disadvantaged and key stakeholders shall be made by means that ensure that the information reaches its recipient and is understandable”</p>
	Process	YES	<p><i>The Public Consultation was announced by E-mail (12 May 2015) to 92 stakeholders, including the key stakeholders and on the website of PEFC Hungary, and taken over by other forestry-related sites (Fatáj online, Erdő-Mező Online, MEGOSZ, Faipar and Országos Erdézetlegyesület). According to stakeholders interviewed, the used means of communication were appropriate and understandable.</i></p>
c) the enquiry draft is publicly available and accessible,	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“2.6 The standardising body shall organise a public consultation on the enquiry draft and shall ensure that: c) the enquiry draft is publicly available and accessible”</p>
	Process	YES	<p><i>The enquiry draft could be found on the PEFC Hungary website.</i></p>
d) the public consultation is for at least 60 days,	Procedures	YES	<p>MER 04 Rules of Standard Setting</p> <p>“2.6 The standardising body shall organise a public consultation on the enquiry draft and shall ensure that: d) the public consultation is for at least 60 days”</p>
	Process	YES	<p>Announcement of public consultation 12 May 2015</p> <p>“Everybody can submit their remarks and suggestions between 20th May 2015 and 20th August 2015 via email (...) or through the contacts of the stakeholder representatives published on our website“</p> <p><i>The public consultation lasted for 90 days.</i></p>

Question	Assess. basis	YES /NO	Reference to application documents
e) all comments received are considered by the working group/committee in an objective manner,	Procedures	YES	MER 04 Rules of Standard Setting “2.6 The standardising body shall organise a public consultation on the enquiry draft and shall ensure that: e) all comments received are considered by the working group/committee in an objective manner”
	Process	YES	<i>Records of the consideration of comments have been found, and show that comments received are considered. This was confirmed by the respondents to the stakeholder survey and stakeholders interviewed during the field assessment.</i>
f) a synopsis of received comments compiled from material issues, including the results of their consideration, is publicly available, for example on a website.	Procedures	YES	MER 04 Rules of Standard Setting “2.6 The standardising body shall organise a public consultation on the enquiry draft and shall ensure that: f) a synopsis of received comments compiled from material issues, including the results of their consideration, is publicly available, for example on a website”
	Process	YES	<i>The results of the Public consultation are recorded in a separate document, which could be found on the website of HFC. The document presents the comments and whether it was accepted and led to modifications in the standard.</i>
5.7 The standardising body shall organise pilot testing of the new standards and the results of the pilot testing shall be considered by the working group/committee.	Procedures	YES	MER 04 Rules of Standard Setting “2.7 The standardising body shall organise pilot testing of the new standards and the results of the pilot testing shall be considered by the working group/committee.”
	Process	YES	<i>In the first phase of the pilot testing the documents of the standard were checked and thoroughly restructured by a lawyer and auditor. In the second stage, the restructured documents of the SFM standard were sent to two forest managers (one State Forest Company – TAEG, and to one forestry consultant working for a private forest business cooperation). They provided their comments to the draft standard and were interviewed to discuss the most difficult parts of the standard. The pilot testing results are reported in: MER TESZ v3.3 pilot test vegleges. According to stakeholders, these results were considered and resulted in a modified version of the standard.</i>
	Procedures	YES	MER 04 Rules of Standard Setting



Question	Assess. basis	YES /NO	Reference to application documents
<p>5.8 The decision of the working group to recommend the final draft for formal approval shall be taken on the basis of a consensus.</p>			<p>“2.8 The decision of the working group to recommend the final draft for formal approval shall be taken on the basis of a consensus.”</p>
	Process	NO	<p>Decision Document</p> <p>“MER Council Decision 1/2016</p> <p>The Council, in the role of Standard Setting Committee, accepts the results of the pilot testing of document MER 1003 Tartamos Erdőgazdálkodás v3.0. ACCEPTED 6 votes / 6 casted votes</p> <p>MER Council Decision 3/2016</p> <p>The MER Council adopts the following documents submitted by the Secretariat of the governing Hungarian Forest Certification System, which makes part of the Hungarian Forest Certification System. (...) MER 1001 Sustainable Forest Management Requirements (...) ACCEPTED 6 votes / 6 casted votes”</p> <p>Additional explanation provided by HFC</p> <p>“This is a mistake in the documentation of the process. The decisions do not literally mention that they also refer to the working group. In practice, however, it was made clear for the participants how the decision in the working group was going to be made.”</p> <p><i>The provided evidence shows that consensus was reached in the HFC Council (both decisions were made on 30 May 2016). In the first decision, the HFC Council acted as Standard Setting Committee. However, no evidence is found that consensus was reached in the working group. It should be noted that stakeholders were invited for the working group, and that as a consequence the decision to recommend the final draft for formal approval shall be taken on the basis of a consensus in this working group. In the current process, the decision to recommend the final draft for formal approval was taken by HFC Council members and not by the persons that were nominated and accepted for the working group.</i></p> <p><i>Observation: According to MER 02 clause 3.1 “HFC Council shall establish a Standard Setting Committee, or the Council may also fulfil the tasks of the Standard Setting Committee itself”. This provision is not a good practice as it confuses different roles. During the current standard setting process the HFC Council also fulfilled the task of the Standard Setting Committee. Furthermore, at least some of the HFC Council members also participated in the working group. It should however be noted that this was done to have enough persons per organizational unit, as insufficient stakeholders could be motivated to participate in the standard setting process.</i></p>



Question	Assess. basis	YES /NO	Reference to application documents
5.8 In order to reach a consensus the working group/committee can utilise the following alternative processes to establish whether there is opposition:			
a) a face-to face meeting where there is a verbal yes/no vote, show of hands for a yes/no vote; a statement on consensus from the Chair where there are no dissenting voices or hands (votes); a formal balloting process, etc.,	Procedures	YES	MER 04 Rules of Standard Setting “2.8 (...) In order to reach a consensus the working group/committee can utilise the following alternative processes to establish whether there is opposition: a) a face-to face meeting where there is a verbal yes/no vote, show of hands for a yes/no vote; a statement on consensus from the Chair where there are no dissenting voices or hands (votes); a formal balloting process, etc.”
	Process	YES	Additional explanation provided by HFC “Within the working group two meetings were organized, where the draft standard was discussed in detail. Participants had the chance to comment and suggest changes. The chair moderated the discussion, and the discussion finished when there was no sign of opposition. Not all representatives of the stakeholder groups were present on both meetings. Therefore, the final draft of the working group meetings was later circulated to see, if further consultations were needed. These consultations were organized through e-mails and phone calls before the final approval.”
b) a telephone conference meeting where there is a verbal yes/no vote,	Procedures	YES	MER 04 Rules of Standard Setting “2.8 (...) In order to reach a consensus the working group/committee can utilise the following alternative processes to establish whether there is opposition: b) a telephone conference meeting where there is a verbal yes/no vote”
	Process	N.A.	<i>Consensus in the Working Group was reached through the process described under 5.8a.</i>
c) an e-mail meeting where a request for agreement or objection is provided to members with the members providing	Procedures	YES	MER 04 Rules of Standard Setting “2.8 (...) In order to reach a consensus the working group/committee can utilise the following alternative processes to establish whether there is opposition: c) an e-mail meeting where a request for agreement or objection is provided to members with the members providing a written response (a proxy for a vote)”
	Process	N.A.	<i>Consensus in the Working Group was reached through the process described under 5.8a.</i>



Question	Assess. basis	YES /NO	Reference to application documents
a written response (a proxy for a vote), or			<i>It should be noted that voting in the HFC Council was done by E-mail. All members received a form, with the decision to be taken. They had to print it, indicate their vote (yes / no), sign the document and send it back to the HFC Secretariat before an agreed date. The votes were presented to the Assessor.</i>
d) combinations thereof.	Procedures	YES	MER 04 Rules of Standard Setting “2.8 (...) In order to reach a consensus the working group/committee can utilise the following alternative processes to establish whether there is opposition: d) combinations thereof”
	Process	N.A.	<i>Consensus in the Working Group was reached through the process described under 5.8a.</i>
5.9 In the case of a negative vote which represents sustained opposition to any important part of the concerned interests surrounding a substantive issue, the issue shall be resolved using the following mechanism(s):			
a) discussion and negotiation on the disputed issue within the working group/committee in order to find a compromise,	Procedures	YES	MER 04 Rules of Standard Setting “2.9 In the case of a negative vote which represents sustained opposition to any important part of the concerned interests surrounding a substantive issue, the issue shall be resolved using the following mechanism(s): a) discussion and negotiation on the disputed issue within the working group/committee in order to find a compromise”
	Process	N.A.	<i>According to HFC and stakeholders interviewed during the field assessment, there was no sustained opposition in the working group.</i>
b) direct negotiation between the stakeholder(s) submitting the objection and stakeholders with	Procedures	YES	MER 04 Rules of Standard Setting “2.9 In the case of a negative vote which represents sustained opposition to any important part of the concerned interests surrounding a substantive issue, the issue shall be resolved using the following mechanism(s): b) direct negotiation between the stakeholder(s) submitting the objection and stakeholders with different views on the disputed issue in order to find a compromise”

Question	Assess. basis	YES /NO	Reference to application documents
different views on the disputed issue in order to find a compromise,	Process	N.A.	<i>According to HFC and stakeholders interviewed during the field assessment, there was no sustained opposition in the working group.</i>
c) dispute resolution process.	Procedures	YES	MER 04 Rules of Standard Setting “2.9 In the case of a negative vote which represents sustained opposition to any important part of the concerned interests surrounding a substantive issue, the issue shall be resolved using the following mechanism(s): c) dispute resolution process.”
	Process	N.A.	<i>According to HFC and stakeholders interviewed during the field assessment, there was no sustained opposition in the working group.</i>
5.10 Documentation on the implementation of the standard-setting process shall be made publicly available.	Procedures	YES	MER 04 Rules of Standard Setting “2.10 Documentation on the implementation of the standard-setting process shall be made publicly available.”
	Process	YES	<i>All relevant documents on the scheme development were found on the HFC website (www.pefc.hu), such as:</i> <ul style="list-style-type: none"> - <i>Development Report</i> - <i>Full certification system documentation</i> - <i>Standard adopted by the Hungarian Forest Certification System</i> - <i>Field test results</i> - <i>Comments received during the public consultation</i> - <i>Draft standard for feedback Public Consultation</i> - <i>Working group meeting, lecture</i> - <i>Call for Participation in the standard-setting (Public Announcement)</i> - <i>Standard-setting process plan</i> - <i>Standard setting procedures</i> - <i>Document on Consensus and complaint handling procedures</i>

Question	Assess. basis	YES /NO	Reference to application documents
5.11 The standardising body shall formally approve the standards/normative documents based on evidence of consensus reached by the working group/committee.	Procedures	YES	MER 04 Rules of Standard Setting “2.11 The standardising body shall formally approve the standards/normative documents based on evidence of consensus reached by the working group/committee.”
	Process	NO	Decision Document “MER Council Decision, 3/2016 The MER Council adopts the following documents submitted by the Secretariat of the governing Hungarian Forest Certification System, which makes part of the Hungarian Forest Certification System. (...) MER 1001 Sustainable Forest Management Requirements (...) ACCEPTED 6 votes / 6 casted votes” <i>Although the formal approval of the standards is done by the HFC Council, no evidence was found that this was done based on evidence of consensus reached by the working group.</i>
5.12 The formally approved standards/normative documents shall be published in a timely manner and made publicly available.	Procedures	YES	MER 04 Rules of Standard Setting “2.12 The formally approved standards/normative documents shall be published in 15 days and made publicly available.”
	Process	YES	<i>The formally approved standards (approved on 30 May 2016) are published on the HFC website (www.pefc.hu), on 8 June 2016.</i>
Revisions of standards/normative documents			
6.1 The standards/normative documents shall be reviewed and revised at intervals that do not exceed a five-year period. The procedures for the revision of the standards/normative	Process	N.A.	<i>The current process is an initial process. The requirement applies for revision processes.</i>



Question	Assess. basis	YES /NO	Reference to application documents
documents shall follow those set out in chapter 5.			
6.2 The revision shall define the application date and transition date of the revised standards/normative documents.	Process	N.A.	<i>The current process is an initial process. The requirement is therefore not applicable. It was however noted that the application date is found on the title page of the standards.</i>
6.3 The application date shall not exceed a period of one year from the publication of the standard. This is needed for the endorsement of the revised standards/normative documents, introducing the changes, information dissemination and training.	Process	N.A.	<i>The current process is an initial process. The requirement is therefore not applicable.</i>
6.4 The transition date shall not exceed a period of	Process	N.A.	<i>The current process is an initial process. The requirement is therefore not applicable.</i>



Question	Assess. basis	YES /NO	Reference to application documents
one year except in justified exceptional circumstances where the implementation of the revised standards/normative documents requires a longer period.			

Part II: PEFC Standard Requirements Checklist for Group Forest Management Certification

1 Scope

Part II covers requirements for group forest management certification as defined in PEFC ST 1002:2010, Group Forest Management Certification – Requirements.

2 Checklist

Question	YES / NO	Reference to scheme documentation
General		
4.1 Does the forest certification scheme provide clear definitions for the following terms in conformity with the definitions of those terms presented in chapter 3 of PEFC ST 1002:2010:		
a) the group organisation,	YES	MER 01 – 1 Definitions “group organisation: A group of participants represented by the group entity for the purposes of implementation of the sustainable forest management standard and its certification.”
b) the group entity,	YES	MER 01 – 1 Definitions “group entity: An entity that represents the participants, with overall responsibility for ensuring the conformity of forest management in the certified area to the sustainable forest management standard and other applicable requirements of the forest certification scheme.”
c) the participant,	YES	MER 01 – 1 Definitions “participant: A forest owner/manager or other entity covered by the group forest certificate, who has the legal right to manage the forest in a clearly defined forest area, and the ability to implement the requirements of the sustainable forest management standard in that area.”
d) the certified area,	YES	MER 01 – 1 Definitions “certified area: The forest area covered by a group forest certificate representing the sum of forest areas of the participants.”
e) the group forest certificate, and	YES	MER 01 – 1 Definitions



Question	YES / NO	Reference to scheme documentation
		"group forest certificate: A document confirming that the group organisation complies with the requirements of the sustainable forest management standard and other applicable requirements of the forest certification scheme."
f) the document confirming participation in group forest certification.	YES	<p>MER 01 – 1 Definitions</p> <p>"document confirming participation in group forest certification: A document issued to an individual participant that refers to the group forest certificate and that confirms the participant as being covered by the scope of the group forest certification."</p>
4.1.2 In cases where a forest certification scheme allows an individual forest owner to be covered by additional group or individual forest management certifications, the scheme shall ensure that non-conformity by the forest owner identified under one forest management certification is addressed in any other forest management certification that covers the forest owner.	N.A.	<p>MER 1002 - 4 Responsibilities of the group participants</p> <p>"4.4 Group participant shall not take part in more than one instance of forest certification under HFC."</p> <p><i>The HFC Scheme does not allow an individual forest owner to be covered by more than one certificate. The requirement is therefore not applicable.</i></p>
4.1.3 The forest certification scheme shall define requirements for group forest certification which ensure that participants' conformity with the sustainable forest management standard is centrally administered and is subject to central review and that all participants shall be subject to the internal monitoring programme.	YES	<p>MER 1002 - 1 Requirements for group entity and group organization</p> <p>"1.1 Group entity shall represent the group participants in relation to forest certification"</p> <p>MER 1002 – 2 Administration</p> <p>"2.3 Group entity shall administer all information relevant to the group organization's conformity with sustainable forest management standard and other parts of the HFC scheme.</p> <p>2.6 Group entity shall have contract or other written agreement with all group participants including:</p> <ul style="list-style-type: none"> c) the group participants commitment to comply with the sustainable forest management standard and other applicable parts of the HFC scheme on all its forest area and other wooded land d) the group participants commitment to subject itself to external audit e) the right of the group entity to carry out internal monitoring f) the right of the group entity to implement and enforce any preventive or corrective measures



Question	YES / NO	Reference to scheme documentation
		<p>g) the right of the group entity to exclude the group participant in the event of non-conformity with the sustainable forest management standard”</p> <p>MER 1002 – 5 Internal monitoring programme</p> <p>“5.2 All group participants shall be subject to the internal monitoring programme.”</p>
<p>4.1.4 The forest certification scheme shall define requirements for an annual internal monitoring programme that provides sufficient confidence in the conformity of the whole group organisation with the sustainable forest management standard.</p>	<p>YES</p>	<p>MER 1002 – 5 Internal monitoring programme</p> <p>“5.1 Group entity shall operate an annual internal monitoring programme that</p> <p>a) provides sufficient confidence in the conformity of the whole group organization with the sustainable forest management standard (MER 1001 v1)</p> <p>b) provides for the evaluation of the participants’ conformity with the certification requirements”</p> <p>5.3 The monitoring programme shall be based on evaluating</p> <p>a) sample of group participants with less than 5.000 hectares of certified area</p> <p>b) sample of group participants with 5.000 hectares or more certified area</p> <p>c) group participants with non-conformities</p> <p>d) participants joining after the beginning of the assessment audit</p> <p>5.4 Sample of participants mentioned in 5.3 a) and b) shall be</p> <p>a) drawn randomly</p> <p>b) cover at least 5% of the total certified area respectively</p> <p>c) optionally modified by excluding participants showing compliance the previous year</p> <p>5.5 Group participants belong the category identified by 5.3 c)</p> <p>a) if either internal monitoring, or assessment audit or surveillance audit finds non-conformities</p> <p>b) as long as the non-conformity is corrected</p> <p>c) shall be excluded from 5.3 a) or b)</p> <p>5.6 Group participants joining the certification group after the beginning of the assessment audit shall</p> <p>a) belong to 5.3 d) until their first internal monitoring is completed.</p>



Question	YES / NO	Reference to scheme documentation
		b) be excluded from 5.3 a) or b)”
Functions and responsibilities of the group entity		
4.2.1 The forest certification scheme shall define the following requirements for the function and responsibility of the group entity:		
a) To represent the group organisation in the certification process, including in communications and relationships with the certification body, submission of an application for certification, and contractual relationship with the certification body;	YES	MER 1002 - 1 Requirements for group entity and group organization “1.1 Group entity shall represent the group participants in relation to forest certification including a) communication with the certification body c) submission of an application for certification d) contractual relationship with the certification body”
b) To provide a commitment on behalf of the whole group organisation to comply with the sustainable forest management standard and other applicable requirements of the forest certification scheme;	YES	MER 1002 - 1 Requirements for group entity and group organization “1.1 Group entity shall represent the group participants in relation to forest certification including e) providing commitment on behalf of the whole group organisation to comply with the sustainable forest management standard and other applicable requirements of the forest certification scheme.”
c) To establish written procedures for the management of the group organisation;	YES	MER 1002 - 2 Administration “2.1 Group Entity’s operation shall be based on written procedures. 2.2 Group entity shall have written procedures regarding the inclusion and exclusion of group participants.” <i>Although it is not literally mentioned, based on the above it is assumed that the development of the written procedures is the responsibility of the group entity.</i>
d) To keep records of: - the group entity and participants’ conformity with the requirements of the sustainable forest management standard, and other applicable requirements of the forest certification scheme,	YES	MER 1002 - 2 Administration “2.3 Group entity shall administer all information relevant to the group organization’s conformity with sustainable forest management standard and other parts of the HFC scheme. 2.4 Group entity shall keep records on group participants including: a) Name of participant c) Contact details



Question	YES / NO	Reference to scheme documentation
<ul style="list-style-type: none"> - all participants, including their contact details, identification of their forest property and its/their size(s), - the certified area, - the implementation of an internal monitoring programme, its review and any preventive and/or corrective actions taken; 		<p>e) Forest area on which participant is a registered forest management f) Other wooded area used by the participant 2.8 Group entity shall keep records on the internal monitoring programme including all topics specified in 3.2. 2.9 Group entity shall keep records on the certification body's reports.” MER 1002 - 4 Responsibilities of the group participants “4.6 Group participant shall take part in forest certification under HFC with the entire forest area and other wooded land under its management.”</p>
<p>e) To establish connections with all participants based on a written agreement which shall include the participants' commitment to comply with the sustainable forest management standard. The group entity shall have a written contract or other written agreement with all participants covering the right of the group entity to implement and enforce any corrective or preventive measures, and to initiate the exclusion of any participant from the scope of certification in the event of non-conformity with the sustainable forest management standard</p>	YES	<p>MER 1002 - 2 Administration “2.6 Group entity shall have contract or other written agreement with all group participants including: a) the long-term commitment of the group participant to the principles of sustainable forest management (...) c) the group participants commitment to comply with the sustainable forest management standard and other applicable parts of the HFC scheme on all its forest area and other wooded land f) the right of the group entity to implement and enforce any preventive or corrective measures g) the right of the group entity to exclude the group participant in the event of non-conformity with the sustainable forest management standard”</p>
<p>f) To provide participants with a document confirming participation in the group forest certification;</p>	YES	<p>MER 1002 - 2 Administration “2.7 Group entity shall issue document confirming participation in the group organisation.”</p>
<p>g) To provide all participants with information and guidance required for the effective implementation of the sustainable forest</p>	YES	<p>MER 1002 - 3 Conformity with the sustainable forest management standard</p>



Question	YES / NO	Reference to scheme documentation
management standard and other applicable requirements of the forest certification scheme;		"3.1 Group entity shall provide group participants with all relevant information and guidance that required for the effective implementation of the sustainable forest management standard and other applicable requirements of the forest certification scheme."
h) To operate an annual internal monitoring programme that provides for the evaluation of the participants' conformity with the certification requirements, and;	YES	MER 1002 - 5 Internal monitoring programme "5.1 Group entity shall operate an annual internal monitoring programme that b) provides for the evaluation of the participants' conformity with the certification requirements."
i) To operate a review of conformity with the sustainable forest management standard, that includes reviewing the results of the internal monitoring programme and the certification body's evaluations and surveillance; corrective and preventive measures if required; and the evaluation of the effectiveness of corrective actions taken.	YES	MER 1002 - 3 Conformity with the sustainable forest management standard "3.2 Group entity shall operate a review of conformity with the sustainable forest management standard that includes b) reviewing the results of the internal monitoring programme c) reviewing the certification body's evaluations and surveillance e) corrective and preventive measures if required f) evaluation of the effectiveness of corrective actions taken."
Function and responsibilities of participants		
4.3.1 The forest certification scheme shall define the following requirements for the participants:		
a) To provide the group entity with a written agreement, including a commitment on conformity with the sustainable forest management standard and other applicable requirements of the forest certification scheme;	YES	MER 1002 - 2 Administration "2.6 Group entity shall have contract or other written agreement with all group participants including: c) the group participants commitment to comply with the sustainable forest management standard and other applicable parts of the HFC scheme on all its forest area and other wooded land" MER 1002 - 4 Responsibilities of the group participants "4.2 Group participant shall provide the group entity with a written agreement in accordance with 2.6"
b) To comply with the sustainable forest management standard and other applicable	YES	MER 1002 - 4 Responsibilities of the group participants

Question	YES / NO	Reference to scheme documentation
requirements of the forest certification scheme;		"4.7 Group participants shall comply with the sustainable forest management standard and other applicable requirements of the forest certification scheme."
c) To provide full co-operation and assistance in responding effectively to all requests from the group entity or certification body for relevant data, documentation or other information; allowing access to the forest and other facilities, whether in connection with formal audits or reviews or otherwise;	YES	MER 1002 - 4 Responsibilities of the group participants "4.8 Group participant shall provide full co-operation and assistance in responding effectively to all requests from the group entity or certification body for relevant data, documentation or other information; allowing access to the forest and other facilities, whether in connection with formal audits or reviews or otherwise."
d) To implement relevant corrective and preventive actions established by the group entity.	YES	MER 1002 - 4 Responsibilities of the group participants "4.9 Group participants shall implement relevant corrective and preventive actions established by the group entity."



Part IIIa: PEFC Standard and System Requirement Checklist for Sustainable Forest Management

1 Scope

Part III covers requirements for sustainable forest management as defined in PEFC ST 1003:2010, Sustainable Forest Management – Requirements.

2 Checklist for main part

Question	YES / NO	Reference to scheme documentation
General requirements for SFM standards		
4.1 The requirements for sustainable forest management defined by regional, national or sub-national forest management standards shall		
a) include management and performance requirements that are applicable at the forest management unit level, or at another level as appropriate, to ensure that the intent of all requirements is achieved at the forest management unit level.	YES	<i>The requirements of the standard are applicable at the forest management level, and where appropriate distinctions are made among various forest management levels, such as group entities, individual forest entities and contractors.</i>
b) be clear, objective-based and auditable.	YES	<p><i>Requirements of the standard are often concise and clear and in many cases objective-based, having sometimes (very) specific requirements for specific operations. This gives the standard a strong focus on forest management practices. The standard is rather complementary to existing legislation. Some requirements leave quite some space to the auditor, and make the standard less auditable, for example:</i></p> <ul style="list-style-type: none"> <i>• Clause 0.3 of MER 1001: “Compliance to the standard shall always be evaluated with reasonable consideration to the size of forest area.”</i> <i>• Clause 2.18 of MER 1001: The sentence “information relevant to public interest” is subjective and therefore not auditable.</i>



Question	YES / NO	Reference to scheme documentation
c) apply to activities of all operators in the defined forest area who have a measurable impact on achieving compliance with the requirements.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure sound forestry operations the manager of forest</p> <p>3.4 Is co-operating with / employing forestry professional(s), which includes directing and the supervision of forestry operations.</p> <p>The manager of forest, with due considerations to its size...</p> <p>3.6 Provides the professionals in charge of forestry operations with the forest management plan, and these plans are used in practice.</p> <p>3.7 Itself, or by a forestry professional on its behalf, takes part in the forest management planning process.</p> <p>To ensure responsible operation of the organization the manager of forest...</p> <p>3.16 Ensures that those carrying out forestry operations in its forest on it assignment / on its behalf / by its authority (including the contractors) is competent and complies with this standard (personal supervision, supervision of forestry professional, written instruction, contract, timber harvest plan, timber removal documentation etc.)”</p> <p><i>Requirements clearly indicate to whom they apply, and mostly refer to the manager of the forest.</i></p>
d) require record-keeping that provides evidence of compliance with the requirements of the forest management standards.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“0.6 The assessment of compliance shall be based on documentation primarily, supplemented by field inspection and interview with relevant actors. Requirements, to which the compliance can be verified for the group organization as a whole, can be assessed by the information provided by the applicant or by other sources. Guidance on the recommended sources can be found in this document (see Chapter 12), which can be overruled by the certification body according to the circumstances.”</p> <p><i>Several clauses (though not all) specifically require records to be kept. Although no specific reference is found requiring record-keeping to provide evidence of compliance, clause 0.6 implicitly results in record keeping to provide evidence.</i></p>
Specific requirements for SFM standards		
Criterion 1: Maintenance and appropriate enhancement of forest resources and their contribution to the global carbon cycle		



Question	YES / NO	Reference to scheme documentation
<p>5.1.1 Forest management planning shall aim to maintain or increase forests and other wooded areas and enhance the quality of the economic, ecological, cultural and social values of forest resources, including soil and water. This shall be done by making full use of related services and tools that support land-use planning and nature conservation.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.1 Inventory and mapping of forest resources are established and updated in every 10 years based on field inspections. Inventory describes at least: area, site conditions, tree species composition, age, growing sock and growth rate</p> <p>In the course of forest management planning...</p> <p>2.5 The organization responsible for the monitoring of NATURA 2000 network is taking part. The objectives and specific means of forest management plans serve...</p> <p>2.9 The protection of the species and genetic diversity of ecosystems, as well as the protection of landscape.</p> <p>2.10 The improvement of the degree of naturalness, resilience and state of health.</p> <p>2.11 The maintenance of forest area, and the variegation of products and services.</p> <p>As part of the detailed elaboration of forest management plans...</p> <p>2.12 Primary function of forests, such as protection (especially primary soil and water protection, as well as sensitive and representative forest ecosystems and areas containing endemic species in significant concentrations) and recreational functions are considered.</p> <p>2.13 Policies regarding other forms of land use, water regulation, regional development and nature conservation are considered.”</p> <p>Hungarian Code of Forests, Protection of forest and Forestry (2009), Chapter 3 Forest Management Planning</p> <p>“Section 7.3: In private forest the degree of naturalness has to be maintained.</p> <p>Section 10.1: In state forest, with nature conservation function or recreational function, continuous cover forestry (avoiding clear cuts) shall be introduced gradually in the next three forest management plan periods (30 years), proportion is prescribed.”</p> <p>11/2010 Ministry of Agriculture Regulation, Annex 3 Regulation on Forest Management Planning</p>

Question	YES / NO	Reference to scheme documentation
		<p>“5. Principles of forest management planning in forests of outstanding nature conservation and social importance, and the proposed scale and schedule of the change of forest structure. Restrictions that are needed to achieve the specific and major social and conservation goals in the planning region.</p> <p>6. Principles of forest harvest and reforestation in the planning region, as well as their scale that support the maintenance and the improvement of sustainability of forest management.”</p> <p>Additional explanation provided by HFC</p> <p>“Forest management planning in Hungary is done by the State (county level governmental office – forestry directorate), in a cycle of ten years, based on field inspections and monitoring data, and based on discussions with the forest managers and other stakeholders. The management plan, as defined by the State includes assignment of primary functions to each area of forest, the silvicultural measures to be taken (thinning, felling) and the type of regeneration after harvesting. Timing of harvesting is related to the level of urgency, based on the target diameters of the compartments. The Regional State-defined management plan is obligatory for both State Forest Companies as well as private forest owners that have their FMU within the boundaries of the Region. The law furthermore states that in case of state forest, the silvicultural regime applied will have to result in a higher degree of naturalness (for example limited use of exotic species in regeneration).”</p> <p><i>The provided references include the consideration of some economic, cultural and social values, and according to the explanation such values should also be enhanced. However, no references from either the standard or legislation are found providing the evidence that these values shall be enhanced.</i></p>
<p>5.1.2 Forest management shall comprise the cycle of inventory and planning, implementation, monitoring and evaluation, and shall include an appropriate assessment of the social, environmental and economic impacts of forest management operations. This shall form a basis</p>	<p>NO</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.1 Inventory and mapping of forest resources are established and updated in every 10 years based on field inspections. Inventory describes at least: area, site conditions, tree species composition, age, growing sock and growth rate.</p> <p>2.8 Results of the evaluation of the previous forest management planning period is fed into the planning process.</p>



