

2017-09-05

Group certification rules and procedures

Document name: Group Certification Rules and Procedures

Document title: PEFC MK 06:2017

Approved by: Assembly of the Council for SFM in Macedonia

Date: 2017-09-05

Issue date: 2017-09-06

Date of entry into force: 2018-06-14

1. Introduction

This document is part of the Macedonian forest certification scheme according to the PEFC requirements. The requirements described in this standard are compulsory for the group leaders who have overall responsibility for implementing the group certification according to the requirements of the Sustainable Forest Management Standard PEFC MK 03:2017.

Group certification is aimed mainly at small forest property owners who wish to implement the certification, but due to expenses are unable to take that step. Group certification offers cost spreading among a larger number of forest owners whereas the third party audits are conducted each year on a group sample. The forest management plans and their equivalents are administered and prepared by the group leader.

2. Scope

This document defines the requirements which refer to the group leader and the members who participate in the group certification with their forest properties.

3. References

PEFC MK Sustainable forest management standard – PEFC MK 03:2017

4. Definitions

Group Organization: A group of **members** represented by the **group leader** for the purposes of implementation of the sustainable forest management standard and its certification. Members have signed a written agreement with the group leader for participation in the group certificate and are prepared to implement the sustainable forest management standard and other requirements according to the forest certification scheme.

Group leader: entity (legal party) which represents the group organization and is overall responsible for ensuring that forest management in the certified area is in compliance with the sustainable forest management standards and other requirements that need to be fulfilled according to the forest certification scheme.

Member: forest owner / manager or other entity who is part of the group certificate, has legal right to manage the forest on a precisely specified area and is able to fulfill the requirements of the sustainable forest management standard.

Certified area: the forest area covered by a **group forest certificate** representing the sum of forest areas of the **members**.

Group forest certificate: document which confirms that the group organization fulfills the requirements of the sustainable forest management standard as well as other requirements that need to be fulfilled according to the forest certification scheme.

Document confirming participation in group forest certification: A document issued to an individual **member** that refers to the **group forest certificate** and that confirms the **member** as being covered by the scope of the **group forest certification**.

5. Requirements for the group leader

5.1. Requirements for the group leader

The group leader shall be:

- registered as legal entity in the Central Registry of the Republic of Macedonia
- capable of performing daily administrative duties

The group leader shall nominate a person with suitable qualities, qualifications and experience in forest management. This person shall decide about the admission of new members in the group and conduct regular internal audits within the group. Required qualifications refer to a degree in forestry engineering (any direction) and minimum 2 years of relevant experience in the field. Required qualities refer to basic knowledge of office work, archives and computer literacy.

5.2. Requirements for management system fulfillment

Requirements of the Council for Sustainable Forest Management in the Republic of Macedonia (Council for SFM) for the group leader are to be capable of implementing a management system. The management system shall ensure fulfillment of requirements for a routine and documenting which refer to group leaders defined in this document.

The group leader shall demonstrate to have established a management system which is in compliance with requirements (5.3 - 5.10) and that members fulfill the requirements of PEFC MKD Forest Management Standard – PEFC MK 03:2016.

The group leader shall be committed on behalf of the group organisation for compliance with the PEFC MK 03:2016 standard and other applicable requirements of the forest certification scheme.

The group leader needs to prove that is capable of collecting and analyzing data submitted or compiled by the members and to prove its ability for initiating changes or improvements on group organization level, if necessary.

5.3. Responsibilities of the group leader

The group leader is responsible for organizing group certification of forests, compliance with the standards within the group organization and representing the group organization itself. The group leader is responsible for performing the following duties:

- Preparing written procedures for managing the group.
- Considering and approving applications from forest owners who wish to participate in group certification in compliance with the Council for SFM requirements.
- Keeping records and documents for:
 - a) the fulfillment of SFM standard and other certification scheme requirements by the group leader and the members;
 - b) all members, their contact details, data on their forest and size;
 - c) the certified forest area;
 - d) conducting internal audit, revision of the audit and the preventive and corrective measures taken;
- Contacting the forest certification body on behalf of the members, applying for certification and signing agreements with it.
- Providing information, rules and guidelines for the members in the group organization in order to help them fulfill the sustainable forest management standard requirements.
- Providing information for possible changes in the sustainable forest management standard to the members in the group organization.
- Making agreements with the members in the group organization and controlling the fulfillment of agreed obligations for providing forest management in compliance with the SFM standard requirements.

- Developing a procedure and conducting an internal audit to the members and the administrative functions of the group leader, prior to the beginning of the assessment for fulfillment of the SFM standard conducted by the certification body.
- Undertaking preventive and corrective measures for the noted deviations in the management of forests which are subject to group certification or the administrative functions of the group leader, after receiving the results from the external and internal audits. Subsequently, the efficiency of the preventive and corrective measures are evaluated.
- Keeping records of collected remarks and observations received from other parties during external audit and submitting them to the certification body.
- Upon request from interested parties, providing general information for the activities specified in the management plan or its equivalent, without the obligation to include confidential information.
- Upon request from stakeholders, the group leader will provide a summary of the individual forest management plan containing at least the management objective specified in criteria 1.2 of the forest management standard.
- Instantly informing the certification body and Council for SFM about issued, terminated or suspended sustainable forest management certificates.
- Creating a rulebook for acceptance of new members who want to join the group certification.
- Keeping a register of certified forests containing the following information regarding each member:
 - basic information on the cadaster forest plot
 - name and address of the owner, phone, electronic mail
 - contact person
 - date when the Agreement with the member comes into force and expires
 - number of the issued SFM certificate
 - size of the certified area