Question	YES / NO	Reference to scheme documentation
<p>for a cycle of continuous improvement to minimise or avoid negative impacts.</p>		<p>2.15 Forest damages on local, regional and national level, as well as risk factors are considered.”</p> <p>Additional explanation provided by HFC</p> <p>“In the context of Hungary every planning period (definition of a new regional forest management plan for the coming 10 years) starts with the setting of principles by the State, requiring amongst others the evaluation of the former management period. There is a chapter in every regional forest management plan that covers the assessment of a former period (but mostly focusing on the resources of the forest management unit).(…) Also the forest manager has to supply a yearly financial plan, including evaluation of the previous year.</p> <p>Furthermore a regional recreational Development Plan is elaborated, with the main objective to develop recreational functions and harmonize development projects within the regions. Reference is made to Forest Code, section 37.2, assuring that the development plan is also included in forest management planning. There is a system in place that assures that different plans are harmonized, the National Forest Database, meaning that the results of the recreational plans are not only fed into the databased, but also taken over in other plans, such as the regional Forest Management Plan.</p> <p>Section 40.2 of the Forest code states: If the primary function of the forest has been changed, then this should be taken over in the Forest Management Plan.</p> <p>Forest management planning in Hungary is a coordinated action, which is:</p> <ul style="list-style-type: none"> - regulated by legislation - covers 100% of the forest area - allows all parties and interests to be represented - requires harmonization of the various plans (national forest programme, nature conservation, recreation, rural development, regional development etc.) relevant to forest management - allows the consideration of the results of various monitoring networks - allows the representation of all relevant experiences of the stakeholders that are not covered by monitoring - provide opportunity to address forestry and related issues on regional or landscape level

Question	YES / NO	Reference to scheme documentation
		<p>- its process is designed in a way so that the evaluation of the previous planning period, a thorough field inspection and survey as well as a discussion part on the draft forest management plan can be considered. As a result of the process the forest management plan is issued to all forest managers in the region, which provide an inventory (map included) on the forest area and a detailed description of the site conditions and of the tree stand. Future forest operations are also described with all restrictions in connection to forest protection, nature conservation, recreational or other social functions.</p> <p>Forest management planning is also coupled with the supervision of the forestry operations by the forest authority. Forest operations are reported in advance allowing the forest authority and in case of protected areas the nature conservation authority, and in case of national heritage area the relevant authority to enforce further restrictions if needed. The execution of the forest operations is also reported to the forest authority, and the compliance with the forest management plan and with the restrictions are inspected in the field. The specific forest operations and the relevant restrictions specified in the forest management plan, coupled with the supervision by the authority does ensure that the daily forestry practice is included into the cycle.”</p> <p><i>Based on the additional explanation, it is concluded that the cycle of inventory and planning, implementation, monitoring and evaluation is covered in legislation, where the responsibilities and implementation of these activities are largely attributed at government level.</i></p> <p><i>However, the references insufficiently ensure that social, environmental and economic impacts of forestry management operations shall be assessed, and shall form a basis for a cycle of continuous improvement to minimize or avoid negative impacts.</i></p>
<p>5.1.3 Inventory and mapping of forest resources shall be established and maintained, adequate to local and national conditions and in correspondence with the topics described in this document.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.1 Inventory and mapping of forest resources are established and updated in every 10 years based on field inspections. Inventory describes at least: area, site conditions, tree species composition, age, growing sock and growth rate.</p> <p>2.3 Degree of protection and the inclusion into the NATURA 2000 network of forests is registered.</p>



Question	YES / NO	Reference to scheme documentation
		<p>2.4 Primary function of forests are registered and mapped, especially in forests with special functions.</p> <p>The manager of forest...</p> <p>4.1 Keeps records on the planned forestations.”</p> <p>Additional explanation provided by HFC</p> <p>“Regional Forest Management plans are publicly available (except the parts containing sub-compartment level information) on www.nebih.gov.hu. The information on sub-compartment level can be accessed through the Forestry Directorate of the County Level Government Offices.</p> <p>Every forest manager has an actual map and list of sub compartments, with a description of the forest resources. This inventory is reviewed every ten years, in connection with the forest planning cycle.</p> <p>The National Forest Database records type of forest, forest area, up to sub compartment level. Every sub compartment is measured during a field inspection, as part of the Forest Management planning Cycle (so every 10 years). A forest manager will receive the most recent data in the predefined forest management plan. Forest growth is measured, based on a network of permanent plots (measured every 5 years): www.erdolettar.nebih.gov.hu. Hungary also has a Forest monitoring system in place, called Forest Health Network (Erdővédelmi Hálózat – EVH I.), including data on forest health (diseases, pests and health status of trees) collected annually. Annual reports are publicly available.”</p>
<p>5.1.4 Management plans or their equivalents, appropriate to the size and use of the forest area, shall be elaborated and periodically updated. They shall be based on legislation as well as existing land-use plans, and adequately cover the forest resources.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“0.3 Compliance to the standard shall always be evaluated with reasonable consideration to the size of forest area</p> <p>In the preparation to forest management planning...</p> <p>2.8 Results of the evaluation of the previous forest management planning period is fed into the planning process.</p> <p>2.13 Policies regarding other forms of land use, water regulation, regional development and nature conservation are considered.”</p> <p>Forest code, 2009,Chapter III Planning and Licencing of Forestry</p>



Question	YES / NO	Reference to scheme documentation
		<p>“30§ (1) The state ensures the protection and the regulated nature of forest management through a) the issuance of Regulation on the regional forest management planning b) the elaboration of a long-term – at least 10 years – regional forest management plan”</p> <p>Additional explanation provided by HFC</p> <p>“In the Hungarian context, Forest Management plans are elaborated by the state and are per definition based on legislation and existing land-use plans. Forest Management Plans are updated every ten years , according to a predefined process, in which also stakeholders are involved. The Forest code contains a chapter on the evaluation of the former management period. The Forest Manager is obliged to report changes and results of operations to the authorities, and the forest authority will upload and update those data into the National Forest Database. This database is also used when a new management plan is prepared. The process of harmonization of land-use plans and implementation is initiated by the authorities, forest authorities are being informed on how the boundaries will be changed and how eventual loss of forests will be compensated.”</p>
<p>5.1.5 Management plans or their equivalents shall include at least a description of the current condition of the forest management unit, long-term objectives; and the average annual allowable cut, including its justification and, where relevant, the annually allowable exploitation of non-timber forest products.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.1 Inventory and mapping of forest resources are established and updated in every 10 years based on field inspections. Inventory describes at least: area, site conditions, tree species composition, age, growing sock and growth rate.</p> <p>As part of the detailed elaboration of forest management plans...</p> <p>2.16 Allowable cut is quantified with appropriate methods.</p> <p>The manager of forest...</p> <p>5.1 Keeps records on the long-term forestry objectives, the cutting age and the allowable cut.</p> <p>In case of recurring (multiple consecutive years) commercial utilization of non-wood forest products...</p> <p>7.4 Management plan with the objective of sustainable utilization is needed, if the population is declining, including the evaluation of the effects on nutrient off-take.”</p>



Question	YES / NO	Reference to scheme documentation
<p>5.1.6 A summary of the forest management plan or its equivalent appropriate to the scope and scale of forest management, which contains information about the forest management measures to be applied, is publicly available. The summary may exclude confidential business and personal information and other information made confidential by national legislation or for the protection of cultural sites or sensitive natural resource features.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the course of forest management planning...</p> <p>2.6 The public is given the opportunity to be informed and to express opinion. The forest management plans...</p> <p>2.18 Are openly accessible to the public to the extent of information relevant to public interest, with due considerations to confidential information.”</p> <p>Forest Code, 2009</p> <p>“Section 43.5, the minister shall publish a report on the current status of forests and the silvicultural measures that have been taken.”</p> <p>Regulation 11/2010 (of the Ministry of Agriculture on Forest Management planning and regional Forest Management Planning)</p> <p>“Section 14.1: The State Forest Authority shall publish major forestry harvesting operations on a map, through its’ webpage.</p> <p>Section 14.2: This map shall identify the settlement boundaries, primary function of the forest and the harvesting operations by type of harvest.”</p> <p><i>It shall be noted that forest management planning of both state forests and private forests are subject to the above mentioned legislation.</i></p>
<p>5.1.7 Monitoring of forest resources and evaluation of their management shall be periodically performed, and results fed back into the planning process.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.1 Inventory and mapping of forest resources are established and updated in every 10 years based on field inspections. Inventory describes at least: area, site conditions, tree species composition, age, growing sock and growth rate.</p> <p>In the course of forest management planning...</p> <p>2.8 Results of the evaluation of the previous forest management planning period is fed into the planning process.”</p>

Question	YES / NO	Reference to scheme documentation
<p>5.1.8 Responsibilities for sustainable forest management shall be clearly defined and assigned.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure sound forestry operations the manager of forest</p> <p>3.3 Has legal authorization to use the land, which is (where applicable) based on a written agreement with the landowners.</p> <p>3.4 Is co-operating with / employing forestry professional(s), which includes directing and the supervision of forestry operations.</p> <p>To ensure responsible operation of the organization the manager of forest...</p> <p>3.15 Applies within its management system a clear assignation of responsibilities of forestry professionals employed – with due considerations to its size.”</p>
<p>5.1.9 Forest management practices shall safeguard the quantity and quality of the forest resources in the medium and long term by balancing harvesting and growth rates, and by preferring techniques that minimise direct or indirect damage to forest, soil or water resources.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.1 Inventory and mapping of forest resources are established and updated in every 10 years based on field inspections. Inventory describes at least: area, site conditions, tree species composition, age, growing sock and growth rate.</p> <p>As part of the detailed elaboration of forest management plans...</p> <p>2.16 Allowable cut is quantified with appropriate methods.</p> <p>The manager of forest, with due considerations to its size...</p> <p>3.6 Provides the professionals in charge of forestry operations with the forest management plan, and these plans are used in practice.</p> <p>The manager of forest...</p> <p>4.1 Keeps records on the planned forestations.</p> <p>4.2 Ensures the regeneration of forests, and considers afforestation on lands suitable for tree growing.</p> <p>4.4 Makes conversion of forest to other wooded land or to other land-use forms only if is approved by the legally authorised body, it entails a small proportion of forest type, and it does not violate outstanding interests of nature conservation, cultural heritage and recreational functions.</p>



Question	YES / NO	Reference to scheme documentation
		<p>Operations of forestation...</p> <p>4.15 Do not affect neighbouring fields; those involving stumping, land preparation and soil cultivation do not reduce productivity of the site permanently, unless there are no other ways of forest regeneration with rational costs.</p> <p>Timber harvest...</p> <p>6.2 Is carried out at suitable state of the soil, and permanent degradation of soil cannot be observed.”</p> <p>Forest Code, 2009</p> <p>“Section 36.1: In order to assure the sustainable use of forest, the forest authority during the forest management planning, elaborates a yield analysis</p> <p>36.2 If the analysis require further action (to balance the yields), the allowable cut will be adjusted accordingly.”</p>
<p>5.1.10 Appropriate silvicultural measures shall be taken to maintain or reach a level of the growing stock that is economically, ecologically and socially desirable.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>5.1 Keeps records on the long-term forestry objectives, the cutting age and the allowable cut.</p> <p>5.2 Does not cause degradation of the naturalness of forest by unsound operations.</p> <p>Considering the degree of naturalness of forests, the silvicultural operations....</p> <p>5.3 Correspond to the silvicultural system and silvicultural prescriptions specified in the forest management plan.</p> <p>5.5 Maintain the forest stand suitable for the site, or the potential of development of such stand.</p> <p>Final harvest...</p> <p>5.12 Does not precede the final cutting age specified in the forest management plan without good cause.</p> <p>5.13 Is carried out at an age of the forest stand when timber can be sold, and financial loss for overmature timber does not occur, unless justified by nature conservation purposes or other reasons.”</p>



Question	YES / NO	Reference to scheme documentation
<p>5.1.11 Conversion of forests to other types of land use, including conversion of primary forests to forest plantations, shall not occur unless in justified circumstances where the conversion:</p> <p>a) is in compliance with national and regional policy and legislation relevant for land use and forest management and is a result of national or regional land-use planning governed by a governmental or other official authority including consultation with materially and directly interested persons and organisations; and</p> <p>b) entails a small proportion of forest type; and</p> <p>c) does not have negative impacts on threatened (including vulnerable, rare or endangered) forest ecosystems, culturally and socially significant areas, important habitats of threatened species or other protected areas; and</p> <p>d) makes a contribution to long-term conservation, economic, and social benefits.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>4.4 Makes conversion of forest to other wooded land or to other land-use forms only if is approved by the legally authorised body, it entails a small proportion of forest type, and it does not violate outstanding interests of nature conservation, cultural heritage and recreational functions.”</p> <p>Additional explanation provided by HFC</p> <p>“In Hungary, the process leading to conversion of land cannot be initiated by a forest manager alone. A so-called “Development Project” has to be started (for example because a road is planned). There is a pre-set process for the definition of a Development Project, including stakeholder involvement and harmonization of plans.</p> <p>Contribution to long-term conservation, economic and social benefits in case of forest conversion is guaranteed by legislation. The following references to the Law on Forest (2009) proves that conversion of forest require the approval of the forest authority. Furthermore, a definite public interest is a precondition to the approval, which covers the long-term conservation, economic and social benefits.</p> <p>The forest authority is required to consider evidences that are presented by the applicant, and it is required to collect all evidences that are relevant to the application. In case of a forest conversion, Regional Development Plans are such evidences that are used to assess, whether the public interest presented by the applicant is valid and is not contradicting with these plans.</p> <p>Regional Development Plans are containing regional land-use planning, and their elaboration process includes consultation with materially and directly interested persons and organisations.</p> <p>Section 77 – Section 83 of the Forest Coded specify all cases of conversion. In all cases, it requires the approval of the state authority.”</p> <p>Forest Code (2009), Chapter VIII</p> <p>“77 The irregular use of forest is a) its conversion to agricultural land</p> <p>78.1 The irregular use (conversion) of forest can be allowed only in exceptional cases, when it is in accordance with public interest</p>



Question	YES / NO	Reference to scheme documentation
		<p>78.2 Irregular use of forest (conversion) can only be permitted by the forest authority. Irregular use is only possible before the expiry date of the permit and for the purpose specified in the permit.</p> <p>78.3: forest loss has to be compensated by afforestation of the same size, the same or higher degree of naturalness in the same or in the neighbouring settlement.</p> <p>82.3 Forest Authority shall prescribe the replacement of the forest a) if the irregular use extends 0.5 hectare in natural or close-to-nature forests b) if the loss of forest is banned in the specific region.”</p> <p>Decree 218/2009. Government Regulation on the content of Regional Development Concept, Regional Development Program and Regional Development Plan, as well as their harmonization, elaboration, consultation, approval and publication</p> <p>“13.1 Partnership Plan that describes in detail the participation of the people, the interest representative organizations, NGOs and enterprises is a part of the elaboration of the Regional Development Concepts and Programmes.</p> <p>13.2 In the process of planning the Partnership Plan specifies a) the target group to be involved b) means and ways of participation in the various steps of the planning process, which may be: communication campaign, exhibition, local media, information materials, public collecting opinion of people, forums, conferences, temporal committee, public opinion survey (sociological study, focus group study, working groups, judging board) c) the objectives of participation</p> <p>17.1 The major parts of the Regional Development Concept, Programme and Plan shall be sent to the participants of the planning process so that they can comment, and shall be submitted to the Regional Development Information System for public consultation.</p> <p>17.2 Comments, remarks and suggestions as well as the responses of the planning body shall be included in the documentation.</p> <p>19 There are 45 days for submitting comments”.</p>
5.1.12 Conversion of abandoned agricultural and treeless land into forest land shall be taken into	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p>

Question	YES / NO	Reference to scheme documentation
consideration, whenever it can add economic, ecological, social and/or cultural value.		4.2 Ensures the regeneration of forests, and considers afforestation on lands suitable for tree growing.”
Criterion 2: Maintenance of forest ecosystem health and vitality		
5.2.1 Forest management planning shall aim to maintain and increase the health and vitality of forest ecosystems and to rehabilitate degraded forest ecosystems, whenever this is possible by silvicultural means.	YES	MER 1001 Sustainable Forest Management Requirements “The objectives of forest management plans serve... 2.10 The improvement of the degree of naturalness, resilience and state of health.”
5.2.2 Health and vitality of forests shall be periodically monitored, especially key biotic and abiotic factors that potentially affect health and vitality of forest ecosystems, such as pests, diseases, overgrazing and overstocking, fire, and damage caused by climatic factors, air pollutants or by forest management operations.	YES	MER 1001 Sustainable Forest Management Requirements “8.1 Health and vitality of forests is periodically monitored, especially key biotic and abiotic factors that potentially affect health and vitality of forest ecosystems, such as pests, diseases, overgrazing and overstocking, fire, and damage caused by climatic factors, air pollutants or by forest management operations. Both permanent and temporal effects shall be monitored.”
5.2.3 The monitoring and maintaining of health and vitality of forest ecosystems shall take into consideration the effects of naturally occurring fire, pests and other disturbances.	YES	MER 1001 Sustainable Forest Management Requirements “The objectives and specific means of forest management plans serve... 2.10 The improvement of the degree of naturalness, resilience and state of health. As part of the detailed elaboration of forest management plans... 2.15 Forest damages on local, regional and national level, as well as risk factors are considered. 8.1 Health and vitality of forests is periodically monitored, especially key biotic and abiotic factors that potentially affect health and vitality of forest ecosystems, such as pests, diseases, overgrazing and overstocking, fire, and damage caused by climatic factors, air pollutants or by forest management operations. Both permanent and temporal effects shall be monitored. For forest protection, the manager of forest...

Question	YES / NO	Reference to scheme documentation
		<p>8.2 Keeps records on the primary function of forest, the degree of nature protection, the NATURA 2000 designation, and on forests of outstanding soil protection, water protection and fire hazard importance.”</p> <p>Additional explanation provided by HFC</p> <p>“Hungary has a national Forest monitoring system in place, called Forest Health Network (Erdővédelmi Hálózat – EVH I.), including data on forest health (diseases, pests and health status of trees), collected annually. Annual reports are publicly available on portal.nebih.gov.hu and erdoterkep.nebih.gov.hu (results forest monitoring on a map). Forest growth is measured, based on a network of permanent plots (measured every 5 years): www.erdoleltar.nebih.gov.hu. Also, every forest owner, whether state or private, has to hire a registered forest professional. The registered forest professionals have to report according to a template, every quarter of the year to the state forest authority National Food Chain Safety Agency – directorate of forestry; controlled by the Ministry) about any damages, health, diseases (bark beetle, Lymantria), wind throw, ice damage, game damages, rodents, fire. The forest manager receives a copy of this quarterly reports. Section 56.1 of the Forest Code (2009) defines the National Forest Damage Inventory and Section 98.1 puts the obligation on the forestry professionals to report any threats to the forest to the forestry authority. Areas with a high risk on naturally occurring fires, pests or disturbances are identified and taken into account when a forest management plan is established. Protective measures are taken on a regional or national scale (such as creating of water ponds for firefighting). Forest management planning is designed so that the Ministry of Agriculture and other state bodies, as well as the forest managers can and do feed the above information into the planning process.”</p>
<p>5.2.4 Forest management plans or their equivalents shall specify ways and means to minimise the risk of degradation of and damages to forest ecosystems. Forest management planning shall make use of those policy instruments set up to support these activities.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The objectives and specific means of forest management plans serve...</p> <p>2.9 The protection of the species and genetic diversity of ecosystems, as well as the protection of landscape.</p> <p>2.10 The improvement of the degree of naturalness, resilience and state of health.</p> <p>2.11 The maintenance of forest area, and the variegation of products and services.</p> <p>As part of the detailed elaboration of forest management plans...</p>



Question	YES / NO	Reference to scheme documentation
		<p>2.12 Primary function of forests, such as protection (especially primary soil and water protection, as well as sensitive and representative forest ecosystems and areas containing endemic species in significant concentrations) and recreational functions are considered.</p> <p>2.14 Areas under nature protection, NATURA 200 sites, 'ex lege' values and other values of public interest in the precincts of forests are taken into account.</p> <p>2.15 Forest damages on local, regional and national level, as well as risk factors are considered. To ensure responsible operation of the organization the manager of forest...</p> <p>3.9 Makes actions to correct unsound practice in case of penalty or warning in relation to forestry, nature conservation (including protected and endangered species), environmental protection, health, labour and safety issues, consumer protection, taxes and royalties. The manager of forest...</p> <p>5.2 Does not cause degradation of the naturalness of forest by unsound operations."</p>
<p>5.2.5 Forest management practices shall make best use of natural structures and processes and use preventive biological measures wherever and as far as economically feasible to maintain and enhance the health and vitality of forests. Adequate genetic, species and structural diversity shall be encouraged and/or maintained to enhance the stability, vitality and resistance capacity of the forests to adverse environmental factors and strengthen natural regulation mechanisms.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>"Operations of forestation..."</p> <p>4.16 Utilize the natural regeneration processes as far as possible, and contribute to the conservation of the degree of naturalness of forests. The manager of forest...</p> <p>5.2 Does not cause degradation of the naturalness of forest by unsound operations. Considering the degree of naturalness of forests, the silvicultural operations....</p> <p>5.6 Maintain and where appropriate promote the natural composition of the forest, with special care on rare species.</p> <p>5.7 Maintain and where appropriate promote natural vertical structure without acceptable reasons.</p> <p>5.8 Maintain forest edges.</p> <p>5.9 Protect understory plants insofar as possible.</p> <p>5.10 In natural and semi-natural forests leave dead trees that are there at least for 5 years in the forest, unless regeneration, health issues or public access requires otherwise.</p>



Question	YES / NO	Reference to scheme documentation
		<p>For forest protection the manager of forest...</p> <p>8.5 Prevents the accumulation of food-basis of bark beetle in forests sensitive to its damage.</p> <p>8.6 Prevents the accumulation of fuel in forest of high fire hazard, and maintains fire gaps.</p> <p>For the protection of waters...</p> <p>8.11 The manager of forest preserves the natural character of water flows, ponds and waterlogged areas.</p> <p>The manager of forest within its forest area...</p> <p>9.1 Favours preventive silvicultural and biological measures.”</p>
<p>5.2.6 Lighting of fires shall be avoided and is only permitted if it is necessary for the achievement of the management goals of the forest management unit.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“For forest protection the manager of forest...</p> <p>8.7 Applies technologies with lighting of fire only for outstanding interests, with proper attention to the protection of edaphon, and with due considerations to safety.”</p> <p>Forest Code, 2009, Section 65</p> <p>“Lighting of fire in a cutting area is only allowed if the fire is not threatening the regeneration, the surrounding forests, the ecosystems outside of the forest, natural elements and the infrastructure.”</p>
<p>5.2.7 Appropriate forest management practices such as reforestation and afforestation with tree species and provenances that are suited to the site conditions or the use of tending, harvesting and transport techniques that minimise tree and/or soil damages shall be applied. The spillage of oil during forest management operations or the indiscriminate disposal of waste on forest land shall be strictly avoided. Non-organic waste and litter shall be avoided, collected, stored in</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Forestation...</p> <p>4.6 Contains tree species that can potentially develop a forest of good health and vitality</p> <p>Timber harvest...</p> <p>6.2 Is carried out at suitable state of the soil, and permanent degradation of soil cannot be observed.</p> <p>6.3 On slopes steeper than 10° logging tracks are designated with special care to the risk of erosion.</p> <p>6.4 When it implies forest regeneration and in cases when terrain and other conditions relevant to possible erosion justify, saves a protective belt of forests within the close surroundings of</p>

Question	YES / NO	Reference to scheme documentation
designated areas and removed in an environmentally-responsible manner.		streams, creeks, wells and open water surfaces of no less than 20m in width measured from the edge of the water. These protective belts are maintained at least for the period of forest regeneration. 6.5 Damages in the crown and on the bark of the trunk occurs on less than 10% of the stems. For forest protection the manager of forest... 8.8 Ensures that non-organic waste and litter is avoided, and waste is collected, stored in designated areas and removed in an environmentally-responsible manner. 8.9 Ensures the avoidance of fuel and lubricant contamination, and make actions to proper disposal if there are any.”
5.2.8 The use of pesticides shall be minimised and appropriate silvicultural alternatives and other biological measures preferred.	YES	MER 1001 Sustainable Forest Management Requirements “9 Plant protection and fertilization The manager of forest within its forest area... 9.1 Favours preventive silvicultural and biological measures. 9.4 Uses pesticides (...) with due considerations for the environment.”
5.2.9 The WHO Type 1A and 1B pesticides and other highly toxic pesticides shall be prohibited, except where no other viable alternative is available.	YES	MER 1001 Sustainable Forest Management Requirements “The manager of forest within its forest area... 9.5 Uses WHO Type 1A and 1B pesticides only if there are no other alternative is available.”
5.2.10 Pesticides, such as chlorinated hydrocarbons whose derivates remain biologically active and accumulate in the food chain beyond their intended use, and any pesticides banned by international agreement, shall be prohibited.	YES	MER 1001 Sustainable Forest Management Requirements “The manager of forest within its forest area... 9.6 Uses no pesticides banned by international agreements or containing chlorinated hydrocarbons.”
5.2.11 The use of pesticides shall follow the instructions given by the pesticide producer and be implemented with proper equipment and training.	YES	MER 1001 Sustainable Forest Management Requirements “The manager of forest within its forest area... 9.4 Uses pesticides with proper equipment and training, and according to the instructions given by the producer, with due considerations for the environment.”



Question	YES / NO	Reference to scheme documentation
5.2.12 Where fertilisers are used, they shall be applied in a controlled manner and with due consideration for the environment.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest within its forest area...</p> <p>9.3 Keep records on the usage of pesticides and fertilizers.</p> <p>9.4 Uses pesticides with proper equipment and training, and according to the instructions given by the producer, with due considerations for the environment.</p> <p>9.7 Uses fertilizers according to nutrient recycling plan with due considerations for the environment.”</p>
Criterion 3: Maintenance and encouragement of productive functions of forests (wood and non-wood)		
5.3.1 Forest management planning shall aim to maintain the capability of forests to produce a range of wood and non-wood forest products and services on a sustainable basis.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The objectives and specific means of forest management plans serve...</p> <p>2.11 The maintenance of forest area, and the variegation of products and services.”</p>
5.3.2 Forest management planning shall aim to achieve sound economic performance taking into account any available market studies and possibilities for new markets and economic activities in connection with all relevant goods and services of forests.	NO	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the course of forest management planning...</p> <p>2.7 Forest managers’ interest to achieve sound economic performance, to utilize new market and employment opportunities, or to apply non-traditional forest management methods can be considered.”</p> <p><i>Due to the wording “can be considered”, clause 2.7 does not ensure that the requirement shall be met.</i></p>
5.3.3 Forest management plans or their equivalents shall take into account the different uses or functions of the managed forest area. Forest management planning shall make use of those policy instruments set up to support the production of commercial and non-commercial forest goods and services.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.4 Primary function of forests are registered and mapped, especially in forests with special functions.</p> <p>As part of the detailed elaboration of forest management plans...</p>

Question	YES / NO	Reference to scheme documentation
		<p>2.12 Primary function of forests, such as protection (especially primary soil and water protection, as well as sensitive and representative forest ecosystems and areas containing endemic species in significant concentrations) and recreational functions are considered.</p> <p>2.13 Policies regarding other forms of land use, water regulation, regional development and nature conservation are considered.”</p> <p><i>Although not specifically mentioned, it is assumed that “function” in clause 2.4 includes the production function.</i></p>
<p>5.3.4 Forest management practices shall maintain and improve the forest resources and encourage a diversified output of goods and services over the long term.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The objectives and specific means of forest management plans serve...</p> <p>2.11 The maintenance of forest area, and the variegation of products and services. The manager of forest, with due considerations to its size...</p> <p>3.6 Provides the professionals in charge of forestry operations with the forest management plan, and these plans are used in practice. Forestation...</p> <p>4.5 Primarily aims at establishing mixed forests.</p> <p>4.6 Contains tree species that can potentially develop a forest of good health and vitality (e.g. relevant guidance are met). Forest regeneration...</p> <p>4.11 Does not involve coppicing without good reasons. The manager of forest...</p> <p>5.1 Keeps records on the long-term forestry objectives, the cutting age and the allowable cut.</p> <p>5.2 Does not cause degradation of the naturalness of forest by unsound operations. Considering the degree of naturalness of forests, the silvicultural operations....</p> <p>5.5 Maintain the forest stand suitable for the site, or the potential of development of such stand. Final harvest...</p>



Question	YES / NO	Reference to scheme documentation
		<p>5.12 Does not precede the final cutting age specified in the forest management plan without good cause.</p> <p>5.13 Is carried out at an age of the forest stand when timber can be sold, and financial loss for overmature timber does not occur, unless justified by nature conservation purposes or other reasons.”</p>
<p>5.3.5 Regeneration, tending and harvesting operations shall be carried out in time, and in a way that does not reduce the productive capacity of the site, for example by avoiding damage to retained stands and trees as well as to the forest soil, and by using appropriate systems.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Operations of forestation...</p> <p>4.14 Do not result in the salinization of the soil, if irrigation is applied.</p> <p>4.15 Do not affect neighbouring fields; those involving stumping, land preparation and soil cultivation do not reduce productivity of the site permanently, unless there are no other ways of forest regeneration with rational costs.</p> <p>Final harvest...</p> <p>5.12 Does not precede the final cutting age specified in the forest management plan without good cause.</p> <p>5.13 Is carried out at an age of the forest stand when timber can be sold, and financial loss for overmature timber does not occur, unless justified by nature conservation purposes or other reasons.</p> <p>Timber harvest...</p> <p>6.2 Is carried out at suitable state of the soil, and permanent degradation of soil cannot be observed.</p> <p>6.5 Damages in the crown and on the bark of the trunk occurs on less than 10% of the stems.”</p> <p>Forest Code, 2009</p> <p>“51.7 After the final harvest, furthermore if the forest is died out on an area larger than 5000 sq meter for any reasons, or if the canopy cover falls below 70% of the area of forest plot in forests with timber production as primary function, the manager of forest shall start the regeneration of</p>

Question	YES / NO	Reference to scheme documentation
		<p>forest within two years and shall finish it within the timeframe set by the regulation issued for the execution of this law.</p> <p>53.1 The further development of finished afforestations and forest regenerations (together: forestations) shall be supported by nursing, cleaning, pre-commercial and commercial thinning (together: tending) in accordance with the primary function of forest.</p> <p>53.2 Tending (including tree felling in forests of single selection and conversion silvicultural systems) shall ensure the improvement of the quality, and the growing stock is reduced only temporarily, furthermore the soil and the ecosystem is not damaged permanently.”</p>
<p>5.3.6 Harvesting levels of both wood and non-wood forest products shall not exceed a rate that can be sustained in the long term, and optimum use shall be made of the harvested forest products, with due regard to nutrient off-take.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“As part of the detailed elaboration of forest management plans...</p> <p>2.16 Allowable cut is quantified with appropriate methods.</p> <p>Considering the degree of naturalness of forests, the silvicultural operations....</p> <p>5.3 Correspond to the silvicultural system and silvicultural prescriptions specified in the forest management plan.</p> <p>Timber harvest...</p> <p>6.6 Is aiming at the optimal use of forest products, but it does not entails the removal of twigs and branches, unless justified by economic, or forest health purposes, and with due considerations of the degree of naturalness of forests, as well as the occurrence of fertilization.</p> <p>In case of recurring (multiple consecutive years) commercial utilization of non-wood forest products...</p> <p>7.3 The populations of the non-wood forest products utilized are regularly monitored.</p> <p>7.4 Management plan with the objective of sustainable utilization is needed, if the population is declining, including the evaluation of the effects on nutrient off-take.”</p>
<p>5.3.7 Where it is the responsibility of the forest owner/manager and included in forest management, the exploitation of non-timber forest</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In case of recurring (multiple consecutive years) commercial utilization of non-wood forest products...</p> <p>7.3 The populations of the non-wood forest products utilized are regularly monitored.</p>



Question	YES / NO	Reference to scheme documentation
products, including hunting and fishing, shall be regulated, monitored and controlled.		<p>7.4 Management plan with the objective of sustainable utilization is needed, if the population is declining (...).</p> <p>If and where the manager of forest practices the hunting rights on its forests...</p> <p>10.2 It bears wild game management plan.</p> <p>10.3 The wild game management plan is based on the regular estimation of the game population, it contains prescriptions for game harvest, approved by the relevant authority and is subject to follow-up evaluation.</p> <p>10.4 It makes actions to prevent the overpopulation of game and to minimize game damage in forests.”</p>
5.3.8 Adequate infrastructure such as roads, skid tracks or bridges shall be planned, established and maintained to ensure efficient delivery of goods and services while minimising negative impacts on the environment.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Timber harvest...</p> <p>6.3 On slopes steeper than 10° logging tracks are designated with special care to the risk of erosion.</p> <p>Logging network maintained by the manager of forest...</p> <p>6.7 And constructed after 2000 with hard surface, was constructed according to a plan that duly incorporates considerations of the effects on environment.</p> <p>6.9 Is suitable for efficient and ‘low impact’ delivery of products and services.”</p> <p><i>According to HFC, the year 2000 (in clause 6.7) is chosen because that was well after the privatization and it was clear who would be responsible for maintenance of those roads.</i></p>
Criterion 4: Maintenance, conservation and appropriate enhancement of biological diversity in forest ecosystems		
5.4.1 Forest management planning shall aim to maintain, conserve and enhance biodiversity on ecosystem, species and genetic levels and, where appropriate, diversity at landscape level.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The objectives of forest management plans serve...</p> <p>2.9 The protection of the species and genetic diversity of ecosystems, as well as the protection of landscape.</p> <p>2.10 The improvement of the degree of naturalness, resilience and state of health.</p> <p>Forestation...</p>

Question	YES / NO	Reference to scheme documentation
		<p>4.5 Primarily aims at establishing mixed forests.</p> <p>4.8 With introduced species does not pose threats to the degree of naturalness, or to the site conditions of other forests and non-forest vegetation of high biological value within its immediate environment (...).”</p>
<p>5.4.2 Forest management planning, inventory and mapping of forest resources shall identify, protect and/or conserve ecologically important forest areas containing significant concentrations of:</p> <p>a) protected, rare, sensitive or representative forest ecosystems such as riparian areas and wetland biotopes;</p> <p>b) areas containing endemic species and habitats of threatened species, as defined in recognised reference lists;</p> <p>c) endangered or protected genetic in situ resources;</p> <p>and taking into account</p> <p>d) globally, regionally and nationally significant large landscape areas with natural distribution and abundance of naturally occurring species.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.3 Degree of protection and the inclusion into the NATURA 2000 network of forests is registered.</p> <p>In the course of forest management planning...</p> <p>2.5 The organization responsible for the monitoring of NATURA 2000 network is taking part. As part of the detailed elaboration of forest management plans...</p> <p>2.12 Primary function of forests, such as protection (especially primary soil and water protection, as well as sensitive and representative forest ecosystems and areas containing endemic species in significant concentrations) and recreational functions are considered.</p> <p>2.14 Areas under nature protection, NATURA 200 sites, ‘ex lege’ values and other values of public interest in the precincts of forests are taken into account.</p> <p>Considering the degree of naturalness of forests, the silvicultural operations....</p> <p>5.6. Maintain and where appropriate promote the natural composition of the forest, with special care on rare species.</p> <p>For forest protection, the manager of forest...</p> <p>8.4 Possesses records on the populations of strictly protected organisms, and uses nature protection management plans that specify measures to protect and – where relevant – to increase their population, if they are available.”</p> <p>Additional explanation provided by HFC</p> <p>“Hungary has established the following legislative framework on the protection or conservation of ecologically important forest areas:</p> <ul style="list-style-type: none"> • (...) Law on Nature Conservation (1996)



Question	YES / NO	Reference to scheme documentation
		<ul style="list-style-type: none"> • Regulation on the execution of the Nature Conservation Law (including the list of protected and strictly protected species, including those being regarded as endemic species). <p>In Hungary, besides the Regional Forest Management Plans, also Nature conservation management plans are elaborated by the state (Nature Conservation Authority), in close cooperation with National Parks, and put into force by regulations issued by the minister of Agriculture.</p> <p>Main parts of such a Nature conservation Management Plan: :</p> <ul style="list-style-type: none"> • (...) reasons for protection • Identification of the area by listing the land lots • Objectives of nature protection • (...) Maps <p>There is also a system in place to assure harmonization of plans. Regulation 11/2010 (of the Ministry of Agriculture on the elaboration of a Forest Management Plan and Regional Forest Management Plan) is stating which other authorities shall be informed about the process of Forest Management planning and shall be involved in the process, and receive the Forest Management Plan:</p> <ul style="list-style-type: none"> • Nature conservation authority • (...) Plant protection authority”
<p>5.4.3 Protected and endangered plant and animal species shall not be exploited for commercial purposes. Where necessary, measures shall be taken for their protection and, where relevant, to increase their population.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>7.1 Exploits no protected plant and animal species for trade or consumption.</p> <p>For forest protection the manager of forest...</p> <p>8.4 Possesses records on the populations of strictly protected organisms, and uses nature protection management plans that specify measures to protect and – where relevant – to increase their population, if they are available.”</p>
<p>5.4.4 Forest management shall ensure successful regeneration through natural regeneration or,</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p>



Question	YES / NO	Reference to scheme documentation
<p>where not appropriate, planting that is adequate to ensure the quantity and quality of the forest resources.</p>		<p>“The manager of forest... 4.2 Ensures the regeneration of forests (...). 4.3 Keeps records on the initial plantings. Forestation... 4.7 Is carried out using propagation material with certificate of origin. Forest regeneration... 4.10 Takes place as a natural regeneration, wherever it is possible.”</p>
<p>5.4.5 For reforestation and afforestation, origins of native species and local provenances that are well-adapted to site conditions shall be preferred, where appropriate. Only those introduced species, provenances or varieties shall be used whose impacts on the ecosystem and on the genetic integrity of native species and local provenances have been evaluated, and if negative impacts can be avoided or minimised.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements “Forestation... 4.6 Contains tree species that can potentially develop a forest of good health and vitality (e.g. relevant guidance are met). 4.7 Is carried out using propagation material with certificate of origin. 4.8 With introduced species does not pose threats to the degree of naturalness, or to the site conditions of other forests and non-forest vegetation of high biological value within its immediate environment, and does not infringe the interest of the community. Forest regeneration... 4.10 Takes place as a natural regeneration, wherever it is possible. Considering the degree of naturalness of forests, the silvicultural operations.... 5.11 Prevent the expansion of invasive tree species, and the control those already present to a reasonable extent.”</p>
<p>5.4.6 Afforestation and reforestation activities that contribute to the improvement and restoration of ecological connectivity shall be promoted.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements “Afforestation... 4.12 Is carried out according to an afforestation plan with site survey. 4.13 Planning and approval process includes the evaluation of site conditions, and the ecological networks are considered.”</p>

Question	YES / NO	Reference to scheme documentation
5.4.7 Genetically-modified trees shall not be used.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Forestation...</p> <p>4.9 Does not contain genetically modified organizations (GMOs).”</p>
5.4.8 Forest management practices shall, where appropriate, promote a diversity of both horizontal and vertical structures such as uneven-aged stands and the diversity of species such as mixed stands. Where appropriate, the practices shall also aim to maintain and restore landscape diversity.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>5.2 Does not cause degradation of the naturalness of forest by unsound operations. Considering the degree of naturalness of forests, the silvicultural operations....</p> <p>5.6 Maintain and where appropriate promote the natural composition of the forest, with special care on rare species.</p> <p>5.7 Maintain and where appropriate promote natural vertical structure without acceptable reasons.</p> <p>5.8 Maintain forest edges.</p> <p>5.9 Protect understory plants insofar as possible.</p> <p>For the good of nearby residents the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.13 Exerts itself to maintain the landscapes around settlements.”</p> <p><i>Observation: The phrasing of 5.7 is strange, likely the part ‘without acceptable reasons’ should be deleted.</i></p>
5.4.9 Traditional management systems that have created valuable ecosystems, such as coppice, on appropriate sites shall be supported, when economically feasible.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.3 Degree of protection and the inclusion into the NATURA 2000 network of forests is registered.</p> <p>In the course of forest management planning...</p> <p>2.5 The organization responsible for the monitoring of NATURA 2000 network is taking part.</p> <p>For the protection of local values the manager of forest with due regards to its size and degree of naturalness of its forest...</p>



Question	YES / NO	Reference to scheme documentation
		11.4 Exerts itself to recognize local knowledge, experiences and traditional management forms, to protect them, to keep their memory, or possibly use them.”
5.4.10 Tending and harvesting operations shall be conducted in a way that does not cause lasting damage to ecosystems. Wherever possible, practical measures shall be taken to improve or maintain biological diversity.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>5.2 Does not cause degradation of the naturalness of forest by unsound operations. Considering the degree of naturalness of forests, the silvicultural operations...</p> <p>5.4 Do not reduce canopy closure beneath 50% in general, and 30% in protective forests.</p> <p>5.6 Maintain and where appropriate promote the natural composition of the forest, with special care on rare species.</p> <p>5.7 Maintain and where appropriate promote natural vertical structure without acceptable reasons.</p> <p>5.8 Maintain forest edges.</p> <p>5.9 Protect understory plants insofar as possible.</p> <p>5.10 In natural and semi-natural forests leave dead trees that are there at least for 5 years in the forest, unless regeneration, health issues or public access requires otherwise.</p> <p>5.14 Does not exceed area limits in the law.</p> <p>5.15 Preserves remnant trees in the form of tree groups or fractions of forest, to the extent of no less than 5 m³/ha and 3 tree/ha of native species suitable for the prospective forest, which are not meant to be harvested later – except in clear cuts in forests classified according to their degree of naturalness as ‘semi-plantation forests’ and ‘plantation forests’.</p> <p>6.5 Damages in the crown and on the bark of the trunk occurs on less than 10% of the stems.”</p>
5.4.11 Infrastructure shall be planned and constructed in a way that minimises damage to ecosystems, especially to rare, sensitive or representative ecosystems and genetic reserves, and that takes threatened or other key species –	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Logging network maintained by the manager of forest...</p> <p>6.7 And constructed after 2000 with hard surface, was constructed according to a plan that duly incorporates considerations of the effects on environment.</p> <p>6.8 When being developed, forest related nature conservation regulations, nature conservation management plans, NATURA 2000 management plans, inventories and databases of natural</p>



Question	YES / NO	Reference to scheme documentation
in particular their migration patterns – into consideration.		values, and the migration routes of animals with nature conservation importance are fully considered.”
5.4.12 With due regard to management objectives, measures shall be taken to balance the pressure of animal populations and grazing on forest regeneration and growth as well as on biodiversity.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>7.2 Allows no grazing of animals for hobby or breeding, and does not collect the leaf-litter in connection to animal husbandry.</p> <p>10.1 The manager of forest within its forest area establishes indoor hunting facilities according to development plan that incorporates environmental considerations.</p> <p>If and where the manager of forest practices the hunting rights on its forests...</p> <p>10.4 It makes actions to prevent the overpopulation of game and to minimize game damage in forests.”</p>
5.4.13 Standing and fallen dead wood, hollow trees, old groves and special rare tree species shall be left in quantities and distribution necessary to safeguard biological diversity, taking into account the potential effect on the health and stability of forests and on surrounding ecosystems.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“5.6 Maintain and where appropriate promote the natural composition of the forest, with special care on rare species.</p> <p>5.10 In natural and semi-natural forests leave dead trees that are there at least for 5 years in the forest, unless regeneration, health issues or public access requires otherwise.”</p>
Criterion 5: Maintenance and appropriate enhancement of protective functions in forest management (notably soil and water)		
5.5.1 Forest management planning shall aim to maintain and enhance protective functions of forests for society, such as protection of infrastructure, protection from soil erosion, protection of water resources and from adverse impacts of water such as floods or avalanches.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.4 Primary function of forests are registered and mapped, especially in forests with special functions.</p> <p>As part of the detailed elaboration of forest management plans...</p> <p>2.12 Primary function of forests, such as protection (especially primary soil and water protection, as well as sensitive and representative forest ecosystems and areas containing endemic species in significant concentrations) and recreational functions are considered.”</p>

Question	YES / NO	Reference to scheme documentation
<p>5.5.2 Areas that fulfil specific and recognised protective functions for society shall be registered and mapped, and forest management plans or their equivalents shall take these areas into account.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.4 Primary function of forests are registered and mapped, especially in forests with special functions.</p> <p>As part of the detailed elaboration of forest management plans...</p> <p>2.12 Primary function of forests, such as protection (especially primary soil and water protection, as well as sensitive and representative forest ecosystems and areas containing endemic species in significant concentrations) and recreational functions are considered.”</p>
<p>5.5.3 Special care shall be given to silvicultural operations on sensitive soils and erosion-prone areas as well as in areas where operations might lead to excessive erosion of soil into watercourses. Inappropriate techniques such as deep soil tillage and use of unsuitable machinery shall be avoided in such areas. Special measures shall be taken to minimise the pressure of animal populations.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Operations of forestation...</p> <p>4.14 Do not result in the salinization of the soil, if irrigation is applied.</p> <p>4.15 Do not affect neighbouring fields; those involving stumping, land preparation and soil cultivation do not reduce productivity of the site permanently, unless there are no other ways of forest regeneration with rational costs.</p> <p>For the protection of susceptible soils...</p> <p>8.14 The considerations of soil protection during forest operations are put in force in case of forests with primary soil protection function, or in forest with soils susceptible for erosion, or deflation, or wash-out by flooding, hence the timber harvest plan, or the instructions for the contractors contain the considerations of soil protection and the relevant provisions.</p> <p>8.15 The manager of forest makes necessary preventive actions to avoid erosion and deflation in its forests.</p> <p>10.1 The manager of forest within its forest area establishes indoor hunting facilities according to development plan that incorporates environmental considerations.”</p>
<p>5.5.4 Special care shall be given to forest management practices in forest areas with water protection functions to avoid adverse effects on the quality and quantity of water resources.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Timber harvest...</p> <p>6.4 When it implies forest regeneration and in cases when terrain and other conditions relevant to possible erosion justify, saves a protective belt of forests within the close surroundings of</p>



Question	YES / NO	Reference to scheme documentation
<p>Inappropriate use of chemicals or other harmful substances or inappropriate silvicultural practices influencing water quality in a harmful way shall be avoided.</p>		<p>streams, creeks, wells and open water surfaces of no less than 20m in width measured from the edge of the water. These protective belts are maintained at least for the period of forest regeneration.</p> <p>For forest protection, the manager of forest...</p> <p>8.2 Keeps records on the primary function of forest, (...) and on forests of outstanding soil protection, water protection (...) importance.</p> <p>For the protection of waters...</p> <p>8.11 The manager of forest preserves the natural character of water flows, ponds and waterlogged areas.</p> <p>8.12 Illuviation causing significant deterioration of water quality is not induced by forestry operations in the waters within and in the surroundings of forests.</p> <p>8.13 The considerations of water protection during forest operations are put in force in case of forests with primary water protection function, or in forest with natural waters in it, hence the timer harvest plan, or the instructions for the contractors contain the considerations of water protection and the relevant provisions.</p> <p>The manager of forest within its forest area...</p> <p>9.4 Uses pesticides with proper equipment and training, and according to the instructions given by the producer, with due considerations for the environment.</p> <p>9.7 Uses fertilizers according to nutrient recycling plan with due considerations for the environment.”</p>
<p>5.5.5 Construction of roads, bridges and other infrastructure shall be carried out in a manner that minimises bare soil exposure, avoids the introduction of soil into watercourses and preserves the natural level and function of water courses and river beds. Proper road drainage facilities shall be installed and maintained.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Logging network maintained by the manager of forest...</p> <p>6.7 And constructed after 2000 with hard surface, was constructed according to a plan that duly incorporates considerations of the effects on environment.</p> <p>6.10 Is constructed in a manner that minimises bare soil exposure, avoids the introduction of soil into watercourses, and facilitated with properly maintained road drainage.”</p>
<p>Criterion 6: Maintenance of other socio-economic functions and conditions</p>		

Question	YES / NO	Reference to scheme documentation
<p>5.6.1 Forest management planning shall aim to respect the multiple functions of forests to society, give due regard to the role of forestry in rural development, and especially consider new opportunities for employment in connection with the socio-economic functions of forests.</p>	<p>NO</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In the preparation to forest management planning...</p> <p>2.4 Primary function of forests are registered and mapped, especially in forests with special functions.</p> <p>In the course of forest management planning...</p> <p>2.6 The public is given the opportunity to be informed and to express opinion.</p> <p>2.7 Forest managers’ interest to achieve sound economic performance, to utilize new market and employment opportunities, or to apply non-traditional forest management methods can be considered.</p> <p>The objectives and specific means of forest management plans serve...</p> <p>2.11 The maintenance of forest area, and the variegation of products and services.</p> <p>For responsible public relations the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.2 Maintains contact with local communities and civil organizations within its vicinity, and supports local initiatives in the field of sustainable and multifunctional forest management.</p> <p>For the accessibility of forests the manager of forest (...)...</p> <p>11.9 Makes efforts to provide the visitors in forests of primary recreational function with diverse forest landscape including open spaces and community areas, and informs them about the accessible areas.</p> <p>11.10 Does not limit the access on foot, unless it is justified by forestry related safety concerns or other respectable reasons.”</p> <p>Additional explanation provided by HFC</p> <p>“In Hungary, Forest Management Planning is done by the State Authorities. There are two ways to incorporate employment aspects into the Forest Management Planning: Rural development Plans and the National Forest Programme are always considered during the formulation of a specific Regional Forest Management Plan. Another way to incorporate employment aspects into the FMP is that the process is an open process where many stakeholder groups are invited.</p>



Question	YES / NO	Reference to scheme documentation
		<p>In this regard, county level bodies and municipalities have the major role, as they can represent such interests.</p> <p>Furthermore, ‘employment’ has different importance in different regions. In many regions it is difficult to find forestry workers, while in some it is important to maintain the employment, which is why this requirement needs to be considered per regional case, which is what happens because of the procedure mentioned above.”</p> <p><i>Due to the wording “can be considered”, clause 2.7 does not ensure that opportunities for employment shall be considered.</i></p>
<p>5.6.2 Forest management shall promote the long-term health and well-being of communities within or adjacent to the forest management area.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“For responsible public relations the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.1 Contributes to the education of children regarding the issues of forests and sustainable forest management.</p> <p>For the good of nearby residents the manager of forest (...)...</p> <p>11.12 Carries out major forestry operations defined in the law in a spatial and timely manner that does not reduce the usual level and quality of ecosystem services to the public.</p> <p>11.13 Exerts itself to maintain the landscapes around settlements.”</p>
<p>5.6.3 Property rights and land tenure arrangements shall be clearly defined, documented and established for the relevant forest area. Likewise, legal, customary and traditional rights related to the forest land shall be clarified, recognised and respected.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure sound forestry operations the manager of forest</p> <p>3.3 Has legal authorization to use the land, which is (where applicable) based on a written agreement with the landowners.</p> <p>For the protection of local values the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.6 Keeps records on facilities with tourism, education and recreation purposes established and maintained (within and nearby its forests) by other organizations, makes contact with them and agrees on the relevant rights and liabilities.”</p> <p>Additional explanation provided by HFC</p>



Question	YES / NO	Reference to scheme documentation
		"Legal rights, such as property rights, in Hungary are registered (Cadaster)."
<p>5.6.4 Forest management activities shall be conducted in recognition of the established framework of legal, customary and traditional rights such as outlined in ILO 169 and the UN Declaration on the Rights of Indigenous Peoples, which shall not be infringed upon without the free, prior and informed consent of the holders of the rights, including the provision of compensation where applicable. Where the extent of rights is not yet resolved or is in dispute there are processes for just and fair resolution. In such cases forest managers shall, in the interim, provide meaningful opportunities for parties to be engaged in forest management decisions whilst respecting the processes and roles and responsibilities laid out in the policies and laws where the certification takes place.</p>	N.A.	<p><i>According to HFC and several stakeholders interviewed during the field assessment, there are no recognized indigenous people, such as outlined in ILO 169 and the UN Declaration on the Rights of Indigenous Peoples. This is supported by information from Minority Rights Group International (www.minorityrights.org). Therefore, the specific PEFC Council requirements to these issues are not applicable for the Hungarian Forest Certification Scheme.</i></p>
<p>5.6.5 Adequate public access to forests for the purpose of recreation shall be provided taking into account respect for ownership rights and the rights of others, the effects on forest resources and ecosystems, as well as compatibility with other functions of the forest.</p>	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>"For the accessibility of forests the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.8 Ensures the safety of visitors in forest of primary recreational function.</p> <p>11.9 Makes efforts to provide the visitors in forests of primary recreational function with diverse forest landscape including open spaces and community areas, and informs them about the accessible areas.</p> <p>11.10 Does not limit the access on foot, unless it is justified by forestry related safety concerns or other respectable reasons."</p>

Question	YES / NO	Reference to scheme documentation
<p>5.6.6 Sites with recognised specific historical, cultural or spiritual significance and areas fundamental to meeting the basic needs of local communities (e.g. health, subsistence) shall be protected or managed in a way that takes due regard of the significance of the site.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“For the protection of local values the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.4 Exerts itself to recognize local knowledge, experiences and traditional management forms, to protect them, to keep their memory, or possibly use them.</p> <p>11.5 Possesses records on the places of cultural significance such as memorial places and trees, locations of traditional ceremonies, built heritage and archaeological sites, or is aware of them.</p> <p>11.7 Does not limit the access to places of cultural significance without respectable reasons.”</p>
<p>5.6.7 Forest management operations shall take into account all socio-economic functions, especially the recreational function and aesthetic values of forests by maintaining for example varied forest structures, and by encouraging attractive trees, groves and other features such as colours, flowers and fruits. This shall be done, however, in a way and to an extent that does not lead to serious negative effects on forest resources, and forest land.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“For the accessibility of forests the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.9 Makes efforts to provide the visitors in forests of primary recreational function with diverse forest landscape including open spaces and community areas, and informs them about the accessible areas.</p> <p>11.10 Does not limit the access on foot, unless it is justified by forestry related safety concerns or other respectable reasons.</p> <p>For the good of nearby residents the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.12 Carries out major forestry operations defined in the law in a spatial and timely manner that does not reduce the usual level and quality of ecosystem services to the public.</p> <p>11.13 Exerts itself to maintain the landscapes around settlements.”</p>
<p>5.6.8 Forest managers, contractors, employees and forest owners shall be provided with sufficient information and encouraged to keep up-to-date through continuous training in relation to sustainable forest management as a precondition</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In case of group forest certification the group entity...</p> <p>1.1 Provides information on changes of the relevant legal regulations on an annual basis.</p> <p>1.2 Inform the general public about the current activities of the group organization, and engages in dialogue with the people and civil organizations.</p>



Question	YES / NO	Reference to scheme documentation
for all management planning and practices described in this standard.		1.3 Contributes to the training of its participants and their employees, possibly of their contractors, and provides them with information on training opportunities, and encourage them to participate in forest management related trainings and current events. 1.4 Participates in research, or contributes to the dissemination of research findings. 1.5 Informs the forest managers on the available forestry related subsidies (if there are any). The manager of forest, with due considerations to its size... 3.8 In case of individual forest certification, complies with requirements 1.2, 1.3, 1.4.”
5.6.9 Forest management practices shall make the best use of local forest-related experience and knowledge, such as those of local communities, forest owners, NGOs and local people.	YES	MER 1001 Sustainable Forest Management Requirements “For the protection of local values the manager of forest with due regards to its size and degree of naturalness of its forest... 11.4 Exerts itself to recognize local knowledge, experiences and traditional management forms, to protect them, to keep their memory, or possibly use them.”
5.6.10 Forest management shall provide for effective communication and consultation with local people and other stakeholders relating to sustainable forest management and shall provide appropriate mechanisms for resolving complaints and disputes relating to forest management between forest operators and local people.	YES	MER 1001 Sustainable Forest Management Requirements “In case of group forest certification the group entity... 1.2 Inform the general public about the current activities of the group organization, and engages in dialogue with the people and civil organizations. In the course of forest management planning... 2.5 The organization responsible for the monitoring of NATURA 2000 network is taking part. 2.6 The public is given the opportunity to be informed and to express opinion. For responsible public relations the manager of forest with due regards to its size and degree of naturalness of its forest... 11.1 Contributes to the education of children regarding the issues of forests and sustainable forest management. 11.2 Maintains contact with local communities and civil organizations within its vicinity, and supports local initiatives in the field of sustainable and multifunctional forest management.



Question	YES / NO	Reference to scheme documentation
		11.3 Administers complaints about forest management, provides the complainant with relevant information, and makes actions as appropriate.”
5.6.11 Forestry work shall be planned, organised and performed in a manner that enables health and accident risks to be identified and all reasonable measures to be applied to protect workers from work-related risks. Workers shall be informed about the risks involved with their work and about preventive measures.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure responsible operation of the organization the manager of forest...</p> <p>3.9 Makes actions to correct unsound practice in case of penalty or warning in relation to forestry, nature conservation (including protected and endangered species), environmental protection, health, labour and safety issues, consumer protection, taxes and royalties.</p> <p>3.12 Hires employees with appropriate education, who regularly pass health examination, and take part in safety training, where they are informed about health and safety risks, preventive measures and safe working practices.</p> <p>3.13 Provides for its employees safe working conditions, where health and safety risks can be identified, and all reasonable measures can be applied.</p> <p>3.16 Ensures that those carrying out forestry operations in its forest on it assignment / on its behalf / by its authority (including the contractors) is competent and complies with this standard (personal supervision, supervision of forestry professional, written instruction, contract, timber harvest plan, timber removal documentation etc.)”</p>
5.6.12 Working conditions shall be safe, and guidance and training in safe working practices shall be provided to all those assigned to a task in forest operations.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure responsible operation of the organization the manager of forest...</p> <p>3.10 Bears the list of employees.</p> <p>3.12 Hires employees with appropriate education, who regularly pass health examination, and take part in safety training, where they are informed about health and safety risks, preventive measures and safe working practices.</p> <p>3.13 Provides for its employees safe working conditions, where health and safety risks can be identified, and all reasonable measures can be applied.</p> <p>3.16 Ensures that those carrying out forestry operations in its forest on it assignment / on its behalf / by its authority (including the contractors) is competent and complies with this standard (personal supervision, supervision of forestry professional, written instruction, contract, timber harvest plan, timber removal documentation etc.)”</p>



Question	YES / NO	Reference to scheme documentation
5.6.13 Forest management shall comply with fundamental ILO conventions.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure responsible operation of the organization the manager of forest... 3.14 Complies with ILO 29, 87, 98, 100, 105, 111, 138 and 182 conventions.”</p>
5.6.14 Forest management shall be based inter-alia on the results of scientific research. Forest management shall contribute to research activities and data collection needed for sustainable forest management or support relevant research activities carried out by other organisations, as appropriate.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest, with due considerations to its size... 3.8 In case of individual forest certification, complies with requirements 1.2, 1.3, 1.4. In case of group forest certification the group entity... 1.4 Participates in research, or contributes to the dissemination of research findings.”</p> <p>The Fundamental Law (Constitution) of Hungary, Article XXVI</p> <p>“The State shall strive to use the latest technological solutions and scientific achievements to make its operation efficient, raise the standard of public services, improve the transparency of public affairs and to promote equality of opportunity”</p>
Criterion 7: Compliance with legal requirements		
5.7.1 Forest management shall comply with legislation applicable to forest management issues including forest management practices; nature and environmental protection; protected and endangered species; property, tenure and land-use rights for indigenous people; health, labour and safety issues; and the payment of royalties and taxes.	NO	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The forest management plans... 2.17 Bear the approval of the relevant authority. To ensure responsible operation of the organization the manager of forest... 3.9 Makes actions to correct unsound practice in case of penalty or warning in relation to forestry, nature conservation (including protected and endangered species), environmental protection, health, labour and safety issues, consumer protection, taxes and royalties. 3.16 Ensures that those carrying out forestry operations in its forest on its assignment / on its behalf / by its authority (including the contractors) is competent and complies with this standard (personal supervision, supervision of forestry professional, written instruction, contract, timber harvest plan, timber removal documentation etc.) 3.17 Administers its contracts with contractors, consumers and suppliers.”</p>

Question	YES / NO	Reference to scheme documentation
		<i>Although the references refer to certain specific legislation, it is not ensured that forest management shall comply with all legislation applicable to forest management issues, as listed in the PEFC Council requirement. Clause 3.9 does not ensure that forest management in general shall comply with legislation, as it only requires responsible behavior in the case of penalties and/or warnings.</i>
5.7.2 Forest management shall provide for adequate protection of the forest from unauthorised activities such as illegal logging, illegal land use, illegally initiated fires, and other illegal activities.	YES	MER 1001 Sustainable Forest Management Requirements “To ensure sound forestry operations the manager of forest... 3.5 Itself, or in co-operation with the forestry professional(s) keeps forest under regular inspection, and makes actions, when needed.”



Part IIIb: PEFC Standard and System Requirement Checklist for Sustainable Forest Management

1 Scope

Part III covers requirements for sustainable forest management as defined in PEFC ST 1003:2010, Sustainable Forest Management – Requirements.

3 Checklist for OWL

Question	YES / NO	Reference to scheme documentation
General requirements for SFM standards		
4.1 The requirements for sustainable forest management defined by regional, national or sub-national forest management standards shall		
a) include management and performance requirements that are applicable at the forest management unit level, or at another level as appropriate, to ensure that the intent of all requirements is achieved at the forest management unit level.	YES	<i>The requirements of the standard are applicable at the forest management level, and where appropriate distinctions are made among various forest management levels, such as group entities, individual forest entities and contractors.</i>
b) be clear, objective-based and auditable.	YES	<p><i>Requirements of the standard are often concise and clear and in many cases objective-based, having sometimes (very) specific requirements for specific operations. This gives the standard a strong focus on forest management practices. The standard is rather complementary to existing legislation. Some requirements leave quite some space to the auditor, and make the standard less auditable, for example:</i></p> <ul style="list-style-type: none"> <i>• Clause 0.3 of MER 1001: "Compliance to the standard shall always be evaluated with reasonable consideration to the size of forest area."</i>
c) apply to activities of all operators in the defined forest area who have a measurable impact on achieving compliance with the requirements.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>"To ensure sound forestry operations the manager of forest</p> <p>3.4 Is co-operating with / employing forestry professional(s), which includes directing and the supervision of forestry operations.</p>



Question	YES / NO	Reference to scheme documentation
		<p>To ensure responsible operation of the organization the manager of forest...</p> <p>3.16 Ensures that those carrying out forestry operations in its forest on its assignment / on its behalf / by its authority (including the contractors) is competent and complies with this standard (personal supervision, supervision of forestry professional, written instruction, contract, timber harvest plan, timber removal documentation etc.)”</p> <p><i>Requirements clearly indicate to whom they apply, and mostly refer to the manager of the forest.</i></p>
<p>d) require record-keeping that provides evidence of compliance with the requirements of the forest management standards.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“0.6 The assessment of compliance shall be based on documentation primarily, supplemented by field inspection and interview with relevant actors. Requirements, to which the compliance can be verified for the group organization as a whole, can be assessed by the information provided by the applicant or by other sources. Guidance on the recommended sources can be found in this document (see Chapter 12), which can be overruled by the certification body according to the circumstances.</p> <p>12.4 Manager of the other wooded land maintains monitoring and keeps records covering the following subject areas (in addition to what is required in other parts of the standard):</p> <p>Operations: stumping, soil preparation, planting, weed control, tending, pruning, harvest etc.”</p> <p><i>Several clauses (though not all) specifically require records to be kept. Although no specific reference is found requiring record-keeping to provide evidence of compliance, clause 0.6 and 12.4 implicitly results in record keeping to provide evidence.</i></p>
<p>Specific requirements for SFM standards</p>		
<p>Criterion 1: Maintenance and appropriate enhancement of forest resources and their contribution to the global carbon cycle</p>		
<p>5.1.1 Forest management planning shall aim to maintain or increase forests and other wooded areas and enhance the quality of the economic, ecological, cultural and social values of forest resources, including soil and water. This shall be done by making full use of related services and</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.1 Other wooded land is completed by 1 hectare of buffer zones per each 100 hectares of other wooded land at minimum. Buffer zones shall be PEFC certified, but not necessarily under the management of the other wooded land’s user.</p> <p>12.3 The content of the management plan:</p> <p>A) General description:</p>



Question	YES / NO	Reference to scheme documentation
tools that support land-use planning and nature conservation.		<ul style="list-style-type: none"> - Assessment of the social, environmental and economic impacts based on expert opinion at the stage of the establishment, or based on the relevant records and the results of monitoring in the previous rotation cycle - Protection and enhancement of social and environmental values that fall within its boundaries - Protection of infrastructure - Contribution to the protection from adverse impacts of wind and water - Natural and artificial damages to soil and water - Health and vitality of tree stand - Utilization of resources, the economic performance and employment, range of products and services - Negative impacts of introduced species, provenances or varieties on the ecosystem and on the genetic integrity of native species and local provenances <p>12.6 Applied management practices correspond to the planned operations, and their execution is in accordance with the special measures specified in the management plan. Tree stands, soil and waters are not damaged, canopy cover and growing stock does not fall below a critical level that would significantly limit the achievement of the management goals. “</p>
5.1.2 Forest management shall comprise the cycle of inventory and planning, implementation, monitoring and evaluation, and shall include an appropriate assessment of the social, environmental and economic impacts of forest management operations. This shall form a basis for a cycle of continuous improvement to minimise or avoid negative impacts.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.3 The content of the management plan:</p> <p>A) General description:</p> <ul style="list-style-type: none"> - Assessment of the social, environmental and economic impacts based on expert opinion at the stage of the establishment, or based on the relevant records and the results of monitoring in the previous rotation cycle - Protection and enhancement of social and environmental values that fall within its boundaries - Protection of infrastructure - Contribution to the protection from adverse impacts of wind and water - Natural and artificial damages to soil and water - Health and vitality of tree stand



Question	YES / NO	Reference to scheme documentation
		<ul style="list-style-type: none"> - Utilization of resources, the economic performance and employment, range of products and services - Negative impacts of introduced species, provenances or varieties on the ecosystem and on the genetic integrity of native species and local provenances <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively - Protection and enhancement of social and environmental values in the area - Protection of infrastructure - Contribution to the protection from adverse impacts of wind and water - Avoidance of natural and artificial damages to soil, water and trees - Maintenance of health and vitality of tree stand - Avoidance of degradation of forest ecosystems - Avoidance of negative impacts of introduced species, provenances or varieties <p>12.6 Applied management practices correspond to the planned operations, and their execution is in accordance with the special measures specified in the management plan. Tree stands, soil and waters are not damaged, canopy cover and growing stock does not fall below a critical level that would significantly limit the achievement of the management goals.”</p> <p><i>Although not specifically mentioned, the various clauses implicitly require forest managers to implement the cycle of inventory and planning, implementation, monitoring and evaluation.</i></p>
<p>5.1.3 Inventory and mapping of forest resources shall be established and maintained, adequate to local and national conditions and in correspondence with the topics described in this document.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>4.1 Keeps records on the planned forestations.</p> <p>12.3 The content of the management plan:</p> <ul style="list-style-type: none"> - Map indicating the other wooded land, buffer-zones, infrastructure, relevant areas and locations of social and environmental values.

Question	YES / NO	Reference to scheme documentation
		<p>B) Description of the OWL by land lots or sub-compartment level as appropriate</p> <ul style="list-style-type: none"> - Identification of the plot, description of the site, size, tree species, growth during the rotation period and cutting age <p>12.4 Manager of the other wooded land maintains monitoring and keeps records covering the following subject areas (in addition to what is required in other parts of the standard):</p> <p>Operations: stumping, soil preparation, planting, weed control, tending, pruning, harvest etc.”</p>
<p>5.1.4 Management plans or their equivalents, appropriate to the size and use of the forest area, shall be elaborated and periodically updated. They shall be based on legislation as well as existing land-use plans, and adequately cover the forest resources.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“0.3 Compliance to the standard shall always be evaluated with reasonable consideration to the size of forest area</p> <p>12.3 At the establishment of the other wooded land a management plan is elaborated, and it is updated after the rotation cycle or every 10 years, whichever is shorter. The management plan is signed by a forestry professional.</p> <p>The content of the management plan:</p> <ul style="list-style-type: none"> - Approval of the establishment by the relevant authority. The approval shall be based on an evaluation of the suitability of the applied tree species to site conditions, and the comparison with relevant land-use plans. In the absence of the approval of a legally authorized body conformity with legal regulations and relevant land-use plans shall be demonstrated.”
<p>5.1.5 Management plans or their equivalents shall include at least a description of the current condition of the forest management unit, long-term objectives; and the average annual allowable cut, including its justification and, where relevant, the annually allowable exploitation of non-timber forest products.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In case of recurring (multiple consecutive years) commercial utilization of non-wood forest products...</p> <p>7.4 Management plan with the objective of sustainable utilization is needed, if the population is declining, including the evaluation of the effects on nutrient off-take.</p> <p>12.3 The content of the management plan:</p> <p>A) General description:</p> <ul style="list-style-type: none"> - General long-term objectives of the establishment and maintenance of the other wooded-land - Description of the bioregion and identification of areas of social and environmental importance.



Question	YES / NO	Reference to scheme documentation
		<ul style="list-style-type: none"> - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. - Description of the type of land use before the establishment, including the date of conversion to other wooded land. Justification of conformity with MER 1001 12.2 - Description of infrastructure that falls within the boundaries of the other wooded land and maintained by the manager - Map indicating the other wooded land, buffer-zones, infrastructure, relevant areas and locations of social and environmental values. - Average annual allowable cut and its justification B) Description of the OWL by land lots or sub-compartment level as appropriate - Identification of the plot, description of the site, size, tree species, growth during the rotation period and cutting age - Site analysis and nutrient content analysis updated after every rotation cycle - Description of special functions such as nature conservation, recreation, protection of historical values or other social functions, if there are any”
<p>5.1.6 A summary of the forest management plan or its equivalent appropriate to the scope and scale of forest management, which contains information about the forest management measures to be applied, is publicly available. The summary may exclude confidential business and personal information and other information made confidential by national legislation or for the protection of cultural sites or sensitive natural resource features.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.5 Summary of the management plan shall be publicly available, which contains information about the management measures to be applied. It may exclude confidential business and personal information and other information made confidential by national legislation or for the protection of cultural sites or sensitive natural resource features.”</p>
<p>5.1.7 Monitoring of forest resources and evaluation of their management shall be</p>	<p>NO</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.3 The content of the management plan:</p>

Question	YES / NO	Reference to scheme documentation
<p>periodically performed, and results fed back into the planning process.</p>		<p>A) General description: Assessment of the social, environmental and economic impacts based on expert opinion at the stage of the establishment, or based on the relevant records and the results of monitoring in the previous rotation cycle</p> <ul style="list-style-type: none"> - Protection and enhancement of social and environmental values that fall within its boundaries - Protection of infrastructure - Contribution to the protection from adverse impacts of wind and water - Natural and artificial damages to soil and water - Health and vitality of tree stand - Utilization of resources, the economic performance and employment, range of products and services - Negative impacts of introduced species, provenances or varieties on the ecosystem and on the genetic integrity of native species and local provenances <p>12.4 Manager of the other wooded land maintains monitoring and keeps records covering the following subject areas (in addition to what is required in other parts of the standard): Operations: stumping, soil preparation, planting, weed control, tending, pruning, harvest etc.” <i>Although monitoring is done at the start of the OWL and after a rotation cycle, it is insufficiently ensured that monitoring of OWL resources and evaluation of its management is performed during the implementation of the management plan. It is therefore not ensured that the results will be fed back into the planning process during the implementation period.</i></p>
<p>5.1.8 Responsibilities for sustainable forest management shall be clearly defined and assigned.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure sound forestry operations the manager of forest</p> <p>3.3 Has legal authorization to use the land, which is (where applicable) based on a written agreement with the landowners.</p> <p>3.4 Is co-operating with / employing forestry professional(s), which includes directing and the supervision of forestry operations.</p> <p>To ensure responsible operation of the organization the manager of forest...</p>



Question	YES / NO	Reference to scheme documentation
		3.15 Applies within its management system a clear assignation of responsibilities of forestry professionals employed – with due considerations to its size.”
5.1.9 Forest management practices shall safeguard the quantity and quality of the forest resources in the medium and long term by balancing harvesting and growth rates, and by preferring techniques that minimise direct or indirect damage to forest, soil or water resources.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>4.1 Keeps records on the planned forestations.</p> <p>4.2 Ensures the regeneration of forests, and considers afforestation on lands suitable for tree growing.</p> <p>Operations of forestation...</p> <p>4.15 Do not affect neighbouring fields; those involving stumping, land preparation and soil cultivation do not reduce productivity of the site permanently, unless there are no other ways of forest regeneration with rational costs.</p> <p>Timber harvest...</p> <p>6.2 Is carried out at suitable state of the soil, and permanent degradation of soil cannot be observed.</p> <p>12.3 The content of the management plan:</p> <p>A) General description: Average annual allowable cut and its justification</p> <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively - Avoidance of natural and artificial damages to soil, water and trees - Maintenance of health and vitality of tree stand - Avoidance of degradation of forest ecosystems - Avoidance of negative impacts of introduced species, provenances or varieties”
5.1.10 Appropriate silvicultural measures shall be taken to maintain or reach a level of the growing	YES	MER 1001 Sustainable Forest Management Requirements



Question	YES / NO	Reference to scheme documentation
<p>stock that is economically, ecologically and socially desirable.</p>		<p>“The manager of forest... 5.2 Does not cause degradation of the naturalness of forest by unsound operations. Considering the degree of naturalness of forests, the silvicultural operations... 5.5 Maintain the forest stand suitable for the site, or the potential of development of such stand. Final harvest... 5.13 Is carried out at an age of the forest stand when timber can be sold, and financial loss for overmature timber does not occur, unless justified by nature conservation purposes or other reasons. 12.6 Applied management practices correspond to the planned operations, and their execution is in accordance with the special measures specified in the management plan. Tree stands, soil and waters are not damaged, canopy cover and growing stock does not fall below a critical level that would significantly limit the achievement of the management goals.”</p>
<p>5.1.11 Conversion of forests to other types of land use, including conversion of primary forests to forest plantations, shall not occur unless in justified circumstances where the conversion:</p> <ul style="list-style-type: none"> e) is in compliance with national and regional policy and legislation relevant for land use and forest management and is a result of national or regional land-use planning governed by a governmental or other official authority including consultation with materially and directly interested persons and organisations; and f) entails a small proportion of forest type; and g) does not have negative impacts on threatened (including vulnerable, rare or endangered) forest ecosystems, culturally and 	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.2 Other wooded land established after 31 December 2010 is not a result of a forest conversion. 12.3 The content of the management plan: A) General description: - Description of the type of land use before the establishment, including the date of conversion to other wooded land. Justification of conformity with MER 1001 12.2”</p>



Question	YES / NO	Reference to scheme documentation
<p>socially significant areas, important habitats of threatened species or other protected areas; and</p> <p>h) makes a contribution to long-term conservation, economic, and social benefits.</p>		
<p>5.1.12 Conversion of abandoned agricultural and treeless land into forest land shall be taken into consideration, whenever it can add economic, ecological, social and/or cultural value.</p>	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>4.2 Ensures the regeneration of forests, and considers afforestation on lands suitable for tree growing.”</p>
<p>Criterion 2: Maintenance of forest ecosystem health and vitality</p>		
<p>5.2.1 Forest management planning shall aim to maintain and increase the health and vitality of forest ecosystems and to rehabilitate degraded forest ecosystems, whenever this is possible by silvicultural means.</p>	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.1 Other wooded land is completed by 1 hectare of buffer zones per each 100 hectares of other wooded land at minimum. Buffer zones shall be PEFC certified, but not necessarily under the management of the other wooded land’s user.</p> <p>12.3 The content of the management plan:</p> <p>A) General description:</p> <ul style="list-style-type: none"> - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively - Maintenance of health and vitality of tree stand - Avoidance of degradation of forest ecosystems”
<p>5.2.2 Health and vitality of forests shall be periodically monitored, especially key biotic and abiotic factors that potentially affect health and</p>	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“8.1 Health and vitality of forests is periodically monitored, especially key biotic and abiotic factors that potentially affect health and vitality of forest ecosystems, such as pests, diseases,</p>

Question	YES / NO	Reference to scheme documentation
vitality of forest ecosystems, such as pests, diseases, overgrazing and overstocking, fire, and damage caused by climatic factors, air pollutants or by forest management operations.		overgrazing and overstocking, fire, and damage caused by climatic factors, air pollutants or by forest management operations. Both permanent and temporal effects shall be monitored.”
5.2.3 The monitoring and maintaining of health and vitality of forest ecosystems shall take into consideration the effects of naturally occurring fire, pests and other disturbances.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“8.1 Health and vitality of forests is periodically monitored, especially key biotic and abiotic factors that potentially affect health and vitality of forest ecosystems, such as pests, diseases, overgrazing and overstocking, fire, and damage caused by climatic factors, air pollutants or by forest management operations. Both permanent and temporal effects shall be monitored.</p> <p>For forest protection, the manager of forest...</p> <p>8.2 Keeps records on the primary function of forest, the degree of nature protection, the NATURA 2000 designation, and on forests of outstanding soil protection, water protection and fire hazard importance.”</p>
5.2.4 Forest management plans or their equivalents shall specify ways and means to minimise the risk of degradation of and damages to forest ecosystems. Forest management planning shall make use of those policy instruments set up to support these activities.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure responsible operation of the organization the manager of forest...</p> <p>3.9 Makes actions to correct unsound practice in case of penalty or warning in relation to forestry, nature conservation (including protected and endangered species), environmental protection, health, labour and safety issues, consumer protection, taxes and royalties.</p> <p>The manager of forest...</p> <p>5.2 Does not cause degradation of the naturalness of forest by unsound operations.</p> <p>12.3 The content of the management plan:</p> <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively - Avoidance of degradation of forest ecosystems”
5.2.5 Forest management practices shall make best use of natural structures and processes and	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p>



Question	YES / NO	Reference to scheme documentation
<p>use preventive biological measures wherever and as far as economically feasible to maintain and enhance the health and vitality of forests. Adequate genetic, species and structural diversity shall be encouraged and/or maintained to enhance the stability, vitality and resistance capacity of the forests to adverse environmental factors and strengthen natural regulation mechanisms.</p>		<p>5.2 Does not cause degradation of the naturalness of forest by unsound operations. Considering the degree of naturalness of forests, the silvicultural operations.... For forest protection the manager of forest...</p> <p>8.5 Prevents the accumulation of food-basis of bark beetle in forests sensitive to its damage. 8.6 Prevents the accumulation of fuel in forest of high fire hazard, and maintains fire gaps. For the protection of waters...</p> <p>8.11 The manager of forest preserves the natural character of water flows, ponds and waterlogged areas. The manager of forest within its forest area...</p> <p>9.1 Favours preventive silvicultural and biological measures.</p> <p>12.1 Other wooded land is completed by 1 hectare of buffer zones per each 100 hectares of other wooded land at minimum. Buffer zones shall be PEFC certified, but not necessarily under the management of the other wooded land's user.</p> <p>12.3 The content of the management plan: A) General description: - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. - Assessment of the social, environmental and economic impacts based on expert opinion at the stage of the establishment, or based on the relevant records and the results of monitoring in the previous rotation cycle (...) Negative impacts of introduced species, provenances or varieties on the ecosystem and on the genetic integrity of native species and local provenances"</p>
<p>5.2.6 Lighting of fires shall be avoided and is only permitted if it is necessary for the achievement of the management goals of the forest management unit.</p>	YES	<p>MER 1001 Sustainable Forest Management Requirements "For forest protection the manager of forest..."</p> <p>8.7 Applies technologies with lighting of fire only for outstanding interests, with proper attention to the protection of edaphon, and with due considerations to safety."</p>
<p>5.2.7 Appropriate forest management practices such as reforestation and afforestation with tree</p>	YES	<p>MER 1001 Sustainable Forest Management Requirements</p>



Question	YES / NO	Reference to scheme documentation
<p>species and provenances that are suited to the site conditions or the use of tending, harvesting and transport techniques that minimise tree and/or soil damages shall be applied. The spillage of oil during forest management operations or the indiscriminate disposal of waste on forest land shall be strictly avoided. Non-organic waste and litter shall be avoided, collected, stored in designated areas and removed in an environmentally-responsible manner.</p>		<p>“Forestation...</p> <p>4.6 Contains tree species that can potentially develop a forest of good health and vitality</p> <p>Timber harvest...</p> <p>6.2 Is carried out at suitable state of the soil, and permanent degradation of soil cannot be observed.</p> <p>6.3 On slopes steeper than 10° logging tracks are designated with special care to the risk of erosion.</p> <p>6.4 When it implies forest regeneration and in cases when terrain and other conditions relevant to possible erosion justify, saves a protective belt of forests within the close surroundings of streams, creeks, wells and open water surfaces of no less than 20m in width measured from the edge of the water. These protective belts are maintained at least for the period of forest regeneration.</p> <p>6.5 Damages in the crown and on the bark of the trunk occurs on less than 10% of the stems.</p> <p>For forest protection the manager of forest...</p> <p>8.8 Ensures that non-organic waste and litter is avoided, and waste is collected, stored in designated areas and removed in an environmentally-responsible manner.</p> <p>8.9 Ensures the avoidance of fuel and lubricant contamination, and make actions to proper disposal if there are any.</p> <p>12.3 The content of the management plan:</p> <p>A) General description:</p> <p>- Assessment of the social, environmental and economic impacts based on expert (...) Negative impacts of introduced species, provenances or varieties on the ecosystem and on the genetic integrity of native species and local provenances”</p>
<p>5.2.8 The use of pesticides shall be minimised and appropriate silvicultural alternatives and other biological measures preferred.</p>	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“9 Plant protection and fertilization</p> <p>The manager of forest within its forest area...</p> <p>9.1 Favours preventive silvicultural and biological measures.</p>



Question	YES / NO	Reference to scheme documentation
		9.4 Uses pesticides (...) with due considerations for the environment.”
5.2.9 The WHO Type 1A and 1B pesticides and other highly toxic pesticides shall be prohibited, except where no other viable alternative is available.	YES	MER 1001 Sustainable Forest Management Requirements “The manager of forest within its forest area... 9.5 Uses WHO Type 1A and 1B pesticides only if there are no other alternative is available.”
5.2.10 Pesticides, such as chlorinated hydrocarbons whose derivates remain biologically active and accumulate in the food chain beyond their intended use, and any pesticides banned by international agreement, shall be prohibited.	YES	MER 1001 Sustainable Forest Management Requirements “The manager of forest within its forest area... 9.6 Uses no pesticides banned by international agreements or containing chlorinated hydrocarbons.”
5.2.11 The use of pesticides shall follow the instructions given by the pesticide producer and be implemented with proper equipment and training.	YES	MER 1001 Sustainable Forest Management Requirements “The manager of forest within its forest area... 9.4 Uses pesticides with proper equipment and training, and according to the instructions given by the producer, with due considerations for the environment.”
5.2.12 Where fertilisers are used, they shall be applied in a controlled manner and with due consideration for the environment.	YES	MER 1001 Sustainable Forest Management Requirements “The manager of forest within its forest area... 9.3 Keep records on the usage of pesticides and fertilizers. 9.4 Uses pesticides with proper equipment and training, and according to the instructions given by the producer, with due considerations for the environment. 9.7 Uses fertilizers according to nutrient recycling plan with due considerations for the environment.”
Criterion 3: Maintenance and encouragement of productive functions of forests (wood and non-wood)		
5.3.1 Forest management planning shall aim to maintain the capability of forests to produce a range of wood and non-wood forest products and services on a sustainable basis.	YES	MER 1001 Sustainable Forest Management Requirements “12.3 The content of the management plan: A) General description:

Question	YES / NO	Reference to scheme documentation
		- Assessment of the social, environmental and economic impacts based on expert (...) Utilization of resources, the economic performance and employment, range of products and services ”
5.3.2 Forest management planning shall aim to achieve sound economic performance taking into account any available market studies and possibilities for new markets and economic activities in connection with all relevant goods and services of forests.	NO	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.3 The content of the management plan:</p> <p>A) General description:</p> <p>- Assessment of the social, environmental and economic impacts based on expert (...) Utilization of resources, the economic performance and employment, range of products and services.”</p> <p><i>The provided evidence insufficiently ensures that forest management planning shall take into account any available market studies and possibilities for new markets and economic activities.</i></p>
5.3.3 Forest management plans or their equivalents shall take into account the different uses or functions of the managed forest area. Forest management planning shall make use of those policy instruments set up to support the production of commercial and non-commercial forest goods and services.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.3 The content of the management plan:</p> <p>A) General description:</p> <p>- Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition.</p> <p>- Assessment of the social, environmental and economic impacts based on expert (...) Utilization of resources, the economic performance and employment, range of products and services.”</p>
5.3.4 Forest management practices shall maintain and improve the forest resources and encourage a diversified output of goods and services over the long term.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Forestation...</p> <p>4.6 Contains tree species that can potentially develop a forest of good health and vitality (e.g. relevant guidance are met).</p> <p>The manager of forest...</p> <p>5.2 Does not cause degradation of the naturalness of forest by unsound operations. Considering the degree of naturalness of forests, the silvicultural operations....</p> <p>5.5 Maintain the forest stand suitable for the site, or the potential of development of such stand. Final harvest...</p>



Question	YES / NO	Reference to scheme documentation
		<p>5.13 Is carried out at an age of the forest stand when timber can be sold, and financial loss for overmature timber does not occur, unless justified by nature conservation purposes or other reasons.</p> <p>12.3 The content of the management plan: A) General description: - Assessment of the social, environmental and economic impacts based on expert (...) Utilization of resources, the economic performance and employment, range of products and services. - Average annual allowable cut and its justification</p> <p>12.6 Applied management practices correspond to the planned operations, and their execution is in accordance with the special measures specified in the management plan. Tree stands, soil and waters are not damaged, canopy cover and growing stock does not fall below a critical level that would significantly limit the achievement of the management goals.”</p>
<p>5.3.5 Regeneration, tending and harvesting operations shall be carried out in time, and in a way that does not reduce the productive capacity of the site, for example by avoiding damage to retained stands and trees as well as to the forest soil, and by using appropriate systems.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements “Operations of forestation...”</p> <p>4.14 Do not result in the salinization of the soil, if irrigation is applied.</p> <p>4.15 Do not affect neighbouring fields; those involving stumping, land preparation and soil cultivation do not reduce productivity of the site permanently, unless there are no other ways of forest regeneration with rational costs.</p> <p>Final harvest...</p> <p>5.13 Is carried out at an age of the forest stand when timber can be sold, and financial loss for overmature timber does not occur, unless justified by nature conservation purposes or other reasons.</p> <p>Timber harvest...</p> <p>6.2 Is carried out at suitable state of the soil, and permanent degradation of soil cannot be observed.</p> <p>6.5 Damages in the crown and on the bark of the trunk occurs on less than 10% of the stems.</p>

Question	YES / NO	Reference to scheme documentation
		12.6 Applied management practices correspond to the planned operations, and their execution is in accordance with the special measures specified in the management plan. Tree stands, soil and waters are not damaged, canopy cover and growing stock does not fall below a critical level that would significantly limit the achievement of the management goals.”
5.3.6 Harvesting levels of both wood and non-wood forest products shall not exceed a rate that can be sustained in the long term, and optimum use shall be made of the harvested forest products, with due regard to nutrient off-take.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Timber harvest...</p> <p>6.6 Is aiming at the optimal use of forest products, but it does not entails the removal of twigs and branches, unless justified by economic, or forest health purposes, and with due considerations of the degree of naturalness of forests, as well as the occurrence of fertilization.</p> <p>In case of recurring (multiple consecutive years) commercial utilization of non-wood forest products...</p> <p>7.3 The populations of the non-wood forest products utilized are regularly monitored.</p> <p>7.4 Management plan with the objective of sustainable utilization is needed, if the population is declining, including the evaluation of the effects on nutrient off-take.</p> <p>12.3 The content of the management plan:</p> <p>A) General description:</p> <ul style="list-style-type: none"> - Assessment of the social, environmental and economic impacts based on expert opinion at the stage of the establishment, or based on the relevant records and the results of monitoring in the previous rotation cycle - Natural and artificial damages to soil and water - Average annual allowable cut and its justification <p>B) Description of the OWL by land lots or sub-compartment level as appropriate</p> <ul style="list-style-type: none"> - Site analysis and nutrient content analysis updated after every rotation cycle <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Use of fertilizers and chemicals - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively”



Question	YES / NO	Reference to scheme documentation
<p>5.3.7 Where it is the responsibility of the forest owner/manager and included in forest management, the exploitation of non-timber forest products, including hunting and fishing, shall be regulated, monitored and controlled.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In case of recurring (multiple consecutive years) commercial utilization of non-wood forest products...</p> <p>7.3 The populations of the non-wood forest products utilized are regularly monitored.</p> <p>7.4 Management plan with the objective of sustainable utilization is needed, if the population is declining (...).</p> <p>If and where the manager of forest practices the hunting rights on its forests...</p> <p>10.2 It bears wild game management plan.</p> <p>10.3 The wild game management plan is based on the regular estimation of the game population, it contains prescriptions for game harvest, approved by the relevant authority and is subject to follow-up evaluation.</p> <p>10.4 It makes actions to prevent the overpopulation of game and to minimize game damage in forests.”</p>
<p>5.3.8 Adequate infrastructure such as roads, skid tracks or bridges shall be planned, established and maintained to ensure efficient delivery of goods and services while minimising negative impacts on the environment.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Timber harvest...</p> <p>6.3 On slopes steeper than 10° logging tracks are designated with special care to the risk of erosion.</p> <p>Logging network maintained by the manager of forest...</p> <p>6.7 And constructed after 2000 with hard surface, was constructed according to a plan that duly incorporates considerations of the effects on environment.</p> <p>6.9 Is suitable for efficient and ‘low impact’ delivery of products and services.”</p> <p><i>According to HFC, the year 2000 (in clause 6.7) is chosen because that was well after the privatization and it was clear who would be responsible for maintenance of those roads.</i></p>
<p>Criterion 4: Maintenance, conservation and appropriate enhancement of biological diversity in forest ecosystems</p>		
<p>5.4.1 Forest management planning shall aim to maintain, conserve and enhance biodiversity on</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p>

Question	YES / NO	Reference to scheme documentation
<p>ecosystem, species and genetic levels and, where appropriate, diversity at landscape level.</p>		<p>“4.8 With introduced species does not pose threats to the degree of naturalness, or to the site conditions of other forests and non-forest vegetation of high biological value within its immediate environment (...).</p> <p>12.1 Other wooded land is completed by 1 hectare of buffer zones per each 100 hectares of other wooded land at minimum. Buffer zones shall be PEFC certified, but not necessarily under the management of the other wooded land’s user.</p> <p>12.3 The content of the management plan:</p> <p>A) General description:</p> <ul style="list-style-type: none"> - Description of the bioregion and identification of areas of social and environmental importance. - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. - Map indicating the other wooded land, buffer-zones, infrastructure, relevant areas and locations of social and environmental values. <p>B) Description of the OWL by land lots or sub-compartment level as appropriate</p> <ul style="list-style-type: none"> - Description of special functions such as nature conservation, recreation, protection of historical values or other social functions, if there are any <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively - Protection and enhancement of social and environmental values in the area”
<p>5.4.2 Forest management planning, inventory and mapping of forest resources shall identify, protect and/or conserve ecologically important forest areas containing significant concentrations of:</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.3 The content of the management plan:</p> <p>A) General description:</p> <ul style="list-style-type: none"> - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. Special attention shall be paid on the identification and protection of areas containing significant concentrations of:

Question	YES / NO	Reference to scheme documentation
<p>a) protected, rare, sensitive or representative forest ecosystems such as riparian areas and wetland biotopes;</p> <p>b) areas containing endemic species and habitats of threatened species, as defined in recognised reference lists;</p> <p>c) endangered or protected genetic in situ resources;</p> <p>and taking into account</p> <p>d) globally, regionally and nationally significant large landscape areas with natural distribution and abundance of naturally occurring species.</p>		<ul style="list-style-type: none"> - Protected, rare, sensitive or representative forest ecosystems such as riparian areas and wetland biotopes; - Areas containing endemic species and habitats of threatened species, as defined in recognised reference lists; - Endangered or protected genetic in situ resources; and taking into account - Globally, regionally and nationally significant large landscape areas with natural distribution and abundance of naturally occurring species. <p>B) Description of the OWL by land lots or sub-compartment level as appropriate</p> <ul style="list-style-type: none"> - Description of special functions such as nature conservation, recreation, protection of historical values or other social functions, if there are any <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively - Protection and enhancement of social and environmental values in the area <p>For forest protection, the manager of forest...</p> <p>8.4 Possesses records on the populations of strictly protected organisms, and uses nature protection management plans that specify measures to protect and – where relevant – to increase their population, if they are available.”</p>
<p>5.4.3 Protected and endangered plant and animal species shall not be exploited for commercial purposes. Where necessary, measures shall be taken for their protection and, where relevant, to increase their population.</p>	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>7.1 Exploits no protected plant and animal species for trade or consumption.</p> <p>For forest protection the manager of forest...</p> <p>8.4 Possesses records on the populations of strictly protected organisms, and uses nature protection management plans that specify measures to protect and – where relevant – to increase their population, if they are available.”</p>
<p>5.4.4 Forest management shall ensure successful regeneration through natural regeneration or,</p>	YES	<p>MER 1001 Sustainable Forest Management Requirements</p>

Question	YES / NO	Reference to scheme documentation
<p>where not appropriate, planting that is adequate to ensure the quantity and quality of the forest resources.</p>		<p>“The manager of forest... 4.2 Ensures the regeneration of forests (...). 4.3 Keeps records on the initial plantings. Forestation... 4.7 Is carried out using propagation material with certificate of origin.”</p>
<p>5.4.5 For reforestation and afforestation, origins of native species and local provenances that are well-adapted to site conditions shall be preferred, where appropriate. Only those introduced species, provenances or varieties shall be used whose impacts on the ecosystem and on the genetic integrity of native species and local provenances have been evaluated, and if negative impacts can be avoided or minimised.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Forestation... 4.6 Contains tree species that can potentially develop a forest of good health and vitality (e.g. relevant guidance are met). 4.7 Is carried out using propagation material with certificate of origin. 4.8 With introduced species does not pose threats to the degree of naturalness, or to the site conditions of other forests and non-forest vegetation of high biological value within its immediate environment, and does not infringe the interest of the community. Considering the degree of naturalness of forests, the silvicultural operations.... 5.11 Prevent the expansion of invasive tree species, and the control those already present to a reasonable extent. 12.3 The content of the management plan: A) General description: - Assessment of the social, environmental and economic impacts based on expert (...) Negative impacts of introduced species, provenances or varieties on the ecosystem and on the genetic integrity of native species and local provenances. - Approval of the establishment by the relevant authority. The approval shall be based on an evaluation of the suitability of the applied tree species to site conditions, B) Description of the OWL by land lots or sub-compartment level as appropriate - Identification of the plot, description of the site, size, tree species, growth during the rotation period and cutting age</p>

Question	YES / NO	Reference to scheme documentation
		<ul style="list-style-type: none"> - Site analysis C) Planning of operations and special measures - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively - Avoidance of negative impacts of introduced species, provenances or varieties”
<p>5.4.6 Afforestation and reforestation activities that contribute to the improvement and restoration of ecological connectivity shall be promoted.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Afforestation...</p> <p>4.12 Is carried out according to an afforestation plan with site survey.</p> <p>12.1 Other wooded land is completed by 1 hectare of buffer zones per each 100 hectares of other wooded land at minimum.</p> <p>12.3 The content of the management plan:</p> <p>A) General description</p> <ul style="list-style-type: none"> - Description of the bioregion and identification of areas of social and environmental importance. - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. <p>B) Description of the OWL by land lots or sub-compartment level as appropriate</p> <ul style="list-style-type: none"> - Description of special functions such as nature conservation, recreation, protection of historical values or other social functions, if there are any <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Protection and enhancement of social and environmental values in the area”
<p>5.4.7 Genetically-modified trees shall not be used.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Forestation...</p> <p>4.9 Does not contain genetically modified organizations (GMOs).”</p>
<p>5.4.8 Forest management practices shall, where appropriate, promote a diversity of both horizontal and vertical structures such as uneven-aged</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p>



Question	YES / NO	Reference to scheme documentation
stands and the diversity of species such as mixed stands. Where appropriate, the practices shall also aim to maintain and restore landscape diversity.		<p>5.2 Does not cause degradation of the naturalness of forest by unsound operations. Considering the degree of naturalness of forests, the silvicultural operations.... For the good of nearby residents the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.13 Exerts itself to maintain the landscapes around settlements.</p> <p>12.1 Other wooded land is completed by 1 hectare of buffer zones per each 100 hectares of other wooded land at minimum.</p> <p>12.3 The content of the management plan: A) General description - Description of the bioregion and identification of areas of social and environmental importance. - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. B) Description of the OWL by land lots or sub-compartment level as appropriate - Description of special functions such as nature conservation, recreation, protection of historical values or other social functions, if there are any C) Planning of operations and special measures - Protection and enhancement of social and environmental values in the area”</p>
5.4.9 Traditional management systems that have created valuable ecosystems, such as coppice, on appropriate sites shall be supported, when economically feasible.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“11.4 Exerts itself to recognize local knowledge, experiences and traditional management forms, to protect them, to keep their memory, or possibly use them.</p> <p>12.1 Other wooded land is completed by 1 hectare of buffer zones per each 100 hectares of other wooded land at minimum.</p> <p>12.3 The content of the management plan: A) General description - Description of the bioregion and identification of areas of social and environmental importance.</p>



Question	YES / NO	Reference to scheme documentation
		<ul style="list-style-type: none"> - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. B) Description of the OWL by land lots or sub-compartment level as appropriate - Description of special functions such as nature conservation, recreation, protection of historical values or other social functions, if there are any C) Planning of operations and special measures - Protection and enhancement of social and environmental values in the area”
<p>5.4.10 Tending and harvesting operations shall be conducted in a way that does not cause lasting damage to ecosystems. Wherever possible, practical measures shall be taken to improve or maintain biological diversity.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>5.2 Does not cause degradation of the naturalness of forest by unsound operations. Considering the degree of naturalness of forests, the silvicultural operations...</p> <p>6.5 Damages in the crown and on the bark of the trunk occurs on less than 10% of the stems.</p> <p>12.1 Other wooded land is completed by 1 hectare of buffer zones per each 100 hectares of other wooded land at minimum.</p> <p>12.3 The content of the management plan:</p> <p>A) General description</p> <ul style="list-style-type: none"> - Description of the bioregion and identification of areas of social and environmental importance. - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. <p>B) Description of the OWL by land lots or sub-compartment level as appropriate</p> <ul style="list-style-type: none"> - Description of special functions such as nature conservation, recreation, protection of historical values or other social functions, if there are any <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively - Protection and enhancement of social and environmental values in the area

Question	YES / NO	Reference to scheme documentation
		<ul style="list-style-type: none"> - Avoidance of natural and artificial damages to soil, water and trees - Maintenance of health and vitality of tree stand - Avoidance of degradation of forest ecosystems”
<p>5.4.11 Infrastructure shall be planned and constructed in a way that minimises damage to ecosystems, especially to rare, sensitive or representative ecosystems and genetic reserves, and that takes threatened or other key species – in particular their migration patterns – into consideration.</p>	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Logging network maintained by the manager of forest...</p> <p>6.7 And constructed after 2000 with hard surface, was constructed according to a plan that duly incorporates considerations of the effects on environment.</p> <p>6.8 When being developed, forest related nature conservation regulations, nature conservation management plans, NATURA 2000 management plans, inventories and databases of natural values, and the migration routes of animals with nature conservation importance are dully considered.”</p>
<p>5.4.12 With due regard to management objectives, measures shall be taken to balance the pressure of animal populations and grazing on forest regeneration and growth as well as on biodiversity.</p>	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“The manager of forest...</p> <p>7.2 Allows no grazing of animals for hobby or breeding, and does not collect the leaf-litter in connection to animal husbandry.</p> <p>10.1 The manager of forest within its forest area establishes indoor hunting facilities according to development plan that incorporates environmental considerations.</p> <p>If and where the manager of forest practices the hunting rights on its forests...</p> <p>10.4 It makes actions to prevent the overpopulation of game and to minimize game damage in forests.”</p>
<p>5.4.13 Standing and fallen dead wood, hollow trees, old groves and special rare tree species shall be left in quantities and distribution necessary to safeguard biological diversity, taking into account the potential effect on the health and stability of forests and on surrounding ecosystems.</p>	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.1 Other wooded land is completed by 1 hectare of buffer zones per each 100 hectares of other wooded land at minimum.</p> <p>12.3 The content of the management plan:</p> <p>A) General description</p> <ul style="list-style-type: none"> - Description of the bioregion and identification of areas of social and environmental importance.



Question	YES / NO	Reference to scheme documentation
		<ul style="list-style-type: none"> - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. B) Description of the OWL by land lots or sub-compartment level as appropriate - Description of special functions such as nature conservation, recreation, protection of historical values or other social functions, if there are any C) Planning of operations and special measures - Protection and enhancement of social and environmental values in the area ”
Criterion 5: Maintenance and appropriate enhancement of protective functions in forest management (notably soil and water)		
<p>5.5.1 Forest management planning shall aim to maintain and enhance protective functions of forests for society, such as protection of infrastructure, protection from soil erosion, protection of water resources and from adverse impacts of water such as floods or avalanches.</p>	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.3 The content of the management plan:</p> <p>A) General description</p> <ul style="list-style-type: none"> - Assessment of the social, environmental and economic impacts based on expert opinion at the stage of the establishment, or based on the relevant records and the results of monitoring in the previous rotation cycle - Protection and enhancement of social and environmental values that fall within its boundaries - Protection of infrastructure - Contribution to the protection from adverse impacts of wind and water - Natural and artificial damages to soil and water <p>B) Description of the OWL by land lots or sub-compartment level as appropriate</p> <ul style="list-style-type: none"> - Description of special functions such as nature conservation, recreation, protection of historical values or other social functions, if there are any <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively - Protection and enhancement of social and environmental values in the area - Protection of infrastructure

Question	YES / NO	Reference to scheme documentation
		<ul style="list-style-type: none"> - Contribution to the protection from adverse impacts of wind and water - Avoidance of natural and artificial damages to soil, water and trees”
<p>5.5.2 Areas that fulfil specific and recognised protective functions for society shall be registered and mapped, and forest management plans or their equivalents shall take these areas into account.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“12.3 The content of the management plan:</p> <p>A) General description</p> <ul style="list-style-type: none"> - Assessment of the social, environmental and economic impacts based on expert opinion at the stage of the establishment, or based on the relevant records and the results of monitoring in the previous rotation cycle - Protection of infrastructure - Contribution to the protection from adverse impacts of wind and water - Natural and artificial damages to soil and water - Description of infrastructure that falls within the boundaries of the other wooded land and maintained by the manager - Map indicating the other wooded land, buffer-zones, infrastructure, relevant areas and locations of social and environmental values. <p>C) Planning of operations and special measures</p> <ul style="list-style-type: none"> - Means to avoid or minimize negative social, environmental and economic impacts based on the assessments in part A) addressing especially, but not exclusively - Protection of infrastructure - Contribution to the protection from adverse impacts of wind and water - Avoidance of natural and artificial damages to soil, water and trees”
<p>5.5.3 Special care shall be given to silvicultural operations on sensitive soils and erosion-prone areas as well as in areas where operations might lead to excessive erosion of soil into watercourses. Inappropriate techniques such as deep soil tillage and use of unsuitable machinery</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Operations of forestation...</p> <p>4.14 Do not result in the salinization of the soil, if irrigation is applied.</p>



Question	YES / NO	Reference to scheme documentation
<p>shall be avoided in such areas. Special measures shall be taken to minimise the pressure of animal populations.</p>		<p>4.15 Do not affect neighbouring fields; those involving stumping, land preparation and soil cultivation do not reduce productivity of the site permanently, unless there are no other ways of forest regeneration with rational costs.</p> <p>For the protection of susceptible soils...</p> <p>8.14 The considerations of soil protection during forest operations are put in force in case of forests with primary soil protection function, or in forest with soils susceptible for erosion, or deflation, or wash-out by flooding, hence the timber harvest plan, or the instructions for the contractors contain the considerations of soil protection and the relevant provisions.</p> <p>8.15 The manager of forest makes necessary preventive actions to avoid erosion and deflation in its forests.</p> <p>10.1 The manager of forest within its forest area establishes indoor hunting facilities according to development plan that incorporates environmental considerations.”</p>
<p>5.5.4 Special care shall be given to forest management practices in forest areas with water protection functions to avoid adverse effects on the quality and quantity of water resources. Inappropriate use of chemicals or other harmful substances or inappropriate silvicultural practices influencing water quality in a harmful way shall be avoided.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Timber harvest...</p> <p>6.4 When it implies forest regeneration and in cases when terrain and other conditions relevant to possible erosion justify, saves a protective belt of forests within the close surroundings of streams, creeks, wells and open water surfaces of no less than 20m in width measured from the edge of the water. These protective belts are maintained at least for the period of forest regeneration.</p> <p>For forest protection, the manager of forest...</p> <p>8.2 Keeps records on the primary function of forest, (...) and on forests of outstanding soil protection, water protection (...) importance.</p> <p>For the protection of waters...</p> <p>8.11 The manager of forest preserves the natural character of water flows, ponds and waterlogged areas.</p> <p>8.12 Illuviation causing significant deterioration of water quality is not induced by forestry operations in the waters within and in the surroundings of forests.</p>

Question	YES / NO	Reference to scheme documentation
		<p>8.13 The considerations of water protection during forest operations are put in force in case of forests with primary water protection function, or in forest with natural waters in it, hence the timber harvest plan, or the instructions for the contractors contain the considerations of water protection and the relevant provisions.</p> <p>The manager of forest within its forest area...</p> <p>9.4 Uses pesticides with proper equipment and training, and according to the instructions given by the producer, with due considerations for the environment.</p> <p>9.7 Uses fertilizers according to nutrient recycling plan with due considerations for the environment.”</p>
<p>5.5.5 Construction of roads, bridges and other infrastructure shall be carried out in a manner that minimises bare soil exposure, avoids the introduction of soil into watercourses and preserves the natural level and function of water courses and river beds. Proper road drainage facilities shall be installed and maintained.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“Logging network maintained by the manager of forest...</p> <p>6.7 And constructed after 2000 with hard surface, was constructed according to a plan that duly incorporates considerations of the effects on environment.</p> <p>6.10 Is constructed in a manner that minimises bare soil exposure, avoids the introduction of soil into watercourses, and facilitated with properly maintained road drainage.”</p>
<p>Criterion 6: Maintenance of other socio-economic functions and conditions</p>		
<p>5.6.1 Forest management planning shall aim to respect the multiple functions of forests to society, give due regard to the role of forestry in rural development, and especially consider new opportunities for employment in connection with the socio-economic functions of forests.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“For responsible public relations the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.2 Maintains contact with local communities and civil organizations within its vicinity, and supports local initiatives in the field of sustainable and multifunctional forest management.</p> <p>For the accessibility of forests the manager of forest (...)...</p> <p>11.9 Makes efforts to provide the visitors in forests of primary recreational function with diverse forest landscape including open spaces and community areas, and informs them about the accessible areas.</p>

Question	YES / NO	Reference to scheme documentation
		<p>11.10 Does not limit the access on foot, unless it is justified by forestry related safety concerns or other respectable reasons.</p> <p>12.3 The content of the management plan:</p> <p>A) General description</p> <ul style="list-style-type: none"> - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. - Assessment of the social, environmental and economic impacts based on expert opinion at the stage of the establishment, or based on the relevant records and the results of monitoring in the previous rotation cycle - Protection and enhancement of social and environmental values that fall within its boundaries - Utilization of resources, the economic performance and employment, range of products and services”
<p>5.6.2 Forest management shall promote the long-term health and well-being of communities within or adjacent to the forest management area.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“For responsible public relations the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.1 Contributes to the education of children regarding the issues of forests and sustainable forest management.</p> <p>For the good of nearby residents the manager of forest (...)...</p> <p>11.12 Carries out major forestry operations defined in the law in a spatial and timely manner that does not reduce the usual level and quality of ecosystem services to the public.</p> <p>11.13 Exerts itself to maintain the landscapes around settlements.”</p>
<p>5.6.3 Property rights and land tenure arrangements shall be clearly defined, documented and established for the relevant forest area. Likewise, legal, customary and traditional rights related to the forest land shall be clarified, recognised and respected.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure sound forestry operations the manager of forest</p> <p>3.3 Has legal authorization to use the land, which is (where applicable) based on a written agreement with the landowners.</p> <p>For the protection of local values the manager of forest with due regards to its size and degree of naturalness of its forest...</p>



Question	YES / NO	Reference to scheme documentation
		<p>11.6 Keeps records on facilities with tourism, education and recreation purposes established and maintained (within and nearby its forests) by other organizations, makes contact with them and agrees on the relevant rights and liabilities.”</p> <p>Additional explanation provided by HFC</p> <p>“Legal rights, such as property rights, in Hungary are registered (Cadastral).”</p>
<p>5.6.4 Forest management activities shall be conducted in recognition of the established framework of legal, customary and traditional rights such as outlined in ILO 169 and the UN Declaration on the Rights of Indigenous Peoples, which shall not be infringed upon without the free, prior and informed consent of the holders of the rights, including the provision of compensation where applicable. Where the extent of rights is not yet resolved or is in dispute there are processes for just and fair resolution. In such cases forest managers shall, in the interim, provide meaningful opportunities for parties to be engaged in forest management decisions whilst respecting the processes and roles and responsibilities laid out in the policies and laws where the certification takes place.</p>	<p>N.A.</p>	<p><i>According to HFC and several stakeholders interviewed during the field assessment, there are no recognized indigenous people, such as outlined in ILO 169 and the UN Declaration on the Rights of Indigenous Peoples. This is supported by information from Minority Rights Group International (www.minorityrights.org). Therefore, the specific PEFC Council requirements to these issues are not applicable for the Hungarian Forest Certification Scheme.</i></p>
<p>5.6.5 Adequate public access to forests for the purpose of recreation shall be provided taking into account respect for ownership rights and the rights of others, the effects on forest resources and ecosystems, as well as compatibility with other functions of the forest.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“For the accessibility of forests the manager of forest with due regards to its size and degree of naturalness of its forest...”</p> <p>11.8 Ensures the safety of visitors in forest of primary recreational function.</p> <p>11.9 Makes efforts to provide the visitors in forests of primary recreational function with diverse forest landscape including open spaces and community areas, and informs them about the accessible areas.</p>



Question	YES / NO	Reference to scheme documentation
		11.10 Does not limit the access on foot, unless it is justified by forestry related safety concerns or other respectable reasons.”
5.6.6 Sites with recognised specific historical, cultural or spiritual significance and areas fundamental to meeting the basic needs of local communities (e.g. health, subsistence) shall be protected or managed in a way that takes due regard of the significance of the site.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“For the protection of local values the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.4 Exerts itself to recognize local knowledge, experiences and traditional management forms, to protect them, to keep their memory, or possibly use them.</p> <p>11.5 Possesses records on the places of cultural significance such as memorial places and trees, locations of traditional ceremonies, built heritage and archaeological sites, or is aware of them.</p> <p>11.7 Does not limit the access to places of cultural significance without respectable reasons.</p> <p>12.3 The content of the management plan:</p> <p>A) General description</p> <ul style="list-style-type: none"> - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. - Assessment of the social, environmental and economic impacts based on expert opinion at the stage of the establishment, or based on the relevant records and the results of monitoring in the previous rotation cycle - Protection and enhancement of social and environmental values that fall within its boundaries”
5.6.7 Forest management operations shall take into account all socio-economic functions, especially the recreational function and aesthetic values of forests by maintaining for example varied forest structures, and by encouraging attractive trees, groves and other features such as colours, flowers and fruits. This shall be done, however, in a way and to an extent that does not	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“For the accessibility of forests the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.9 Makes efforts to provide the visitors in forests of primary recreational function with diverse forest landscape including open spaces and community areas, and informs them about the accessible areas.</p> <p>11.10 Does not limit the access on foot, unless it is justified by forestry related safety concerns or other respectable reasons.</p>



Question	YES / NO	Reference to scheme documentation
<p>lead to serious negative effects on forest resources, and forest land.</p>		<p>For the good of nearby residents the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.12 Carries out major forestry operations defined in the law in a spatial and timely manner that does not reduce the usual level and quality of ecosystem services to the public.</p> <p>11.13 Exerts itself to maintain the landscapes around settlements.</p> <p>12.1 Other wooded land is completed by 1 hectare of buffer zones per each 100 hectares of other wooded land at minimum. Buffer zones shall be PEFC certified, but not necessarily under the management of the other wooded land's user.</p> <p>12.3 The content of the management plan:</p> <p>A) General description</p> <ul style="list-style-type: none"> - Evaluation of buffer-zones, how they can incorporate ecologically or socially important areas, and how they can fulfil their roles specified in the definition. - Assessment of the social, environmental and economic impacts based on expert opinion at the stage of the establishment, or based on the relevant records and the results of monitoring in the previous rotation cycle - Protection and enhancement of social and environmental values that fall within its boundaries"
<p>5.6.8 Forest managers, contractors, employees and forest owners shall be provided with sufficient information and encouraged to keep up-to-date through continuous training in relation to sustainable forest management as a precondition for all management planning and practices described in this standard.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>"In case of group forest certification the group entity...</p> <p>1.1 Provides information on changes of the relevant legal regulations on an annual basis.</p> <p>1.2 Inform the general public about the current activities of the group organization, and engages in dialogue with the people and civil organizations.</p> <p>1.3 Contributes to the training of its participants and their employees, possibly of their contractors, and provides them with information on training opportunities, and encourage them to participate in forest management related trainings and current events.</p> <p>1.4 Participates in research, or contributes to the dissemination of research findings.</p> <p>1.5 Informs the forest managers on the available forestry related subsidies (if there are any).</p> <p>The manager of forest, with due considerations to its size...</p>



Question	YES / NO	Reference to scheme documentation
		3.8 In case of individual forest certification, complies with requirements 1.2, 1.3, 1.4.”
5.6.9 Forest management practices shall make the best use of local forest-related experience and knowledge, such as those of local communities, forest owners, NGOs and local people.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“For the protection of local values the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.4 Exerts itself to recognize local knowledge, experiences and traditional management forms, to protect them, to keep their memory, or possibly use them.”</p>
5.6.10 Forest management shall provide for effective communication and consultation with local people and other stakeholders relating to sustainable forest management and shall provide appropriate mechanisms for resolving complaints and disputes relating to forest management between forest operators and local people.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In case of group forest certification the group entity...</p> <p>1.2 Inform the general public about the current activities of the group organization, and engages in dialogue with the people and civil organizations.</p> <p>For responsible public relations the manager of forest with due regards to its size and degree of naturalness of its forest...</p> <p>11.1 Contributes to the education of children regarding the issues of forests and sustainable forest management.</p> <p>11.2 Maintains contact with local communities and civil organizations within its vicinity, and supports local initiatives in the field of sustainable and multifunctional forest management.</p> <p>11.3 Administers complaints about forest management, provides the complainant with relevant information, and makes actions as appropriate.”</p>
5.6.11 Forestry work shall be planned, organised and performed in a manner that enables health and accident risks to be identified and all reasonable measures to be applied to protect workers from work-related risks. Workers shall be informed about the risks involved with their work and about preventive measures.	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure responsible operation of the organization the manager of forest...</p> <p>3.9 Makes actions to correct unsound practice in case of penalty or warning in relation to forestry, nature conservation (including protected and endangered species), environmental protection, health, labour and safety issues, consumer protection, taxes and royalties.</p> <p>3.12 Hires employees with appropriate education, who regularly pass health examination, and take part in safety training, where they are informed about health and safety risks, preventive measures and safe working practices.</p>

Question	YES / NO	Reference to scheme documentation
		<p>3.13 Provides for its employees safe working conditions, where health and safety risks can be identified, and all reasonable measures can be applied.</p> <p>3.16 Ensures that those carrying out forestry operations in its forest on it assignment / on its behalf / by its authority (including the contractors) is competent and complies with this standard (personal supervision, supervision of forestry professional, written instruction, contract, timber harvest plan, timber removal documentation etc.)”</p>
<p>5.6.12 Working conditions shall be safe, and guidance and training in safe working practices shall be provided to all those assigned to a task in forest operations.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure responsible operation of the organization the manager of forest...</p> <p>3.10 Bears the list of employees.</p> <p>3.12 Hires employees with appropriate education, who regularly pass health examination, and take part in safety training, where they are informed about health and safety risks, preventive measures and safe working practices.</p> <p>3.13 Provides for its employees safe working conditions, where health and safety risks can be identified, and all reasonable measures can be applied.</p> <p>3.16 Ensures that those carrying out forestry operations in its forest on it assignment / on its behalf / by its authority (including the contractors) is competent and complies with this standard (personal supervision, supervision of forestry professional, written instruction, contract, timber harvest plan, timber removal documentation etc.)”</p>
<p>5.6.13 Forest management shall comply with fundamental ILO conventions.</p>	<p>YES</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure responsible operation of the organization the manager of forest...</p> <p>3.14 Complies with ILO 29, 87, 98, 100, 105, 111, 138 and 182 conventions.”</p>
<p>5.6.14 Forest management shall be based inter-alia on the results of scientific research. Forest management shall contribute to research activities and data collection needed for sustainable forest management or support relevant research activities carried out by other organisations, as appropriate.</p>	<p>NO</p>	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“In case of group forest certification the group entity...</p> <p>1.4 Participates in research, or contributes to the dissemination of research findings.</p> <p>The manager of forest, with due considerations to its size...</p> <p>3.8 In case of individual forest certification, complies with requirements 1.2, 1.3, 1.4.”</p>



Question	YES / NO	Reference to scheme documentation
		<i>It is insufficiently ensured that management of OWL shall be based on the results of scientific research.</i>
Criterion 7: Compliance with legal requirements		
5.7.1 Forest management shall comply with legislation applicable to forest management issues including forest management practices; nature and environmental protection; protected and endangered species; property, tenure and land-use rights for indigenous people; health, labour and safety issues; and the payment of royalties and taxes.	NO	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure responsible operation of the organization the manager of forest...</p> <p>3.9 Makes actions to correct unsound practice in case of penalty or warning in relation to forestry, nature conservation (including protected and endangered species), environmental protection, health, labour and safety issues, consumer protection, taxes and royalties.</p> <p>3.16 Ensures that those carrying out forestry operations in its forest on its assignment / on its behalf / by its authority (including the contractors) is competent and complies with this standard (personal supervision, supervision of forestry professional, written instruction, contract, timber harvest plan, timber removal documentation etc.)</p> <p>3.17 Administers its contracts with contractors, consumers and suppliers.</p> <p>12.3 The content of the management plan:</p> <p>A) General description</p> <p>- Approval of the establishment by the relevant authority. The approval shall be based on an evaluation of the suitability of the applied tree species to site conditions, and the comparison with relevant land-use plans. In the absence of the approval of a legally authorized body conformity with legal regulations and relevant land-use plans shall be demonstrated.”</p> <p><i>Although the references refer to certain specific legislation, it is not ensured that forest management shall comply with all legislation applicable to forest management issues, as listed in the PEFC Council requirement. Clause 3.9 does not ensure that forest management in general shall comply with legislation, as it only requires responsible behavior in the case of penalties and/or warnings.</i></p>
5.7.2 Forest management shall provide for adequate protection of the forest from unauthorised activities such as illegal logging,	YES	<p>MER 1001 Sustainable Forest Management Requirements</p> <p>“To ensure sound forestry operations the manager of forest...</p>

Question	YES / NO	Reference to scheme documentation
illegal land use, illegally initiated fires, and other illegal activities.		3.5 Itself, or in co-operation with the forestry professional(s) keeps forest under regular inspection, and makes actions, when needed.”



Part IV: PEFC Standard and System Requirement Checklist for Certification And Accreditation Procedures

1 Scope

This document covers requirements for certification and accreditation procedures given in Annex 6 to the PEFC Council Technical Document (Certification and accreditation procedures).

2 Checklist

No.	Question	Reference to PEFCC PROCEDURES	YES / NO	Reference to scheme documentation
Certification Bodies				
1.	Does the scheme documentation require that certification shall be carried out by impartial, independent third parties that cannot be involved in the standard setting process as governing or decision making body, or in the forest management and are independent of the certified entity?	Annex 6, 3.1	YES	MER 1003 - 1 Certification body “1.1 Certification shall be carried out by impartial, independent third parties that a) cannot be involved in the standard setting process as governing or decision making body b) cannot be involved in forest management c) shall be independent of the certified entity”
2.	Does the scheme documentation require that certification body for forest management certification shall fulfil requirements defined in ISO 17021 or ISO Guide 65?	Annex 6, 3.1	YES	MER 1003 - 1 Certification body “1.2 Certification body shall fulfil the requirements defined in ISO 17021.”
3.	Does the scheme documentation require that certification bodies carrying out forest certification shall have the technical competence in forest management on its economic, social and environmental impacts,	Annex 6, 3.1	YES	MER 1003 - 1 Certification body “1.3 Certification body shall have the technical competence in and good understanding of a) forest management and its economic, social and environmental impacts b) forest certification criteria”



No.	Question	Reference to PEFC PROCEDURES	YES / NO	Reference to scheme documentation
	and on the forest certification criteria?			
4.	Does the scheme documentation require that certification bodies shall have a good understanding of the national PEFC system against which they carry out forest management certification?	Annex 6, 3.1	YES	MER 1003 - 1 Certification body “1.3 Certification body shall have the technical competence in and good understanding of c) HFC scheme d) PEFC scheme”
5.	Does the scheme documentation require that certification bodies have the responsibility to use competent auditors and who have adequate technical know-how on the certification process and issues related to forest management certification?	Annex 6, 3.2	YES	MER 1003 - 1 Certification body “1.4 Certification body shall use competent auditors who meet the requirements described in Chapter 2. MER 1003 - 2 Auditor team “2.1 Auditor team shall include member(s) who a) is competent in forest management (...) b) understands legal regulation of forest management, wild game management and nature protection in Hungary (...) c) has at least 5 years of experience in certification processes d) successfully completed a HFC recognized training course on Forest Management Certification” <i>Observation: competence in forest management and understanding of legal regulation of forest management, wild game management and nature protection in Hungary is difficult to assess due to the lack of specific requirements for the demonstration of this competence and understanding.</i>
6.	Does the scheme documentation require that the auditors must fulfil the general criteria of ISO 19011 for	Annex 6, 3.2	YES	MER 1003 - 2 Auditor team “2.2 The auditor team shall include auditors who fulfil general criteria for quality and environmental management systems auditors as defined in ISO 19 011”



No.	Question	Reference to PEFC PROCEDURES	YES / NO	Reference to scheme documentation
	Quality Management Systems auditors or for Environmental Management Systems auditors?			
7.	Does the scheme documentation include additional qualification requirements for auditors carrying out forest management audits? [*1]	Annex 6, 3.2	N.A.	<i>The HFC Scheme does not include additional qualification requirements.</i>
Certification procedures				
8.	Does the scheme documentation require that certification bodies shall have established internal procedures for forest management certification?	Annex 6, 4	YES	MER 1003 - 3 Certification process “3.1 Certification shall be based on the written procedures developed by the certification body.”
9.	Does the scheme documentation require that applied certification procedures for forest management certification shall fulfil or be compatible with the requirements defined in ISO 17021 or ISO Guide 65?	Annex 6, 4	YES	MER 1003 - 3 Certification process “3.2 Certification procedure shall comply with ISO 17021 (...).”
10.	Does the scheme documentation require that applied auditing procedures shall fulfil or be compatible with the requirements of ISO 19011?	Annex 6, 4	YES	MER 1003 - 3 Certification process “3.2 Certification procedure shall comply with (...) ISO 19 011.”
11.	Does the scheme documentation require that certification body shall inform the relevant PEFC National	Annex 6, 4	YES	MER 1003 - 3 Certification process “3.5 Certification body shall inform HFC about



No.	Question	Reference to PEFC PROCEDURES	YES / NO	Reference to scheme documentation
	Governing Body about all issued forest management certificates and changes concerning the validity and scope of these certificates?			a) all issued certification with a list of group participants b) any changes concerning validity and scope of certificates”
12.	Does the scheme documentation require that certification body shall carry out controls of PEFC logo usage if the certified entity is a PEFC logo user?	Annex 6, 4	YES	MER 1003 - 3 Certification process “3.3 Scope of certification shall cover c) PEFC ST 2001:2008 v1 Logo usage rules, if relevant.”
13.	Does a maximum period for surveillance audits defined by the scheme documentation not exceed more than one year?	Annex 6, 4	YES	MER 1003 - 4 Audit “4.3 Surveillance audit shall be conducted every year, within a maximum period of 12 months.”
14.	Does a maximum period for assessment audit not exceed five years for forest management certifications?	Annex 6, 4	YES	MER 1003 - 4 Audit “4.2 Assessment audit shall be carried out in every five years.”
15.	Does the scheme documentation include requirements for public availability of certification report summaries?	Annex 6, 4	YES	MER 1003 - 5 Audit report “5.2 Audit report shall contain b) summary to be made publically available by the auditee with due considerations to confidential information” <i>Observation: PEFC Council interprets “publically available” as being directly available (e.g. via a website) or on request. In the latter case however, this should be within a <u>defined</u> timescale. It is unclear if the HFC Scheme uses the same interpretation.</i>
16.	Does the scheme documentation include requirements for usage of	Annex 6, 4	YES	MER 1003 - 4 Audit



No.	Question	Reference to PEFC PROCEDURES	YES / NO	Reference to scheme documentation
	information from external parties as the audit evidence?			<p>“4.8 Audit evidence to determine the conformity with relevant standards shall include information from external parties as appropriate.”</p> <p><i>Observation: PEFC Council interprets “information from external parties” as: “include sufficient consultation with external stakeholders”. It is unclear if the HFC Scheme uses the same interpretation.</i></p>
17.	Does the scheme documentation include additional requirements for certification procedures? [*1]	Annex 6, 4	YES	<p><i>The following requirements are additional and relate to the auditing of group certification, to methods of auditing and determining non-conformities:</i></p> <p>MER 1003 4 Audit</p> <p>“4.4 Audits shall be based on evaluating</p> <ul style="list-style-type: none"> a) sample of group participants with less than 5.000 hectares of certified area b) sample of group participants with 5.000 hectares or more certified area c) group participants with non-conformities. <p>4.5 Sample of participants mentioned in 4.4 a) and b) shall be</p> <ul style="list-style-type: none"> a) drawn randomly b) cover at least 10% of the total certified area respectively, except in case of assessment audit of 4.4 b) when at least 30% is applied. <p>4.6 Group participants shall belong to the category identified by 4.4 c)</p> <ul style="list-style-type: none"> a) if either internal monitoring, assessment audits or surveillance audits find non-conformities b) as long as non-conformity is corrected c) shall be excluded from 4.4 a) or b) <p>4.9 Methods of auditing the compliance with specific requirement is determined by the certification body with due considerations to:</p> <ul style="list-style-type: none"> a) recommendations of relevant HFC documents if there are any b) level of scrutiny demonstrated by the applicant in the review of conformity



No.	Question	Reference to PEFC PROCEDURES	YES / NO	Reference to scheme documentation
				<p>c) degree of compliance with the specific requirements in the previous audits</p> <p>4.10 Audits shall determine minor non-conformity with a specific requirement by the group entity or by a group participant if</p> <p>a) the requirement is not met for a short period of time, or non-systematically, or the reasons are beyond control of the respective organization,</p> <p>b) the responsible organization was in any way prevented to make corrective actions in a timely manner</p> <p>c) full conformity can be reached by corrective actions within a reasonable period of time</p> <p>d) effects of non-conformity are reversible, and the impact is on an insignificant area, if relevant</p> <p>4.11 Audits shall determine major non-conformity with a specific requirement by the group entity or by a group participant if</p> <p>a) the requirement is not met on purpose, and was motivated by or resulted in unfair benefits for the respective organization</p> <p>b) the responsible organization had knowledge of the non-conformity, but omitted to make corrective actions in a timely manner</p> <p>c) the action behind the non-conformity is clearly violating the principle of sustainability</p> <p>d) effects of non-conformity are irreversible, and the impact is on a significant area, if relevant”</p>
Accreditation procedures				
18.	Does the scheme documentation require that certification bodies carrying out forest management	Annex 6, 5	YES	<p>MER 1003 - 3 Certification process</p> <p>“3.6 Compliance of the certification body’s procedures with the requirements shall be verified by accreditation in accordance with the requirements of MER 05 Registration and notification procedures.”</p>



No.	Question	Reference to PEFC PROCEDURES	YES / NO	Reference to scheme documentation
	certification shall be accredited by a national accreditation body?			MER 05 - 2 Conditions for notification of certification bodies by HFC “2.2 The certification body applying for notification for Forest Management certification under HFC shall have valid accreditation, issued by an accreditation body that is signatory of the Multilateral Recognition Arrangement (MLA) for Quality Management Systems certification of the International Accreditation Forum (IAF)”
19.	Does the scheme documentation require that an accredited certificate shall bear an accreditation symbol of the relevant accreditation body?	Annex 6, 5	YES	MER 1003 - 6 Certificate “6.1 The issued certificate shall b) bear an accreditation symbol of the relevant accreditation body”
20.	Does the scheme documentation require that the accreditation shall be issued by an accreditation body which is a part of the International Accreditation Forum (IAF) umbrella or a member of IAF’s special recognition regional groups and which implement procedures described in ISO 17011 and other documents recognised by the above mentioned organisations?	Annex 6, 5	YES	MER 05 - 2 Conditions for notification of certification bodies by HFC “2.2 The certification body applying for notification for Forest Management certification under HFC shall have valid accreditation, issued by an accreditation body that is signatory of the Multilateral Recognition Arrangement (MLA) for Quality Management Systems certification of the International Accreditation Forum (IAF), and which implement procedures described in ISO 17011 and other documents recognised by the above mentioned organisations..”
21.	Does the scheme documentation require that certification body undertake forest management certification as “accredited certification” based on ISO 17021 or ISO Guide 65 and the relevant forest	Annex 6, 5	YES	MER 05 - 2 Conditions for notification of certification bodies by HFC “2.2 The certification body applying for notification for Forest Management certification under HFC shall have valid accreditation (...). The accreditation shall be issued against ISO/IEC 17021:2011, and the scope of the accreditation shall explicitly include MER 1001 Sustainable Forest Management Requirements of the Hungarian Forest Certification.”



No.	Question	Reference to PEFC PROCEDURES	YES / NO	Reference to scheme documentation
	management standard(s) shall be covered by the accreditation scope?			
22.	Does the scheme documentation include a mechanism for PEFC notification of certification bodies?	Annex 6, 6	YES	<p>MER 1003 - 3 Certification process</p> <p>“3.6 Compliance of the certification body’s procedures with the requirements shall be verified by accreditation in accordance with the requirements of MER 05 Registration and notification procedures.”</p> <p>MER 05 Scheme Administration Procedures</p> <p>“2 Conditions for notification of certification bodies by HFC”</p> <p><i>Chapter 2 of MER 05 further elaborates the requirements for PEFC notification of certification bodies.</i></p>
23.	Are the procedures for PEFC notification of certification bodies non-discriminatory?	Annex 6, 6	YES	<p>MER 05 - 2 Conditions for notification of certification bodies by HFC</p> <p>MER 05 - 3 Obligations of the notified certification bodies</p> <p>MER 05 - 4 Calculation of notification fees</p> <p>MER 05 - 5 Validity of the notification</p> <p>MER 05 - 6 Process of the notification of certification bodies</p> <p><i>No references were found containing discriminatory measures.</i></p>



Part V: Standard and System Requirement Checklist for System Specific Chain of Custody Standards

1 Scope

Part V is used for the assessment of scheme specific chain of custody standards against PEFC ST 2002:2013 (Chain of Custody of Forest Based Products - Requirements).

2 Checklist

Not applicable. According to MER 00 Introduction to the Hungarian Forest Certification clause 3.7, “Hungarian Forest Certification adopts the following PEFC documents as part of its scheme: a) PEFC ST 2002:2013”. The HFC Scheme does therefore comply with PEFC Council requirements, no further assessment was carried out.



Annex 2 Results of Stakeholder Survey

The paragraphs below present the summarized results of the stakeholder survey conducted by the Assessor.

General

In total 11 stakeholders responded to the request to fill-out the questionnaire, some of them represented more than 1 stakeholder category:

- 7 State owned forest management operators
- 3 Private forest management operator
- 2 Public administration
- 0 Education and research institutes
- 2 Timber industry & Trading
- 1 NGO's / Civil Society

Participation in the process

Only 1 respondent also participated in the standard setting Working Group. Almost all respondents received information on the standard setting process by personal letter or E-mail. 5 respondents took part in Workshop meetings, in 2012, which were organized to raise awareness, inform the sector about the whole certification idea and gather opinions before the official start of the standard setting. Respondents were of the opinion that HFC provided them with relevant information to participate in the standard setting process, but had their reasons not to be actively involved.

Balanced representation of the Working Group

According to the respondents of the survey, the Working Group had a balanced representation. No underrepresented stakeholder groups were mentioned.

Complaints

None of the respondents was aware of any substantive or procedural complaint related to the standard-setting process.

Working Group

The respondent that had been part of the Working Group positively answered to the questions whether:

- Records (or minutes) have been kept from meetings of the Working Group;
- They received invitations for meetings and documents in a timely manner, although the respondent added that this was 'mostly' the case;
- All working draft documents have been available to all stakeholders involved in the Working Group activities;
- They have been provided with meaningful opportunities to contribute to the development of the standard and submit comments to the working drafts;
- Comments and views submitted have been considered in an open and transparent way;



- The public consultation of the scheme documentation lasted for at least 60 days;
- All comments received during the public consultation have been considered in an objective manner by the Working Group;
- The members of the Working Group had sufficient expertise to contribute.

Aspects for further consideration

None of the respondents brought up aspects for further consideration. Two respondents used the survey to communicate technical comments on the standard, which have been forwarded to the standardizing body.

Consequences to the overall assessment decision

All the above findings are further taken into account in the assessment of the respective topics / requirements. The main concern resulting from the stakeholder survey was the low level of involvement from stakeholders in the standard setting process.

Stakeholders that were invited for the survey

Stakeholder	Sector
Amnesty International Magyarország	Civil Sector
E-misszió Természet- és Környezetvédelmi Egyesület	Civil Sector
Greenpeace Magyarország Egyesület	Civil Sector
HUMUSZ Szövetség	Civil Sector
Kerekerdő Alapítvány	Civil Sector
KÖRNYEZET- ÉS TERMÉSZETVÉDELMI OKTATÓKÖZPONTOK ORSZÁGOS SZÖVETSÉGE	Civil Sector
KÖVET Egyesület a Fenntartható Gazdálkodásért	Civil Sector
Levegő Munkacsoport	Civil Sector
Magyar Nők Szövetsége	Civil Sector
Magyar Természetvédők Szövetsége	Civil Sector
Nagycsaládosok Országos Egyesülete	Civil Sector
Társaság a Szabadságjogokért	Civil Sector
Tudatos Vásárlók Egyesülete	Civil Sector
WWF Világ Természeti Alap Magyarország Alapítvány	Civil Sector
Bakonyi Erőmű Zrt.	Forest Based Industries
CHEP Magyarország Kft. Rubin Business Center	Forest Based Industries
Color Pack Nyomdaipari és Csomagolóanyag Gyártó Zrt.	Forest Based Industries
Delta Építő- és Szakipari Szerelő Kft.	Forest Based Industries
Derula Gyártó és Kereskedelmi Kft.	Forest Based Industries
DUNAKER Kft.	Forest Based Industries
ERDÉRT-TUZSÉR Zrt.	Forest Based Industries
FAGOSZ Fagazdasági Országos Szakmai Szövetség	Forest Based Industries
Falco Zrt.	Forest Based Industries
Hobler Kft.	Forest Based Industries
HUNGAROPRO Termelési és Kereskedelmi Kft.	Forest Based Industries
Jaf Holz Ungarn Kft.	Forest Based Industries



Stakeholder	Sector
KRONOSPAN-MOFA Hungary Farostlemezgyártó Kft.	Forest Based Industries
LIGNUM EURÓPA KFT.	Forest Based Industries
Onix Csomagolóstechnikai Zrt.	Forest Based Industries
Országos Asztalos- és Faipari Szövetség	Forest Based Industries
Papyrus Hungária Zrt.	Forest Based Industries
Révai Nyomda Kft.	Forest Based Industries
RoofLITE Hungary Kft.	Forest Based Industries
Sz.Variáns Kft.	Forest Based Industries
ZRÍNYI NYOMDA ZRT.	Forest Based Industries
ERDŐSZÖV Első Magyar Magánerdőgazdasági Zrt.	Private Forestry
Magán Erdőtulajdonosok és Gazdálkodók Országos Szövetsége	Private Forestry
Magánerdő Tulajdonosok és Erdőgazdálkodók Veszprém Megyei Egyesülete	Private Forestry
Magyar Erdőgazda Szövetség	Private Forestry
MERD Magánerdőkért Egyesület	Private Forestry
METE - Magánerdő Tulajdonosok Egyesülete	Private Forestry
Mocz és Társa Kft.	Private Forestry
Tudásfák Szolgáltató Kft.	Private Forestry
Faipari Tudományos Alapítvány	Research and Education
Nemzeti Agrárszaktanácsadási, Képzési és Vidékfejlesztési Intézet	Research and Education
"NYME EMK	
Erdővagyon-gazdálkodási és Vidékfejlesztési Intézet"	Research and Education
"Nyugat-magyarországi Egyetem	
Erdőmérnöki Kar"	Research and Education
"Nyugat-magyarországi Egyetem	
Simonyi Károly Műszaki, Faanyagtudományi és Művészeti Kar"	Research and Education
"Somogyi TISZK Közép- és Szakiskola	
Dráva Völgye Tagintézménye"	Research and Education
FM Állami Erdőgazdálkodási Osztály	State Administration
FM Erdészeti és Vadgazdálkodási Főosztály	State Administration
Nébih Erdészeti Igazgatóság	State Administration
Nemzeti Földalapkezelő Szervezet	State Administration
Országos Környezetvédelmi és Természetvédelmi Főfelügyelőség	State Administration
Aggteleki Nemzeti Park Igazgatóság	State Forestry
Bakonyerdő Erdészeti és Faipari Zrt.	State Forestry
Balaton-felvidéki Nemzeti Park Igazgatóság	State Forestry
Budapesti Erdőgazdaság Zrt.	State Forestry
Bükki Nemzeti Park Igazgatóság	State Forestry
DALERD Délalföldi Erdészeti Zrt.	State Forestry
Duna-Dráva Nemzeti Park Igazgatóság	State Forestry
Duna-Ipoly Nemzeti Park Igazgatóság	State Forestry
EGERERDŐ Erdészeti Zrt.	State Forestry
ÉSZAKERDŐ Erdőgazdasági Zrt.	State Forestry



Stakeholder	Sector
Fertő-Hanság Nemzeti Park Igazgatóság	State Forestry
Gemenci Erdő- és Vadgazdaság Zrt.	State Forestry
Gyulaj Erdészeti és Vadászati Zrt.	State Forestry
Hortobágyi Nemzeti Park Igazgatóság	State Forestry
Ipoly Erdő Zrt.	State Forestry
Kaszó Erdőgazdaság Zrt.	State Forestry
Kisalföldi Erdőgazdaság Zrt.	State Forestry
Kiskunsági Erdészeti és Faipari Zrt.	State Forestry
Kiskunsági Nemzeti Park Igazgatóság	State Forestry
Körös-Maros Nemzeti Park Igazgatóság	State Forestry
Mecsekerdő Zrt.	State Forestry
Nagykunsági Erdészeti Zrt.	State Forestry
NYÍRERDŐ Zrt.	State Forestry
Őrségi Nemzeti Park Igazgatóság	State Forestry
Országos Erdészeti Egyesület (OEE)	State Forestry
Pilisi Parkerdő Zrt.	State Forestry
SEFAG Erdészeti és Faipari Zrt.	State Forestry
Szombathelyi Erdészeti Zrt.	State Forestry
Tanulmányi Erdőgazdaság Rt.	State Forestry
VADEX Mezőföldi Zrt.	State Forestry
VERGA Veszprémi Erdőgazdaság Zrt.	State Forestry
Vértesi Erdő Zrt.	State Forestry
ZALAERDŐ Zrt.	State Forestry



Questionnaire for the Standard Setting Process of the Hungarian Forest Certification Scheme

Question to stakeholder	Answer
1. What stakeholder category do you represent?	<input type="checkbox"/> State-owned forest management operators <input type="checkbox"/> Private forest management operators <input type="checkbox"/> Public administration <input type="checkbox"/> Education and research institutes <input type="checkbox"/> Timber industry & trading sector <input type="checkbox"/> Environmental protection civil organizations and civil society organizations <input type="checkbox"/> Other; please specify:
2. Did you actively participate in the standard setting process ? If no, why not?	<input type="checkbox"/> Yes, I took part in one of the workshops: <ul style="list-style-type: none"> <input type="checkbox"/> 31 August 2012 in Szentgál <input type="checkbox"/> 28 September 2012 General Assembly of MEGOSz in Napkor <input type="checkbox"/> 15 October 2012 in Kecskemét <input type="checkbox"/> 24 October 2012 in Somogyszob <input type="checkbox"/> Yes, I was a member of the Standard Setting Committee <input type="checkbox"/> Yes, I was a member of the (standard setting) Working Group <input type="checkbox"/> Yes, by providing comments during the Public consultation on the draft scheme (May – July 2015) <input type="checkbox"/> Yes, by playing a role in the Pilot Testing of the standard (November 2015) <input type="checkbox"/> No, I did not participate in the standard setting process, because:
3. a) How did you find out about the standard setting process? b) When were you invited to participate in the standard setting process of the Hungarian Forest Certification Scheme?	<input type="checkbox"/> Newspaper or magazine <input type="checkbox"/> Website of <input type="checkbox"/> Personal letter of Email <input type="checkbox"/> Other: Please indicate day, month and year: / /
4. What was your main concern and your interest to participate in the standard setting process	Concern: Interest:



Question to stakeholder	Answer
5. Did the organizers provide you with relevant material to participate in the standard setting?	<input type="checkbox"/> Yes, because: <input type="checkbox"/> No, because: <input type="checkbox"/> I don't know
6. In your opinion, have all stakeholders that are relevant to the standard setting process been proactively identified and invited , including disadvantaged stakeholders ?	<input type="checkbox"/> Yes <input type="checkbox"/> No, other interest groups that should have been involved: <input type="checkbox"/> I don't know
7. a) Did the Stakeholder representatives in the Working Group represent the range of interests in forest management in your country? b) Did the Working Group, to your opinion, have a balanced representation of various stakeholder categories?	<input type="checkbox"/> Yes <input type="checkbox"/> No, other interest groups that should have been involved: <input type="checkbox"/> I don't know <input type="checkbox"/> Yes <input type="checkbox"/> No, underrepresented stakeholder categories: <input type="checkbox"/> I don't know
8. a) Are you aware of any substantive and procedural complaints relating to the standardising activities brought forward by you or other stakeholders?	<input type="checkbox"/> Yes, there was a complaint about <input type="checkbox"/> No <input type="checkbox"/> I don't know
b) In case of any complaints, have these complaints been validated and objectively evaluated ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> I don't know

Questions 9 – 17 are for Working Group members only.

If you did participate in the Working Group, please continue with question 9.

If you did NOT participate in the Working Group, please continue with question 18.

Question to stakeholder	Answer
9. Did all stakeholders in the Working Group have expertise relevant to the subject matter of the standard?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> I don't know



Question to stakeholder	Answer
<p>10. a) Have records (or minutes) been kept of the standard-setting process?</p> <p>b) How did you receive invitations for the Working Group meetings and documents?</p> <p>c) Did you receive invitations and documents for meetings in a timely manner?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> I don't know</p> <p><input type="checkbox"/> By mail</p> <p><input type="checkbox"/> By Email</p> <p><input type="checkbox"/> By other means:</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> I don't know</p>
<p>11. Have all working draft documents (draft versions of the standard) been available to all members of the Working Group?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> I don't know</p>
<p>12. Have you been provided with meaningful opportunities to contribute to the development of the standard and submit comments to the working drafts?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> I don't know</p>
<p>13. Have comments and views submitted by any member of the Working Group been considered in an open and transparent way?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> I don't know</p>
<p>14. Has the Public Consultation of the scheme documentation lasted for at least 60 days?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> I don't know</p>
<p>15. Have all comments received during the public consultation been considered in an objective manner by the Working Group?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> I don't know</p>
<p>16. Was pilot testing of the new standards carried out?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> I don't know</p>
<p>▶ If yes, have the results of the pilot testing been considered by the Working Group?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> I don't know</p>
<p>17. Was the decision of the Working Group to recommend the final draft for formal approval taken on the basis of consensus?</p> <p>▶ In case no consensus was reached on certain issues, how was the issue resolved?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No, the issue was resolved in the following way:</p> <p><input type="checkbox"/> I don't know</p>



To be answered by all stakeholders:

18. Do you believe any aspects of the Hungarian Forest Certification Scheme deserve further consideration as part of this conformity assessment?	<input type="checkbox"/> Yes (please specify) <input type="checkbox"/> No <input type="checkbox"/> I don't know
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Please return the answers latest by 3rd of November 2016.

You can direct your response by e-mail to:

c.naaijen@forminternational.nl

Thank you for your time and cooperation



Annex 3 Results of International Consultation

No responses are received during the international consultation.



Annex 4 Report of the Field Visit

From 14 to 18 November 2016, Ms. Christine Naaijen (Assessor of Form international) visited Hungary for the field assessment. The schedule of the visit is presented in the table below.

Schedule of the field visit

Date	Place	Activity
monday	Sopron	Arrival in Hungary
14 of November	Sopron – HFC office (Forest research institute)	<p>Presentations and discussions with HFC</p> <p>13.00 – 17.30</p> <p>Presentations by HFC:</p> <ul style="list-style-type: none"> - background on the HFC - backgrounds on standard setting process <p>Presentations by Form international:</p> <ul style="list-style-type: none"> - About Form international - Goals of field assessment; need for additional evidence - the conformity assessment process main findings;
Tuesday 15 of November	Sopron – University and State Forest Company TAEG	<p>Stakeholders consultation</p> <p>9.30 – 11 am</p> <p>State Forest Company TAEG; Sopron</p>
		<p>11-12 am</p> <p>University Sopron</p> <ul style="list-style-type: none"> - auditors pilot testing
		<p>1 – 3 pm</p> <p>University Sopron</p> <ul style="list-style-type: none"> - stakeholders research + nature conservation; - HFC Council members
		<p>3 – 6 pm Discussions with HFC</p> <p>standard-setting procedures and process</p>
Wednesday 16 of November	Sopron – HFC office	<p>Discussions with HFC:</p> <ul style="list-style-type: none"> - non-conformities of the group management standard - non-conformities of the SFM standard
		<p>Stakeholders consultation</p> <p>1.30-2.30 pm</p> <p>Nature Conservation – Round Forest Foundation</p>
		<p>2.30- 5.30 pm Discussions with HFC:</p> <ul style="list-style-type: none"> - collect additional evidence and translations
Thursday 17 th of November	Budapest - Forest Information Centre Academy of Science	<p>Stakeholders consultation</p> <p>10-11 am</p> <p>Private Forest Owners (MEGOSZ – national association)</p>
		<p>11 am - 2 pm</p> <ul style="list-style-type: none"> • Private Forest Association MERD – regional association) • Wood industry FAGOSZ • State Administration / Ministry • Hungarian Association of Nature Conservation • State Forest Company SEGAF
		<p>2.30 – 3.30</p>



Date	Place	Activity
	Budapest / Sopron	4 – 7.30 pm Wrap-up meeting with HFC Presenting the main findings of the (field) assessment and the next steps
Friday 18 th of November		Departure to The Netherlands

Attendees to the respective meetings / interviews

Monday 14th of November 2016			
	Name	Organization	Representing
1	Endre Schiberna	HFC (PEFC Hungary) Former head of Dept. of Forestry of the University of West Hungary ERTI – Forest Research Institute; dept. of economy	Hungarian standard setting body
2	Christine Naaijen	Form international	Assessor

Tuesday 15th of November 2016			
	Name	Organization	Representing
1	László Jáger	University of West Hungary Current head of Dept. of Forest Resources Management (Sopron)	Research & Education Pilot testing + translator
2	József Kiss	Vice head of Dept. of State Company TAEG (Sopron)	State Forest management operator
3	Béla Lett	University of West Hungary Former Head of Dept. of Forest Resources Management	Research & Education
4	György Marosi	Auditor	Pilot testing
5	János Gal	University of West Hungary Dept. of Forest Resources Management	Research & Education + translator
6	Christine Naaijen	Form international	Assessor

Wednesday 16th of November 2016 (ERTI – Forest Research Institute Sopron)			
	Name	Organization	Representing
1	Péter Gyöngyössy	NGO Kerekerdő Alapítvány (Round Forest Foundation)	Green civil society
2	Tamás Mertl	ERTI – Forest Research Institute	Translator
3	Christine Naaijen	Form international	Assessor

Thursday 17th of November 2016 (Forest Information Centre – Budapest)			
	Name	Organization	Representing
1	János Sárvári	MEGOSZ National association of private forestry	Private forest owners
2	István Pinter	Private forest owner / manager – member of MEGOSZ	Private forest owner
3	Attila Hegedüs	Registered forestry professional / consultant, working for private owners	Private forest owners Translator
4	Christine Naaijen	Form international	Assessor



Thursday 17th of November 2016 (Academy of Science – Budapest)			
	Name	Organization	Representing
1	János Kiss	MERD – regional private forest association (East Hungary)	Private forest owners
2	Tamás Elmer	Ministry of Agriculture – dept of Nature Conservation	State Administration
3	Miklós Möcsényi	FAGOSZ – federation of forestry, wood industry and trading	Wood industry
4	Mózes Csaba	Ministry of Forestry	State administration
5	Péter Spingár	Head of dept. of State Forest Company SEFAG (south Hungary)	State Forest management operator
6	József Szabó	State Forest Company SEFAG (south Hungary)	State Forest management operator
7	Tamás Mertl	ERTI – Forest Research Institute	Translator
8	Christine Naaijen	Form international	Assessor

Structure and organization of the Standard Setting Process

Mr. Endre Schiberna is employed by the Forest Research Institute (ERTI) and is head of the department of economics. He represents the Hungarian Standardising body (HFC, in Hungarian: MER, Magyar Erdőtanúsítási Rendszer), is the HFC secretary and basically coordinates the standard setting activities. At the start of the process, in 2012, he had one colleague, Ms. Kitti Horvath, who was employed by the University. When she left, in May 2014 she was not replaced.

The standard setting process took quite long, due to the fact that the standard setting body had no permanent staff, people involved in the management of the process had also other priorities, and continuous and time consuming background work was needed to motivate and persuade stakeholders to actively participate.

The HFC Council existed of 6 members, one per stakeholder group identified, plus the representative of HFC:

1. János Sárvári - MEGOSZ (Private Forest Owners)
2. Jáger László; Bela Lett - University (Research and Education)
3. Miklos Möcsényi FAGOSZ (Wood Industry)
4. Peter Gyöngyössy NGO (Green Civil Sector - Nature conservation)
5. Ivan Horváth (State Forest Companies), joined HFC council in January 2016
6. vacancy (State Administration)
7. Endre Schiberna (HFC – standardizing body; head of the HFC council)

Agreements with the HFC Council members were presented to the Assessor. The agreements included:

- Acceptance of the rules of HFC (including standard setting)
- Acceptance that they represent an interest group



- Undertake the role of representative, collect opinions, present opinions, vote according to opinion of the group.
- Agree that their contact info will be made available to the public.

The HFC Council's responsibility is to take formal decisions on the standard setting, which they did by a balloting system. All decisions of the HFC Council are registered in a report (Határozatok). The following records were presented to the Assessor:

- Report of 21 March 2014;
- 1/2013 Endre Schiberna elected as head of the Council;
- 3-5/2013 Acceptance of the stakeholder analysis (report), project proposal and announcement by the council.

For the latter: this was based on postal ballot. Hard copies were presented to the Assessor.

At first, a draft version of the scheme was made by 5 people from the University and the Forest Research Institute (ERTI). The Working Group was organized in a very open manner. Everyone interested in providing input had the opportunity to contribute to the standard setting process. The invitations to contribute, including a draft version of the standard, were sent out to a large group of people, including the HFC council members, who can be considered as the most active stakeholders. Stakeholders could either send their inputs by mail, or attend a Working Group meeting. There have been 2 Working Group meetings, in which all requirements of the Hungarian draft SFM standard have been discussed and comments are taken into account. The different versions of the draft standard show how consideration of comments have led to modifications in the standard. About 20 stakeholders actively contributed in the Working Group.

Pilot testing was done in two phases. The first phase was based on (desk) assessment of the standard by a lawyer and auditor (László Jáger and György Marosi). This led to a thorough restructuring of the standard, carried out by the auditor team. The improved version then was sent to two forest managers, one State Forest Company (TAEG – Jozsef Kiss) and a consultant working with private owners (Attila Hegedüs). The most important requirements were discussed, with special attention for clarity of the text, avoiding contradictions with the legal framework and auditability. An extensive report on the pilot testing is available and was presented to the Assessor. Some parts have been translated to serve as evidence in the assessment of the standard. The HFC Council formally accepted the pilot testing report. (Határozatok – Council decisions 2/2015). All people involved in the pilot testing have been interviewed by the Assessor. The State Forest near Sopron, managed by the State Forest Company TAEG has been visited.



Timelines process

Before the process officially started, there have been several meetings (kick-off meeting 7 September 2012) and 4 meetings in different parts of Hungary, including a well-attended presentation at the General Assemblée of MEGOSZ (the private forest owners association) in order to raise awareness and gather opinions from stakeholders. After a first stakeholder analysis and Public Announcement, it was decided to repeat the Public Announcement, because the PEFC Council requirements on Public Announcement were not met. There has been direct contact between the standard setting body and PEFC Council (Geneva) supporting this decision. The table below presents the timelines of the standard setting process. The dates correspond with the dates on the respective records or documents.

Date	Activity	Description
2013-13-05	Draft of the Rules of Operation for the HFC Ltd.	Defines organizations of HFC and the allocation of their tasks and includes description of the decision making process.
2014-03-21	HFC Establishment	To host the standard setting process the HFC or Hungarian Forest Certification Non-profit Ltd was established.
2014-03-21	Stakeholder Analysis and Address List updated	The stakeholder analysis including the address list of potential participants was refreshed.
2014-03-21	Launch of the project	The HFC Council approved the rules of organization, and fully adopted the PEFC rules on standard setting, procedures of consensus building and the resolution of complaints. The HFC Council with its decision launched the development project, and also decided to act as the Standard Setting Committee.
2014-04-07	Public announcement	Public announcement was issued, with due reference to the project plan, the ways of participation and contribution, and also to the relevant rules and procedures. The level of response was generally low. At first, the State forestry and forest administration was not represented at all, not even in the HFC Council and the Standard Setting Body consequently.
2014-04-28	Establishment of Working Group	The Working group was established with the acceptance of the 'members', which were the people that reacted to the invitation to participate in the working group and received the draft standards to react upon. The establishment of the WG was not in a formal process, and is not registered in a document. The date indicated here is a deadline to make sure the people reacted to the public call on time, well before the first WG meeting. However, anyone who would like to joint after those date would have had the chance.
2014-05-12	Working Group Meeting	Working Group meeting was organized to gather comments and further contributions to the draft SFM standard. The draft was sent out to those responding to the call. Changes on the draft was documented with "track changes" function. <i>NB: critical parts of the scheme, such as standard setting procedures, consensus building and resolution of complaints</i>



Date	Activity	Description
		<i>was put on public discussion at the very beginning of the standard setting process (docs were sent along with the public announcement)</i>
2014-06-30	Working Group Meeting	The development of the standard continued the same way as above, and it finished the development of the draft.
2015-03-16	Consultation	Consultation on the development of the standard with special focus on nature conservation issues needed, as the environmental NGOs in general did not respond to the call, and consequently did not take part in the above development process. A face-to-face consultation was organized with the representative of the eNGOs. This is confirmed by the NGO interviewed by the Assessor during the field assessment.
2015-04-27	Decision on the draft of the working group	The call for public consultation was decided by the HFC Council with consensus. Decisions of the HFC Council are registered and seen by the Assessor.
2015-05-20	Public Consultation	The consultation period lasted for 3 months. Responses were generally low, and raised no substantial concerns. All remarks and suggestions were evaluated, and made publically available. All suggestions were incorporated into the standard except those conflicting with current legislation in force. Records of the modifications have been seen by the Assessor.
2015-11-10	Decision on Public Consultation	The draft standard with the amendments of the public consultation was approved with consensus by the HFC Council.
2015-11-10	Pilot Testing	Pilot testing was carried out by appointed experts at a state forest company and at a private forestry consultant with connection to several private forest owners and enterprises.
2016-04-13	Consultation Nature Conservation	Consultation on amending the standard with special focus on nature conservation issues
2016-04-20	Consultation State Forest Management	Consultation on amending the standard with focus on state forest management
2016-05-30	Decision on Pilot Testing	The result of the pilot testing and the following consultations was approved with consensus.
2016-05-30	Approval of the Standard	The final standard was approved by the HFC Council with consensus.

General remarks of HFC on the process

The standardizing received additional funding from the PEFC Collaboration fund to support the process. Furthermore there has been contact with PEFC Council Geneva (Mr. Remi Sournia, Mr. Johan Vlieger) on practical matters and advice. There has been a kick-off meeting in Sopron (7 September 2012) with PEFC delegates from surrounding countries such as Austria, Germany and Slovakia, and state representatives, where experiences have been shared. It was however decided that the case of Hungary was different and that they would need to develop an



organizational structure that fits the Hungarian context, and would answer the question: How can we introduce PEFC in Hungary. Hungary is different from surrounding countries because of their strong legislative framework (and prescribed forest management planning), private forestry is differently organized, and the natural conditions are different. This is why the working group had been organized in a very open way, and why members of the HFC Council could also be active in the Working Groups.

Summary of the discussions with stakeholders

The paragraphs below present the main responses from the interviews with stakeholders.

State Forest Companies operators (interview at SFC TAEG, in the west of Hungary; interview with the forest manager of SEFAG, in the south of Hungary)

- There are 22 State Forest Companies in Hungary, they are independent companies, with their own revenues and expenses, managing a part of the forest that is owned by the state (National Hungarian Land Fund is the official land owner). The Ministry supervises the functioning of an SFC by taking seat in the companies' board.
- The SFC TAEG, located near Sopron, with 17,000 hectare under management, has taken part in the standard setting activities by commenting on draft versions, meetings with colleagues from other SFC's and by being involved in the pilot testing of the standard. Another SFC, SEFAG, 80,000 hectares, and FSC certified, had also been involved in the standard setting, by giving comments and attending the first Working Group meeting.
- The State Forest Companies had a member in the HFC Council only at the last stage of the process, from January 2016 onwards, but had been happy contributing to the process through the working group meeting, by commenting and taking part in the Pilot testing. Indirectly they were represented, because all State Forest Companies are member of FAGOSZ, the association of Forestry, Wood Industry and Trade.
- TAEG forest has 4 main functions: production, protection (60% of the FMU is a protected area by Hungarian law), education and recreation.
- TAEG thinks it will not be too difficult for an FMU to become certified, because most requirements are in the legal framework. An example of where PEFC is more strict than the Hungarian law are the requirements on Health & Safety. They mainly use (sub)contractors to have the forestry operations done, because they cannot offer them a year-round job. Forest Managers are not sure about what they would have to do to check whether contractors wear the personal protective equipment.
- TAEG is interested to become certified, and so are other State Forest Companies, because they want to be prepared when the market is asking for PEFC certification.



- They generally concluded that the process was well organised by HFC, everybody interested had the opportunity to contribute, comments have been discussed in the Working Group meetings, and there have been no complaints from their side, nor from other stakeholders.

State Administration (interviews with Ministry of Agriculture Dept. of Forestry and Dept. of Nature Conservation).

Department of Forestry:

- The State Administration has had a limited role to the standard setting process. According to them their main purpose was to be informed about the process, and check whether the standard would develop within the boundaries set by law. The Ministry of Forestry did not want to take a decision making role. To them the PEFC Certification is a market tool, and a governmental body would not promote it or take officially part in its development. State Forest Companies have the choice whether they want to be certified or not.

Department of Nature Conservation:

- They said sometimes the amount of information was quite large, but that was no complaint. They were satisfied with the process and their (limited) role and positive about the way the process was managed by HFC.

Private Forest Owners (interview with MEGOSZ, a private forest owner and a consultant working for private owners and representative of MERD).

- The private owners are associated through MEGOSZ, who has about 1000 members, covering about 1/3 of the Privately owned forest. Private ownership is very much divided into small units, commonly owned by more than one person. This lead to a situation of 500,000 forest owners, of which only a small part is actively involved in forest management.
- The association passed information on the standard setting on to their members, and gathered opinions. There has been time for HFC to present on the progress during the conferences of MEGOSZ. The managing president of MEGOSZ was taking seat in the HFC Council, representing the private owners, who were identified by HFC as disadvantaged stakeholders because of their big number and for a part of them little connection with forestry. By involving an umbrella-organisation, part of this problem was tackled.
- In the opinion of the private owners, the PEFC criteria for Forest managers are not much stricter than the law, and technically will not ask for modifications in management, which will make it relatively easy for them to become certified. The private owner interviewed wants to become certified, to prove that he is managing his forest sustainably. Important aspects of sustainable management to him are: regeneration and biodiversity (linked to contribute to climate problems by producing CO₂), no damage on the remaining stand after forestry operations (he also works with subcontractors), good contact with neighbours and users of the forest.
- One special case was mentioned by the consultant: one of the forests he manages is a 100 ha Christmas tree Plantation, in a 10 year rotation. The



question is whether this is certifiable under PEFC, once the Hungarian standard is endorsed. In some other countries (he refers to Switzerland) this is possible. It depends on the requirements of the Hungarian standard whether this is also the case in Hungary. This will depend amongst others on the conversion requirements, and requirements on the use of fertilizers and pesticides.

- Part of the pilot testing had been done by the consultant. He affirmed it was meaningful to do this, also from the private owner perspective. He also confirmed that this had led to some modifications in the standard, especially in improving the auditability. The extensive audit report, presented to the Assessor, confirms a thorough and concise methodology, well recorded.
- MERD is another association of private owners, active in the eastern part of Hungary. They have 200 members. They have been distributing the Announcement and other information on the standard setting process on their website and commented on the draft versions of the standard, on behalf of their members. An advantage of taking part in the process was the direct contact with civil conservation groups. They were always able to find solutions to difficult matters. An example where their opinions differed lies in the use of poplars: Private owners prefer the use of hybrids (shorter rotation), whereas the Nature conservationists prefer the use of native poplar species, because they will attract more biodiversity.
- The private owners were very satisfied with the work of the standardising body HFC. Mr. Endre Schiberna was mentioned as very capable to manage the process, very precise, well accessible for all participants. It was confirmed that through involvement of umbrella organisations, all stakeholders had access to the process and none was excluded. Invitations, documents and drafts were distributed in a timely manner by HFC, giving them enough time to react. Comments were discussed wisely, and were relevant in the Hungarian context. According to them, there had been no complaints. The president of MEGOSZ concluded that his dream would be to have a group certification in Hungary before his retirement. MEGOSZ might take the role of Group Entity (but another option would be the Chamber of Agriculture).

Research & Education (interviews at the University of West Hungary – Sopron, Dept of Forest Resource Management; ERTI – Forest Research Institute).

- The stakeholder group of research and education was well connected to the process, first of all because the Forest Research Institute, as the employer of Endre Schiberna, also allowed him to lead and coordinate the standard setting activities. Liaison with the University was easily made.
- Different forest researchers participated in the process, by giving their expertise and opinions, based on research and experience, in the drafting of the standard. They were very much aware of the legal framework and could avoid defining conflicting requirements. Examples of discussions amongst them were:



- The auditability of the standard (if a statement cannot be proven with documentation, how than?). This aspect received ample attention during the pilot testing, in which several representatives of this stakeholder category were taking part.
- Health and safety
- Naturalness of the forest, law requirements on crown closure and density (of regeneration).
- Timing of harvesting operations (later harvesting in favour of nature conservation, but could lead to economic losses or diminished production capacity of the forest).
- Use of poplar hybrids vs native. From a nature conservation perspective, native poplars are preferred. If native species would be prescribed in the standard, this would lead to a gap in the production, because of the longer rotation of native poplars. This has been acknowledged in the standard.
- The former head of the forest resource management department has played an important role in restructuring the standard, as part of the pilot testing. One critical remark was that some scheme documentation, after the first development which was done in Hungarian, was at a later stage of the process only available in English, which would make it difficult for most Hungarians to participate or comment. This did not refer to the SFM standard and only to the final stage of the standard setting process.
- The researchers explained the concept of "Degree of Naturalness" and the common trend in Hungarian forestry to combine production with nature conservation. As this concept refers mainly to species choice, it doesn't have to compromise production objectives.
- This stakeholder group was also satisfied with the process and their opportunities to contribute. A remark was made about the difficulty that people tend to change positions, especially on state administration level, which affects the process and slows it down sometimes.

Wood Industry (interview with FAGOSZ)

- The Federation of Forestry, Wood Industry and Trading (FAGOSZ) has about 100 members, including the State Forest Owners, private owners and processing companies. Their objective is to share information, help owners with information on forestry and the timber market. They took part in the standard setting process by informing members, collecting opinions amongst their members and make suggestions to HFC. They have been taking part in many other revision and standard setting activities (revision of the Forestry Code), and said this PEFC process was very constructive. As they had also been playing a role in the other PEFC attempts years ago, they were confident that this time it would be successful. As a strength of the PEFC process they said it fits the Hungarian context and they hope that through group certification their members will be given the opportunity to sell their products with PEFC logo. They see the PEFC certification mainly as a marketing tool, enabling



certified companies to have access to the market. There were absolutely no complaints about the set-up and functioning of HFC, provision of information, invitations and documents, opportunities to contribute and they were proud of the result.

Green Civil Sector (interview with NGO)

- The foundation Round Forest was representing the green civil sector of Hungary. Their main objective is the conservation of the environment, and education. They organise camps for youngsters and have an educational centre in Szombathely (west-Hungary). The foundation is part of a Green Association of Civil organisations in Hungary, with over 100 others. In the standard setting process, Round Forest was not formally representing the sector, but collected opinions amongst the 5-10 groups that work with forest conservation. The director of Round Forest was represented in the HFC Council. They had the same role in the revision of the Forestry Code in 2009. Besides the possibilities to contribute in the Working Group meetings, the opinion has been sought actively by HFC, to ensure conservation topics were agreed upon. Main suggestions from their side had been discussed and led to modifications in the standard.
- As a member of the HFC Council he explained the methods used for ballot voting. He would receive the voting form (with the decision to be taken) by E-mail, could print the form and indicate his approval (or not). Then he would send it back. All votes were collected by HFC and although only a majority would be needed, they reached full consensus in all decisions, thanks to a good preparation and open discussion of the topics.
- The results of the Public Consultation were considered. There were not so many comments, and modifications to the standard were small. Because the standard was so specific and detailed, fitting the Hungarian context, he considers it would be difficult for the general public to make useful comments.
- In the case of Hungary he affirmed that there are no indigenous people in Hungary and every inhabitant has the same rights, by law.
- As a conclusion it was confirmed that the standard setting process was done in a very constructive way by HFC, that his comments were discussed and taken seriously, the information was sent in a timely manner, and that he was satisfied with the result.

Background to the Electronic Transport Tracking System - EAKR

The system applies to all transport, also timber, by trucks. There are 700 camera's throughout Hungary, partly fixed, partly mobile. Every truck load receives a number. The camera's register the movements of the truck, with reference to their license plates. The seller of the transported goods has the obligation to ask for a truck load number, that is combined with description of the load, the volume and value and has to appear on the invoice. The load number is also linked to the tax authorities. Data



are kept for 5 years. The system is used for domestic transports, as well as for imports, and plays an important role in proving compliance with the European Timber Regulation (EUTR).

Summary of the wrap-up meeting with HFC

During the wrap-up meeting, the most relevant and important findings of the field assessment were discussed:

- The HFC provided relevant additional records, references and clarifications and would send more afterwards;
- The Hungarian scheme is based on an elaborative legal framework, in which the government plays a big role, both in terms of planning, and control. Relevant quotes will be included in the Standard System Requirement Checklist, to prove compliance with PEFC Council requirements where possible;
- During the whole standard setting process and during the field assessment, stakeholder involvement was sometimes difficult to establish, because there was little interest in standard setting. This might be explained by a very elaborative Legal Framework (Forest Code, system of Forest Management Planning, Tracking system) and not being used to this type of stakeholder involvement;
- The main outcomes of stakeholders consultations:
 - In general these discussions provided valuable and relevant information to a wide range of topics and insight for the Assessor in the Hungarian context;
 - Stakeholders were very positive on their opportunities to be involved during the standard setting process;
 - All Hungarian stakeholders were aware of the elaborative Legal Framework, that forms the basis of the HFC standard. From a technical point of view, if a forest manager complies with the legislation, it is expected not to be very difficult to comply with the HFC standard, but special attention needs to be put on transparency, social aspects of forestry and public relations. The main motivation to develop a certification scheme was that it would provide independent proof of sustainable forest management as a market and PR tool, which is considered important when the market asks for it or to maintain access to existing markets;
 - The process was considered very intensive, but with a good outcome, fitting the national context;
 - Through sharing of draft versions there was a high transparency, information was provided on time, good design of the process of development of the standard and equal opportunities in reaching consensus on each of the criteria of the standard;
 - Stakeholders were of the opinion that their concerns were carefully considered during the process and sufficiently covered in the standard;



- The interviews confirmed that there were no complaints during the process;
- During the assessment an open call was published on two forestry related on-line news site allowing the public to express their opinion of any nature in relation to the standard setting process or the standard itself. No complaints or negative comments have been received;
- According to stakeholders, both private and state forest managers, the standard is implementable, applicable and feasible;
- Stakeholders were generally proud on this national forest certification scheme and are looking forward to endorsement by PEFC Council; the expectation is that some companies (either state or private) will start the certification process as soon as possible.

Aspects of discussion (during the standard setting process):

- Grazing and hunting (either forbidden or regulated by law);
- Fire as a management tool;
- Use of (hybrid) poplars;
- Transparency in forest management (public availability through summaries of the Forest Management plan is difficult for some forest owners; they doubt relevance for the public and do not want to give too much information to market parties on the availability of timber)
- Health and safety: because forest managers often hire contractors, they prefer that contractors would be responsible for checking if personnel is using e.g. personal protective equipment;
- Use of pesticides and fertilizers (especially in plantation forests);
- Conversion (especially on non-forest areas, after felling of a temporary short rotation plantation);
- Certification of Other Wooded Lands / Industrial Plantations (on agricultural land). This refers to chapter 12 of the SFM standard.

Afterwards, an overview was presented of pre-identified non-conformities within the sustainable forest management standard and the additional references to be provided.

Main conclusions of the Assessor

The following main conclusion are drawn by the Assessor, based on the meetings during the field visit:

1. The legal framework is quite elaborative in Hungary, enforcement is well organized. As the HFC standard is based on this legal framework, there will be few requirements added for the forest manager to comply with. The risks of non-compliance are quite low. References from the legal framework are used to demonstrate compliance with PEFC Council generic requirements.
2. The system of (Regional) Forest Management Planning is limiting the choices and responsibilities of the Forest Manager, whether private or state.



3. Although stakeholder participation in the process was quite low, compared to other countries, it is confirmed that all stakeholder groups have been involved somehow (directly or through their association), and everybody who would want to participate has had access to the process. The people and organizations that did participate had relevant expertise and were very satisfied with the process, the way it was organized, the access to information and how comments were considered.
4. The information obtained through the interviews did not reveal any complaints or disputes. All information was in accordance of the information from HFC (for example given in the Development Report), dates on records corresponded and no inconsistencies were found.



Annex 5 Panel of Experts Comments

Report chapter / Page	Assessor's report statement	PoE member comment	Assessor's response
General Statement on Report Quality			
General		<p>The assessment report is very well organised, easy to read and very detailed but clear. The report of the field visit, annex 4 gave valuable extra information. However, I would like to see some more information concerning the Hungarian forest sector and forest related organisations – especially those dealing with private forest owners. In my mind the group certification process as it is described in the report will be very difficult and cost-demanding to realize IF it is not based on already existing organisational structure. This fact should be dealt more in the report.</p> <p>The minor NCs identified in the assessment report are well justified. There are some remarks made by the assessor which could be easily transformed to recommendations in order to improve the Hungarian scheme.</p>	<p>Comment is clear.</p> <p>The Assessor agrees that this potentially is a difficult and cost-demanding process, however, the current assessment focusses on the conformity of the standard with the PEFC requirement. Such practicalities are not the focus of the assessment.</p> <p>It shall be noted that the Assessor shall provide independent third party review of the conformity of the Applicant Scheme with the PEFC requirements. The Assessor is not allowed to provide recommendations for improvement.</p>
General		A well- presented and thorough report of a new scheme that, with only a few minor deviations, closely follows the PEFC requirements,	Comment is clear.



		strengthened by a strong legally binding Hungarian Forest Code.	
General		<p>This is a comprehensive evaluation of the HFC Scheme or System by Form. The depth of analysis of the clauses from the forest management standard and supporting information based on Hungarian regulatory framework is to be commended especially in utilising the full suite of requirements or other information to provide evidence for conformity.</p> <p>I have no hesitation in agreeing that PARTS I, II, IIIa, IV and V of Annex 1 are all in compliance with the PEFC requirements with the exceptions of the identified non-conformities. PART IIIb as a virtual repetition of IIIa has me quite puzzled but with Form having conducted the evaluation and the in-country visit to validate the differentiation between natural forests and OWL (or short rotation forests which would usually be classified as plantation), I must agree with their assessment of OWL compliance with the SFM standard.</p> <p>Some extra general comments on the report:</p> <ol style="list-style-type: none"> 1 I had some difficulty with differentiating between HFC and HFCN as to which is the legal entity for the Hungarian 	<p>Comment is clear.</p> <p>The reason that PART III is repeated, is because of the two different approaches HFC uses to certify forests and other wooded land areas.</p> <p>Regarding the specific points:</p> <p>Ad 1) This is updated to: HFC Scheme: Hungarian Forest Certification Scheme HFC Council: Hungarian Forest Certification Council HFC: Hungarian Forest Certification Non-profit Ltd. (the legal entity)</p> <p>This is updated in the Acronyms and Complete Report.</p> <p>Ad 2) According to the tender documents, these aspects do not need to be assessed by the Assessor, as this is done by the Technical Unit of the PEFC Council.</p> <p>Ad 3) As long as translations do not result in unclear or incorrect requirements, they are left as they are.</p> <p>Ad 4) This is indeed a bit confusing. The Assessor uses (...) to leave out irrelevant parts of the quotation. The HFC Scheme however, uses in many cases the three dots, which are then part of the quotation.</p>

		<p>scheme. To me, HFCN is the company and as such the legal entity ie owner/manager, so I'm not sure what HFC is as the whole scheme/system is the HFC Scheme.</p> <p>2 I am a bit perplexed by the lack of discussion around the 'Notification of Certification Procedures', the 'Logo Usage Rules' and the 'Complaints and Dispute Resolution Procedures' especially around the reference to the tender document! As the evaluation is going ahead, I presume the PEFC is comfortable with these aspects of the HFC Scheme.</p> <p>3 As the documentation for the HFC Scheme has had to be translated from Hungarian to English, there are a few interesting terms or use of English wording/grammar which I can understand but on the whole the translation effort is to be commended.</p> <p>4 In various places in the report, (...) has been used – I'm not sure of its usage for the report. If was used, I'd understand that it means that there was text prior to or after the text indicated in the report.</p>	
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		I have provided some essential editorial changes which I trust the Assessors will take on board in finalising the report. In terms of editorial comments on the report, additional text is bolded and deleted text is shown as strikethrough text.	
Specific Findings			
1		the role of Form International: is it “assessor” or “consultant” or both? In early times Conformity Assessments have been done by a Consultant, but lately by an Assessor – there is slight difference, or are the terms synonyms?	The current wording is Assessor. Form international’s consultants in charge of this assessment are registered Assessors with PEFC. Updated in the report.
1		Are the international standards and requirements of the PEFC called “PEFC standards / requirements” or “PEFCC standards / requirements” – the report uses both ways?	The correct wording is PEFC Council requirements. Updated in the report.
Pg 6	Acronyms	Add in FMU; FSC; ISO	Updated in the report.
1 Introduction Pg 7	1 st para ‘... admits national standards for ...’	I believe it is the national <u>scheme</u> or <u>system</u> which is ‘admitted’ or ‘mutually recognised’ by the PEFC not the ‘national standards’. The SFM standard is but one component of the scheme.	Updated in the report.
	1 st & 3 rd para ‘... by an independent assessor.’ ‘... as the independent consultant ...’	Form should adopt one term for referring to itself in the report – I would suggest ‘the Assessor’ and make sure it is used in all relevant text.	The current wording is Assessor. Form international’s consultants in charge of this assessment are registered Assessors with PEFC. Updated in the report.

1.1 Form international Pg 7	2 nd para '... Registered PEFC Assessors).'	'... Registered PEFC Assessors) and referred to as the Assessor in this report. ' This follows on from comment above for 1. Introduction	Updated in the report.
p. 8	Content of the Table	Acronyms: v2, PA, NGB, ENG are not listed in the list of acronyms.	Updated in the report.
1.2 Documents and resources used Pg 8	Table 1.1 04 PA 07 PA	What is PA? Not in Acronyms.	Public Announcement. Updated in the report.
1.4 Methodology adopted Pg 9	1 st para '... and a field study in which ...' a. '... with the demands of PEFC ...'	I would refer to it as a field 'visit' which is more in line with what it was! I would use 'requirements' to be consistent with PEFC terminology.	Updated in the report.
1.4 p. 11	It shall be noted that, in accordance with the tender procedure, no in-depth assessment was done of: • the procedures for logo licensing; • the complaints and dispute resolution procedures; and • the procedures for notification of certification bodies.	These comments confuse the reader always: there shall be the reason reported, why this and that have been excluded from the assessment – only to mention the tender document is not enough.	According to the tender documents, these aspects do not need to be assessed by the Assessor, as this is done by the Technical Unit of the PEFC Council. Updated in the report.
1.6 Report structure Pg 12	Whole of section 1 st sentence	This may be better set out in point format. Remember, it is the PEFCC General Assembly which votes on schemes based on the Board's recommendation from this assessment report.	The correct wording is "to endorse". Updated in the report.

2. Recommendation Pg 13	2 nd para '... or damage the standard revision process.'	I don't believe it's a revision process as it's the initial evaluation of the Hungarian scheme!	Updated in the report.
2. p.13 and 3.1 p. 14	content of the recommendation and the summary	Number of non-conformities was identified and this fact made the recommendation conditional. These NCs should already here be mentioned as being "minor" NCs. Otherwise the amount of NCs (12) may make the recommendation sound incredible. (in 3.1 the minor-classification stands!)	Updated in the report.
3.3 pp. 14-15	Content of the chapter	More information needed on the participation of various stakeholders to the process: i.e. industry, forest owners, environmental and social groups etc.	Not updated in the report. It is decided to keep the summary of the findings as short as possible, largely focussing on the non-conformities found.
p14 2 nd last para P107 5.1.2	Non-conformity "It is insufficiently ensured that social, environmental and economic impacts of forest management operations shall be assessed, and shall form a basis for a cycle of continuous improvement to minimize on negative impacts."	This is true but on p118 there is a quote from the Hungarian Decree 218/2009 13.1 "Partnership Plan that describes in detail participation of the people, the interest representative organizations, the NGOs and enterprises is a part of the elaboration of the elaboration of the Regional Development Concepts and Programmes". Does this not, at least in part, cover the requirement?	The participation of stakeholders is not the same as impact assessment of forest management operations.
p14 last para	"can be considered"	These words should be replaced with " <u>shall</u> be considered" here and in the sections quoted on pp 142 and 193.	The wording used is indeed not prescriptive, and therefore the non-conformities are raised. It is up to HFC how they want to adjust this.

1.5 p. 15	1. Public consultation The international public consultation was held from 15 June 2016 to 7 August 2016. No comments were received.	If this is always the result of the international public consultation, shouldn't the PEFC and the secretariat consider revising the procedure?	It is a formal procedure to ensure an open and transparent process. It must be noted that the Assessor has several examples where comments were submitted and used in the assessment.
3.4. p. 16	• It is not ensured that forest management shall comply with all legislation applicable to forest management issues (req. 5.7.1). The last non-conformity presented in the list above (req. 5.7.1) also applies to OWL	This is classified as "minor NC". When reading the summary of the report this NC could easily be considered as "major". Probably some more words needed?	It is decided to keep the summary of the findings as short as possible. Additional information is available elsewhere in the report.
3.8 p. 17	These are not further assessed in detail, in accordance with the tender document for this assignment.	Like above – this raises questions: are these MER documents copies of corresponding PEFC documents or...??? Some more words for WHY	According to the tender documents, these aspects do not need to be assessed by the Assessor, as this is done by the Technical Unit of the PEFC Council. Updated in the report.
4.1 p. 17	Content of the chapter	Some words describing organisations in Hungarian forestry, especially forest owners' organisations could add content to the report! Also some basic facts of Hungarian forestry, like annual increment, annual cuttings, annual wood consumption etc. could be added!	The focus of the assessment is on conformity of the scheme.
3.8 Other aspects Pg 17	2 nd para	These components of a scheme are usually addressed, so I don't understand the intent of this statement.	According to the tender documents, these aspects do not need to be assessed by the Assessor, as this is done by the Technical Unit of the PEFC Council. This is adjusted in the conformity assessment process since 2016. Updated in the report.

<p>4.2 Important legislative issues in the Hungarian context Pg 18</p>	<p>1st para</p>	<p>There is no information on what the Hungarian Forest Code is! Need some basis for its inclusion before discussing relevant issues. Also, is it an Act or is it a Code (as in an operational guideline)?</p>	<p>It is an Act.</p>
<p>4.3 p. 20</p>	<p>Content of the chapter</p>	<p>“Stakeholders” have been mentioned several times – could it be opened: which stakeholders, i.e. representing forest owners, forest industry, ENGO’s or others</p>	<p>There is little detail available. Where possible, this is mentioned.</p>
<p>4.4 p. 21</p>	<p>The HFC Scheme is based on a number of documents which define the requirements for forest and traceability certification</p>	<p>the red part difficult to understand</p>	<p>Updated in the report</p>
<p>4.4 The Hungarian Forest Certification Scheme Pg 21</p>	<p>1st para ‘... is shown in the picture below.’</p>	<p>I believe it is a ‘Figure’ rather than a picture.</p>	<p>Updated in the report</p>
<p>5. p. 22</p>	<p>The non-conformity in the procedures can be addressed by providing additional evidence and/or adjusting the procedures</p>	<p>In chapter “Recommendation” is said: “...the one (1) identified non-conformity in the Standard Setting Procedures shall be corrected within six (6) months after endorsement.” Are these two statements in contradiction?</p>	<p>The wording in the recommendation is very likely more true than the wording in the non-conformity. However, theoretically HFC might be able to provide additional evidence instead of adjusting the procedures. Therefore the Assessor has chosen to keep the option open.</p>

5.1 p. 22	Content of the chapter	Like above, “stakeholders” as well as “stakeholder groups” are mentioned, but it could be valuable to know which stakeholders they were!	There is little detail available. Where possible, this is mentioned.
5 Standard Setting Procedures and Process Pg 22	1 st para	Why single out one non-conformity out of the 11 – wouldn’t it be better to leave its discussion till later in the chapter?	Updated in the report.
5.1 Analysis Pg 22/23	3 rd para, 5 th sent 4 th para, 3 rd & 4 th sent 4 th para, 5 th & 6 th sent 7 th para, 2 nd dot point, 2 nd sent 7 th para, 2 nd dot point, last sent	For what is the ‘elaborative and strict legal framework.’? Is HFC and HFCN both entities or should the reference be to the entity HFCN and not the scheme as is HFC? Presume that the Standard Setting Committee is in fact the WG? This is a very good point. ‘organizational unit’ – is this the stakeholder group? If so, use consistent language.	Updated in the report. Updated in the report. HFC is the entity. The standard setting committee was not exactly the same as the working group, as explained further in the same chapter. Comment is clear. Updated in the report.
5.1 p. 23	• According to MER 02 clause 3.1 “HFC Council shall establish a Standard Setting Committee, or the Council may also fulfil the tasks of the Standard Setting Committee itself”. This provision is not a good practice as it confuses different roles.	A recommendation of the assessor could be added in the report on this – just to improve the Hungarian process and procedures.	It shall be noted that the Assessor shall provide independent third party review of the conformity of the Applicant Scheme with the PEFC requirements. The Assessor is not allowed to provide recommendations for improvement.

<p>5.2 Results: Non- Conformities Pg 24</p>	<p>Requirement 5.6 'CAR Update the standard'</p>	<p>Presume it is MER 04? If so, should specify to avoid any doubt.</p>	<p>It is up to HFC how and where they want to adjust the standard.</p>
<p>6.1 Analysis Pg 31</p>	<p>2nd para, 3rd sent 2nd para, last sent 3rd para, last 2 sent 4th para, 1st dot point</p>	<p>In this situation it is better to use 'For example,' rather than 'E.g.' Also, where 'chapter' has been used, it would be better to capitalise the word in all instances The components of the report would be chapters, sections with paragraphs making up the body text – so, Section 6.3 rather than paragraph 6.3. So does this meet the PEFC requirements if not within the standard? An equivalence to the PEFC requirements must be demonstrated, if not 'The numbers ...' – of what?.</p>	<p>Updated in the report. Not updated in the report. Not updated in the report. It is a challenging issue in Hungary, as long as the requirement is met at either governmental or company level, it is considered in conformity. Updated in the report.</p>
<p>6.2 Results: Non- Conformities for main standard Pg 32 - 38</p>	<p>1st para '... are presented in paragraph 6.3.' Requirement 5.1.2 – use of (...) Spelling error – 'databased' Assessors' comments, 2nd para</p>	<p>Paragraphs are bulk of a document – usually it is a section (under a sub-heading) of a chapter. What is this? I would interpret as an editing issue i.e. some information to be inserted in the brackets Should be 'database' While I can understand this assessment, in reality 2.8 must cover these for the previous period, so is it that they aren't considered for the next 10 year period? The dot points on Pg</p>	<p>Not updated in the report. The Assessor uses (...) to leave out irrelevant parts of the quotation. Not updated, as it is an error in the source. The evaluation of forest management planning is indeed a good point, is remains however unsure if it will include the assessment of</p>

	<p>Requirement 5.3.2, Assessors' comments</p> <p>Requirement 5.6.1, Assessors' comments</p> <p>Requirement 5.7.1, Evidence</p> <p>Requirement 5.7.1, Assessors' comments</p>	<p>33 demonstrate that they would be considered. A 10 year plan revision cycle is the basis for continuous improvement!</p> <p>I agree, it is all about the normative language in the standard. A 'shall' or even a 'must' would be definitive! Updating the standard would be applicable.</p> <p>I don't see the Assessors' singling out of 'local' employment as PEFC 5.6.1 only mentions 'opportunities for employment' – the quotes from MER 1001 give no indication of normative language</p> <p>Surely there is a statement for compliance with the Forest Code as the significant legislative or regulatory instrument</p> <p>I agree, based on the evidence which really indicates an updating of the standard</p>	<p>impacts. The dot points are explanations provided, no underlying evidence is submitted. A 10 year plan revision cycle does indeed cover part of the cycle of continuous improvement, but it is not complete, as it does not include all the impact assessments. Comment is clear.</p> <p>Updated in the report.</p> <p>For conformity there shall be a requirement somewhere obliging companies to comply with legislation. Comment is clear.</p>
<p>6.3 Results: Non-Conformities for OWL Pg 37/38</p>	<p>Requirement 5.1.7, Assessors' comments</p> <p>Requirement 5.3.2, Assessors' comments</p>	<p>PEFC 5.1.7 requires 'periodically', so a before and at end is acceptable if combined with 'based on the relevant records' which means a continual log of relevant records for various forest management practices</p> <p>While I understand that forest management planning for OWL is covered in Chapter 12 rather than Chapter 2 in MER 1001, what of the rest of the SFM standard in relation to OWL –</p>	<p>It remains unclear what is included in 'based on the relevant records'.</p> <p>Chapter 12 contains the requirements for OWL. Chapter 13 specifies which requirements of the other chapters also apply to OWL.</p>

	Last para	not having access to Chapter 13, I can't verify but based on section 6.5 this could be the case. See previous comments on paragraph/section	
6.4 Results: Selection of Conformities for the main standard Pg 41	Requirement 5.1.11 Spelling error – ‘... Section of the Forest Coded ...’ Requirement 5.3.6 Heading of document ie MER 1001	Correct spelling is just ‘Code’ As with all others, heading should be in bold	Not updated, as it is an error in the source. Updated in the report.
7. p.53-57	Content of the chapter	Some more information needed how the group of individual forest owners are being formed? Are there any (local) organisations of forest owners or other “already-existing-forms” of co-operation? – This info could be given already in the introduction part of the report (i.e. chapter 4.1)	Little information is available. It should be noted that the attention of Assessor is focussed on whether the scheme conforms with the PEFC Council requirements.
7.1 p. 55	... , group-certification through Group Entities has been elaborated.	The meaning of “Group Entities” should be clarified: are these entities a new organisation for certification only or does there already be some kind of co-operation between forest owners. (In the former case – It might be a huge effort to form these entities!)	The assessment does not focus on the practical implications, but on the conformity with PEFC Council requirements. The current paragraph just gives a very short and rough overview.
7.2 Results: Non-		Require space below text in 7.2 to be consistent with rest of report	Updated in the report.



conformities and 7.3 Results: Selection of Conformities Pg 55			
8 Chain of Custody Standard Pg 58	'... clause 3.7, Hungarian Forest Certification ...'	Presumably it was HFCN that this is referring to? Or is HFC an entity in its own right? There is some confusion for me.	This is a quotation, it is indeed the entity. In the current version the entity is referred to as HFC.
9.1 Analysis Pg 59/60	4 th para 5 th para, 2 nd dot point, 3 rd & 4 th sent	Is there a similar statement for forest management certification? Is this the Assessor's opinion or based on PEFC advice?	That is covered in the requirements checklist. Additionally, the Assessor has to assess whether the Applicant Scheme adopts PEFC ST 2003:2012, which is done in this paragraph. These are formal interpretation of the PEFC Council. As they are not included in the standard, these deviations are included as observations.
9.1 p. 60	The following observations are made: (three bullet points)	Could it be possible that the assessor gives a recommendation to revise Hungarian documents to be more accurate?	It shall be noted that the Assessor shall provide independent third party review of the conformity of the Applicant Scheme with the PEFC requirements. The Assessor is not allowed to provide recommendations for improvement.
10 Other Aspects Pg 61	2 nd para	See comment at 3.8 Other Aspects	See above.



Annex 1 Pg 62		I believe that an explanation is needed for what is quoted from the HFC Scheme and what are Form comments/HFCN comments. Although it seems to be done in the 'Reference to application documents' column, the introductory comments would avoid any doubt	Updated in the report.
Part I 4.1 a) Pg 64/65	MER 02, 3.2 b) & c) 7 Organization chart	I presume 'sphere' is the stakeholder grouping i.e. 2.2? Spelling error – 'STANDARD' for 'STANDRD'	The Assessor indeed presumes this interpretation. Not updated, as it is an error in the source.
4.1 d) Pg 67	Chapter 4 Flowchart of standard setting process	Wouldn't you need an arrow from 5.12 back to 2.1,2.2 to be consistent with rest of figure?	Not updated, as it is a quotation from the applicant document.
5.2 Process Pg 68	'...such as the Standard Setting Procedure (MER 1001), the Consensus Building and Resolution of Complaints (MER 03) and ...	MER 1001 is the forest management standard (Pg 21)! MER 03 – isn't it MER 07 (Pg 21)?	Not updated, as it is a quotation from the applicant document. Previously these documents were differently named and numbered.
5.3 Process Pg 68	' ... , and run back to the ...'	Would exchange 'run' with 'extend'	Updated in the report.
Annex , 4.4 b) p.70	b) have balanced representation and decision-making by stakeholder categories....	in fourth column I would like to see which stakeholders participated the process	This is further assessed by the Assessor. Findings and summaries are presented in the report.
5.4 b) Process Pg 70	'The final approval of the standard was done by the representatives of the stakeholder groups ...'	This is the end of the process not the beginning which would be expected for b).	This is one of the few written evidences that there was a balanced representation and therefore quoted here.
Annex 5.1 Process, p. 73	in Fourth column: ... , the following stakeholder categories had been identified:	In "Question" –column is said "stakeholders" – it would be good to list the stakeholders instead of stakeholder categories	This would be a long list, not adding to the conformity and readability of the standard. The Assessor choose to provide a summary.
5.3 d) Process	'No reference is found providing the evidence that the public announcement	Weren't these in one (or more) of the documents?	It is not found in the references provided.



Pg 77	includes an invitation to comment on the scope and the standard-setting process.'		
5.6 f) Process Pg 81	'The document presents the comments and whether it was accepted and led to modifications in the standard.'	Does it account for comments declined and reasons for such?	Yes: very concise.
5.7 Process Pg 81	'... MER TESZ v3.3 pilot test vegleges. ...'	Presume a SSC or WG document only i.e. not publicly available?	Pilot testing report. Publicly available in Hungarian.
5.10 Process Pg 85	'- Comments received during the public for feedback'	For what of the public? Missing context.	Updated in the report.
5.12 Process Pg 86	'The formally approved standards are published on the HFC website (www.pefc.hu), on 8 June 2016.'	Maybe include the date the HFC Council approved to indicate the time period?	Updated in the report.
Part IIIa 4.1 a) & b) Pg 96		These appear to be comments – what is the reference to the HFC Scheme?	For these requirements a general assessment of the Assessor is needed. Often citation is difficult and hardly / not adding relevant evidence.
5.1.3 Pg 102	MER 1001, 2.1, 2.3, 2.4, 4.1	Use of 'forestations' – mostly re-forestation and afforestation are used but I have verified its use and as long as the standard users and auditors know what it is, all OK	The Assessor agrees with the comment.
5.1.7 Pg 104	MER 1001, 2.1 & 2.8	Also, 3 rd para of HFC Council comment in 5.1.3	The provided references sufficiently cover the requirement.
5.2.1 Pg 109	MER 1001, 2.10	Doesn't really address rehabilitation – is it in the Forest Code 2009?	The concept of the "improvement of the degree of naturalness" as explained in the main chapter of forest management standard includes rehabilitation.



5.2.2 Pg 109	MER 1001, 8.1	This is all but PEFC's 5.2.2 re-quoted!	Although locally adapted requirements are preferred, this is OK.
5.2.9 Pg 113	MER 1001, 9.5	Doesn't indicate prohibition before the caveat of this requirement! Also, 9.3 could apply?	It is concluded that in practice the effect will be the same. 9.3 does also apply, but without is sufficient for the conformity.
5.2.11 Pg 113	MER 1001, 9.4	9.3 could apply?	9.3 does also apply, but without is sufficient for the conformity.
5.3.1 Pg 114	MER 1001, 2.11	2.16 could apply?	2.16 does also apply, but without is sufficient for the conformity.
5.3.8 Pg 118	MER 1001, 6.3, 6.7 & 6.9	Doesn't really deal with all types of infrastructure as is track/road centric!	These are covered under 6.7 and 6.9, and sufficiently covers the infrastructure in the Hungarian context.
5.4.6 Pg 121	MER 1001, 4.12 & 4.13	5.6 may assist?	5.6 does also apply, but without is sufficient for the conformity.
5.4.11 Pg 123	MER 1001, 6.7 & 6.8	Again, covers infrastructure for harvesting but what of other forest infrastructure?	These are covered under 6.7, and sufficiently covers the infrastructure in the Hungarian context.
5.5.3 Pg 125	'8.15 The manager of forest makes necessary preventive actions to avoid erosion and deflation in its forests.'	I don't understand the use of 'deflation' in a forestry sense. Maybe translation issue?	Translation issue, interpreted as degradation.
5.5.5 Pg 126	MER 1001, 6.7 & 6.10	See comment at 5.4.11	These are covered under 6.7, and sufficiently covers the infrastructure in the Hungarian context.
5.6.3 Pg 129	MER 1001, 3.3, 11.6	I believe that it may be 'cadastre' for 'Cadaster'?	Not updated, as it is part of a quotation.
5.7.1 Pg 133	MER 1001, 2.17, 3.9, 3.16 & 3.17	Is there any requirement in the Forest Code 2009?	Not provided, could therefore not be assessed.

p147 5.6.10	Regarding the requirement that forest management shall provide for effective communication and consultation.... “In the case of group forest certification the forest entity..”	Is it stated elsewhere that this also applies to state forest managers?	This is sufficiently covered in the other clauses cited.
p157 5.1.7	<i>“Although monitoring is done at the start of the OWL and after a rotation cycle, it is insufficiently ensured that monitoring of the OWL resources and evaluation of its management is performed during the implementation of the management plan.”</i>	On p182 5.5.1 there is a quote from MER 1001 Sustainable Forest Management Requirements “A) General Description – Assessment of the social, environmental, and economic impacts based on expert opinions at the stage of establishment, or on the records and results of monitoring in the previous cycle.” Do not the words “monitoring in the previous cycle” at least in part cover this?	The clause includes an “or”, which does not ensure this shall be done.
Part V 1 Checklist Pg 180	According to MER 00 Introduction to the Hungarian Forest Certification clause 3.7, “Hungarian Forest Certification adopts the following PEFC documents as part of its scheme: a) PEFC ST 2002:2013”.	It would be opportune to indicate the date that the HFC Council made this decision for validation.	Not updated in the reprt.
Annex 2 Working Group Pg 181	1 st para, 1 st dot point 6 th dot point	Isn't it the 'Working Group' not the 'Working Committee'? Isn't the 'scheme documentation' really moreso MER 1001?	Partly updated in the report.
Annex 2, pp. 182- 184	Content of the list of stakeholders invited	The following organisations are listed twice in the list (in the beginning and at the end): Amnesty International Magyarország E-misszió Természet- és Környezetvédelmi Egyesület	Updated in the report.



		Greenpeace Magyarország Egyesület HUMUSZ Szövetség the term “Civil sector” is used. It would add more value, if also the term “ENGO” had been used!	HFC wording is used.
Aspects for further consideration Pg 182	‘... on the standard, which have ...’	Need to clarify as there are 3 MER standards (Pg 21)	Not updated in the report.
Stakeholders that were invited for the survey Pg 182 - 184	Table	Why are some of the stakeholder groups in bold ? Last four groups in the Civil Sector are repeats from the first four groups on the list!	Updated in the report.
Annex 4, pp. 190-203	Content of the chapter	This report gives extraordinary good information of the HFC-process and answers most of the questions raised when reading the final draft report! – Excellent!	Comment is clear.
Annex 4 Report of the Field Visit Pg 190 - 192		Use of date and month would be better i.e. just use 14 November (and the year, if required)	Not updated in the report.



p. 192	The HFC Council existed of 6 members, one per stakeholder group identified, plus the representative of HFC	Not until on page 192 is seen the list of stakeholders which participated the process! Above are several proposals to inform the participants and their back grounds already earlier in the report!	Not updated in the report. Names are for the assessment irrelevant, and based on the citations it is sufficiently clear that all stakeholder groups are represented.
Structure and organization of the Standard Setting Process Pg 193	5 th para '... The HFC Council's responsibility is to take formal...' 8 th para '... a lawyer and auditor ...'	I believe it would be 'make' rather than 'take'. Was the auditor a forest or standards?	Not updated in the report.
Timeline process Pg 194/195	Table	Make sure that the 'Council' is qualified with 'HFC' to avoid doubt Also, maintain 'Assessor' for its use in the table	Updated in the report.
Editorial Comments			
p 35 5.7.1 and pp 149 and 194	"behavior"	"behaviour"	Not updated in the report.
pp110 & 11		These two pages are displaced to the right and do not appear on my screen	Not updated in the report.
pp 206 & 208	Table of Stakeholders	The first four entries in the table are repeated as the last four.	
1.3	'... other stakeholders during the Assessment process.'	'... other stakeholders during the Assessment process.'	Not updated in the report.
1.4 1 st para a. 3 rd para a.	'...concerning the standard setting procedures and the actual process.'	'...concerning the standard setting procedures and the actual process undertaken by HFCN. '	Not (or partly) updated in the report.

<p>f.</p> <p>g. Heading</p> <p>2nd para</p> <p>5th para</p>	<p>‘The PEFCO conducted an international public consultation, and a stakeholder survey was held by Form international ...’</p> <p>‘The functions and efficiency of the HFC Scheme ...’</p> <p>Field visit Hungary</p> <p>This mission enabled the assessors:</p> <ul style="list-style-type: none"> <input type="checkbox"/> <input type="checkbox"/> The clarification of any outstanding issues highlighted during the initial assessment; <input type="checkbox"/> <input type="checkbox"/> Discussions with the various stakeholders, involved in the standard setting process, and other external organisations who provided input and feedback to the consultant. <p>These are only quickly touched in chapter 10.</p>	<p>‘The PEFCO conducted an international public consultation on the HFC Scheme, and a stakeholder survey was held initiated by Form international ...’</p> <p>‘The functions functionality and efficiency of the HFC Scheme ...’</p> <p>Field visit to Hungary</p> <p>This mission enabled the a Assessors to:</p> <ul style="list-style-type: none"> <input type="checkbox"/> <input type="checkbox"/> The clarification of Clarify any outstanding issues highlighted during the initial assessment; <input type="checkbox"/> <input type="checkbox"/> Discussions with the various stakeholders, their involvement in the standard setting process, and with other external organisations who provided input and feedback to the consultant. <p>These are only quickly touched addressed in chapter 10.</p>	
<p>1.5</p> <p>1.</p>	<p>The international public consultation was held from 15 June 2016 to 7 August 2016.</p> <p>No comments were received.</p> <p>The national stakeholder consultation was held from 20 October 2016 to 3 November 2016.</p>	<p>The international public consultation by PEFCO was held from 15 June 2016 to 7 August 2016.</p> <p>No comments were received.</p> <p>The national stakeholder consultation by Form international was held from 20 October 2016 to 3 November 2016.</p>	<p>Not updated in the report.</p>

	In total 115 questionnaires were sent out, 11 responses were received.	In total, 115 questionnaires were sent out, and 11 responses were received by Form for review .	
1.6	The Chain of Custody standard is quickly touched in Chapter 8. The report on the Field Assessment is presented in Annex 4, and the Panel of Experts Comments are enclosed in Annex 5.	The Chain of Custody standard is quickly touched addressed in Chapter 8. The report on the Field Assessment is presented in Annex 4, and the Panel of Experts Comments are presented enclosed in Annex 5.	Updated in the report.
2. 2 nd para	In relation to the standard-setting process, four (4) non-conformities are identified	In relation to the standard-setting process, a further four (4) non-conformities are identified	Not updated in the report.
3.1	There are however seven (7) non-conformities found in the Forest Management Standard, one (1) in the Standard Setting Procedures, and four (4) in the process.	However, There are seven (7) non-conformities were found in the Forest Management Standard, one (1) in the Standard Setting Procedures, and four (4) in the Standard Setting process.	Not updated in the report.
3.2	Next, it has several scheme governance procedures:	Next, it also has several scheme governance procedures:	Updated in the report
3.3 3 rd para	It would therefore not be necessary to redo the process based on the non-conformities found in the process.	It would therefore not be necessary to repeat redo the process again based on correcting the non-conformities found in the process.	Partly updated in the report.
3.4 1 st para	There is however an issue of concern related to Forest Management Planning, which is initiated by the State, ...	However, there is an issue of concern related to Forest Management Planning, which is initiated by the State, ...	Not updated in the report.

	The weakness for certification is the little direct influence a forest manager has on important subjects of forest management.	The weakness for voluntary forest certification is the little direct influence a forest manager has on important subjects of forest management.	
4.1 2 nd para	... there are also 800 private forest cooperations, managing about 100 hectare each. Currently, about 42% is in private hands, 56% belongs to the state there are also 800 private forest cooperatives cooperations , managing about 100 hectare each. Currently, about 42% is in private hands, while 56% belongs to the state ...	Partly updated in the report.
4.2.2 2 nd para	The Forestry Authority has 30 days to interfere if needed.	The Forestry Authority has 30 days to interfere intervene , if needed.	Not updated in the report.
4.3 2 nd para	The HFCN is currently represented by one person, Mr. Endre Schiberna, who is employed by the Forest Research Institute (ERTI). The HFCN secretary therefore does only exist of one person. At the start of the process, in 2012, there was a second person, Ms. Kitti Horvath, employed by the University, but she left in May 2014, and was not replaced.	The HFCN is currently represented by one person as the HFCN Secretary , Mr. Endre Schiberna, who is employed by the Forest Research Institute (ERTI). The HFCN secretary therefore does only exist of one person. At the start of the standard setting process, in 2012, there was a second person, Ms. Kitti Horvath, employed by the University to assist the project , but she left in May 2014, and was not replaced.	Not updated in the report.
5.1 3 rd para	The standard setting process took quite long, due to the fact that the standard setting body had no permanent staff, people involved in the management of the process had also other priorities, and continuous and time consuming background work	The standard setting process took quite a long time , due to the fact that the standard setting body had no permanent staff, people involved in the management of the process had also other priorities, and the continuous and time consuming background work that was needed to motivate and persuade stakeholders	Not updated in the report.



<p>6th para</p> <p>7th para</p>	<p>was needed to motivate and persuade stakeholders to actively participate. The first public announcement (23 November 2012) did not comply with PEFC requirements, ...</p> <p>During the process, there was even not a very clear distinction between these three bodies, as it remains unclear who participated in which body, and prove of consensus was reached at HFC Council, although this would have been expected at working group level. It should however be noted that the HFC Council represented five stakeholder groups and they all agreed with the final standard.</p> <p>In total 2 observations are made related to standard setting procedures and process:</p>	<p>to actively participate. As the first public announcement (23 November 2012) did not comply with PEFC requirements, ...</p> <p>During the process, there was not even a very clear distinction between these three bodies, as it remains unclear who participated in which body, and prove proof of consensus was reached at HFC Council, although this would have been expected at working group level. However, it should be noted that the HFC Council represented five stakeholder groups and they all agreed with the final standard.</p> <p>In total, two (2) observations are made related in relation to standard setting procedures and process:</p>	
<p>5.2 Reqt. 5.6 a)</p>	<p>It is not defined what in Hungary is considered 'in a timely manner' and what are 'suitable media' to communicate the public consultation.</p>	<p>In the HFC Scheme, it is not defined what in Hungary as to what is considered 'in a timely manner' and what are 'suitable media' to communicate the public consultation.</p>	<p>Not updated in the report.</p>
<p>5.3 Reqt 5.6 a)</p>	<p>According to stakeholders interviewed, the used means of communication and time frames were appropriate in the Hungarian context.</p>	<p>According to stakeholders who were interviewed, the used means of communication used and time frames provided were appropriate in the</p>	<p>Not updated in the report.</p>

		Hungarian context.	
5.3 Req 5.6 e)	Records of the consideration of comments have been found, and show that comments received are considered.	Records of the consideration of comments have been found, and show that comments received were are considered.	Not updated in the report.
6.1 3 rd para 5 th para	There is however an issue of concern related to Forest Management Planning conducted by the government. Hungary has an elaborative legal framework for forestry. According to the 'Hungarian Code of Forests, Protection of forest and Forestry (2009)', ... One of these non-conformities is however exactly the same as for the main assessment, which makes it a total of seven (7) non-conformities.	However, there is an issue of concern related to Forest Management Planning conducted by the government. Hungary has an elaborative legal framework for forestry. According to the 'Hungarian Code of Forests, Protection of forest and Forestry (2009)' (Forest Code) , ... However, one of these non-conformities is exactly the same as for the main assessment, which makes it a total of seven (7) minor non-conformities.	Not updated in the report.
7.1	... there are also 800 private forest cooperations, managing about 100 hectare each.	... there are also 800 private forest cooperatives cooperations , managing about 100 hectare each.	Updated in the report.
7.1 Req 4.2.1	"2.1 Group Entity's operation shall be based on written procedures. 2.2 Group entity shall have written procedures regarding the inclusion and exclusion of group participants."	"2.1 Group E entity's operation shall be based on written procedures. 2.2 Group entity shall have written procedures regarding the inclusion and exclusion of group participants."	Not updated in the report.
9.1 2 nd para 4 th para	The accreditation body must be "signatory of the ..." the criteria that quality certification bodies ...	The accreditation body must be a "signatory of the ..." ‡ The criteria that quality certification bodies	Not updated in the report.

Part I 5.2	Per stakeholder category, a list of stakeholders, including contact details is given. MEGOSZ facilitated the standard setting process by providing information to their members, collect opinions, and use the voting rights in the HFC Council to support their stake.	Per For each stakeholder category, a list of stakeholders, including contact details is provided given . MEGOSZ facilitated the standard setting process by providing information to their members, collected opinions, and used the voting rights in the HFC Council to support their stake.	Not updated in the report.
5.5 b)	During the 1st Working Group meeting (12 May 2014), all requirements of the FM standard were discussed by the attendants / working group members.	During the 1st Working Group meeting (12 May 2014), all requirements of the FM standard were discussed by the attendees' attendants / working group members.	Not updated in the report.
5.6 a)	The Public Consultation was announced by E-mail to 92 stakeholders and on the website of PEFC Hungary, and taken over by other forestry-related sites (Fatáj online, Erdő-Mező Online, MEGOSZ, Faipar and Országos Erdzetlegyesület). According to stakeholders interviewed, the used means of communication and time frames were appropriate in the Hungarian context.	The Public Consultation was announced by E-mail to 92 stakeholders and on the website of PEFC Hungary, and taken over up by other forestry-related sites (Fatáj online, Erdő-Mező Online, MEGOSZ, Faipar and Országos Erdzetlegyesület). According to stakeholders interviewed, the used means of communication used and time frames were appropriate in the Hungarian context.	Not updated in the report.
5.6 b)	As for 5.6 a) ie above	As for 5.6 a) ie above	Not updated in the report.
Part IIIa 5.1.11	Section 77 – Section 83 of the Forest Coded specify all cases of conversion. In all cases, it requires the approval of the state authority.”	Section 77 – Section 83 of the Forest Coded specify all cases of conversion. In all cases, it requires the approval of the state authority.”	Not updated in the report.



5.5.4	8.13 The considerations of water protection during forest operations are put in force in case of forests with primary water protection function, or in forest with natural waters in it, hence the timer harvest plan, ...	8.13 The considerations of water protection during forest operations are put in force in case of forests with primary water protection function, or in forest with natural waters in it, hence the timer timber harvest plan, ...	Not updated in the report.
Annex 2 Participation in the process	Only 1 respondent also participated in the standard setting Working Group.	Only 1 of the 11 respondents also participated in the standard setting Working Group.	Not updated in the report.
Working Group	The respondent that had been part of the Working Group positively answered to the questions whether:	The respondent, that had been part of the Working Group, positively answered in the positive to the questions on whether:	Not updated in the report.
Questionnaire	Personal letter of Email	Personal letter of or Email	Not updated in the report.
Annex 3	No responses are received during the international consultation.	No responses are were received by the PEFCC during the international consultation period .	Not updated in the report.
Annex 4	From 14 to 18 November 2016, Ms. Christine Naaijen (Assessor of Form international) ...	From 14 to 18 November 2016, Ms. Christine Naaijen (Assessor, of Form international) ...	Not updated in the report.
Structure and organization of the Standard Setting Process 2 nd para	The standard setting process took quite long, due to the fact that the standard setting body had no permanent staff, people involved in the management of the process had also other priorities, ...	The standard setting process took quite a long time , due to the fact that the standard setting body had no permanent staff, people involved in the management of the process also had also other priorities, ...	Not updated in the report.

3 rd para	The HFC Council existed of 6 members, one per stakeholder group identified, plus the representative of HFC:	The HFC Council existed of 6 members, one per stakeholder or interest group identified, plus the representative of HFC:	Not updated in the report.
4 th para	Undertake the role of representative, collect opinions, present opinions, vote according to opinion of the group.	Undertake the role of representative, collect opinions, present opinions, vote according to opinion of the interest group.	Not updated in the report.
7 th para	At first, a draft version of the scheme was made by 5 people from the University and the Forest Research Institute (ERTI).	At first, a draft version of the scheme was made developed by 5 people from the University and the Forest Research Institute (ERTI).	Not updated in the report.
8 th para	Pilot testing was done in two phases. The first phase was based on (desk) assessment of the standard by a lawyer and auditor (Lázsló Jáger and György Marosi). This led to a thorough restructuration of the standard, carried out by the auditor team. The improved version then was sent to two forest managers, ...	Pilot testing was done in two phases. The first phase was based on (desk- top) assessment of the standard by an auditor team comprising a lawyer and auditor (Lázsló Jáger and György Marosi). This led to a thorough restructuration restructuring of the standard, carried out by the auditor team. The improved version then was sent to two forest managers, ...	Not updated in the report.
Timeline process 2014-04-28	The Working group was established with the acceptance of the ‘members’, which were the people that reacted to the invitation to participate in the working group and received the draft standards to react upon. The establishment of the WG was not in a formal process, and is not registered in a document. The date	The Working g Group (WG) was established with the acceptance of the ‘members’, which were the people that reacted responded to the invitation to participate in the working group WG and received the draft standards to review and respond react upon . The establishment of the WG was not in a formal process, and is not registered in a document. The date indicated here is a	Not updated in the report.

	indicated here is a deadline to make sure the people reacted to the public call on time, well before the first WG meeting.	deadline to make sure the people reacted responded to the public call on time, well before the first WG meeting.	
2014-06-30	The development of the standard continued the same way as above, and it finished the revision of the draft.	The development of the standard continued the same way as above, and it finished the revision development of the draft.	Updated in the report.
2015-03-16	Consultation on the revision of the standard with special focus on nature conservation issues needed, ...	Consultation on the revision development of the standard with special focus on nature conservation issues was needed, ...	Updated in the report.
2016-04-13	Consultation on the revision of the standard with special focus on nature conservation issues	Consultation on the revision of amending the standard with special focus on nature conservation issues.	Updated in the report.
2016-04-20	Consultation on the revision of the standard with focus on state forest management	Consultation on the revision of amending the standard with focus on state forest management.	Updated in the report.
2016-05-30	The result of the pilot testing and the following consultations was approved with consensus.	The As a result of the pilot testing and the following the consultations with interest groups, the SFM standard was approved with consensus.	Not updated in the report.
2016-05-30	The final standard was approved by the Council with consensus.	The final SFM standard was approved by the Council with consensus.	Not updated in the report.