5.4. Agreement for participation in group certification

Each member shall sign a written Agreement with the group leader which ensures that the SFM standard requirements are observed. The following conditions with reference to the Agreement shall be met:

- The agreement shall be signed by the owner or an authorized representative
- The member shall be informed about the SFM standard requirements
- The member shall be responsible for complying with the legislation, SFM standard and other guidelines issued by the group leader
- The member shall accept inspections from a third party
- The Agreement is valid for minimum one and maximum five years
- The group leader has the right to propose and ask for corrective or preventive measures from the member
- The group leader has the right to exclude any member for major deviations from the SFM standard
- The group leader shall issue document confirming participation in group forest certification when the member manages his forest in accordance with the SFM standard requirements
- The group leader shall regularly collect information regarding forest management from each member in regular intervals, minimum once a year

5.5. Requirements for the organization of the group leader

The group leader shall describe the structure of the group organization in relation to its activity as a group leader, for example in an organization chart. The procedures, rights and responsibilities of the group leader shall be clearly defined and distributed to each of the member. The group leader shall provide all the necessary resources for conducting its activity.

5.6. Management of documents

The group leader shall implement an internal procedure for managing all documents:

- archived documents can be easily located and accessed;
 - it can be reviewed, checked and approved by the responsible person (where applicable);
 - valid documents shall be available on all locations where operations essential to the effective functioning of the system are performed;
 - obsolete or invalid documents shall be promptly removed to prevent unintended and unwanted use.
- The documents shall be archived and ready to use. The group leader shall introduce an internal procedure for creating, keeping and modifying various types of documents.

The group leader shall introduce the following routines:

- Coming into force of the group certification Agreement
- Issuing a confirmation for compliance with the SFM Standard
- Rulebook for collecting the necessary documentation
- Procedures for cases of transfer of ownership
- Termination of the Agreement for membership in group organization
- Collecting and reviewing remarks from external parties
- Planning and conducting internal audit
- Dealing with deviations and corrective activities
- Collecting and archiving documents, including the register with issued confirmations for compliance with the SFM standard
- Other procedures vital to the administration of the group certification.

5.7. Internal audit

The group leader shall annually conduct an internal audit of the entire system of group certification. This shall include the fulfillment of requirements listed in this document as well as undertaking corrective and preventive measures.

The group leader shall carry out an internal audit of the members for compliance with the SFM standard at least once a year. The audit of members shall be conducted on a sample not smaller than the square root of the number of the members in the group. The following shall be taken into consideration: the different sizes of the forest properties, their geographical distribution, management intensity, comments and remarks from previous audits, etc.

5.8. Responsibilities of members participating in a group certification

All forest owners can apply to participate in a group certification under a group organization, as long they meet the requirements for participation in the group set up by the group leader. A written agreement about the participation in the group shall be made.

Forest owners participating in a group certification are not allowed to be covered by additional group or individual forest management certifications.

The total certified area of the forest property shall in principle be included in the agreement.

By signing the agreement with the group leader, the member is accepting the following rules as a minimum:

- 1) PEFC Macedonia's Forest Management Standard.
- 2) Relevant legislation and regulation associated with forestry in Macedonia.

- 3) Accepting and allowing control in the form of internal audits performed by the group leader and third party audits performed by a certification body.
- 4) Responding effectively to all requests from the group leader or certification body for relevant data, documentation or other information whether in connection with formal audits, reviews or otherwise.
- 5) Providing full co-operation and assistance in respect of the satisfactory completion of internal audits, reviews, relevant routine enquiries or corrective actions.
- 6) Implementation of relevant corrective and preventive actions established by the group leader.

5.9. Termination and withdrawal of the Agreement for participation in the group certification and the certificate for certified forest

The group leader has the right to terminate or withdraw the agreement at any time in case of confirmed misuse, major deviation from SFM standard requirements or failure in implementing the suggested corrective activities. The group leader shall define procedure for termination and withdrawal of an agreement. Guidance in handling deviations from the SFM standard provisions is laid down in Annex 1 of the same Standard.

The member is informed about the termination or withdrawal of the agreement in writing along with a demand for returning the issued document confirming participation in group forest certificate.

The group leader shall inform the certification body and Council for SFM about the terminated or withdrawn agreements and certificates within 10 calendar days. The group leader shall keep record of terminated or withdrawn agreements and certificates in its archive.

6. Cancellation of agreement for participation in a group certification

6.1. Cancellation of agreement

The member can at any time in writing terminate the agreement during the validity period. The termination is effective from the moment the group leader receives the written announcement.

6.2. Appeals

The member whose agreement has been terminated or withdrawn can file an appeal to the certification body with a request to annul the termination or withdrawal decision.

Annex 1: Guidance for handling observations and deviations from PEFC Macedonia SFM Standard

This document clarifies which actions shall be taken towards members when deviations from the SFM Standard requirements of the Council for SFM are observed.

Preconditions

Observations and deviations from the SFM standard requirements by the members participating in a group certification shall be noted when conducting an internal or external audit.

No corrective actions can be demanded for deviations caused by circumstances not controlled by the member e.g. actions from the group leader, results from expropriation or military activities.

Guidance

Basically, it is necessary for the group leader to keep in mind that forests are biological systems evolving very slowly and that forests are production sites being substituted only every 50-150 years. Furthermore, the site-specific soil and climate conditions along with specific stand conditions are crucial to what actions may seem reasonable in silvicultural management.

The forest management shall be evaluated in the light of the following:

- Requirements of the Standard for SFM PEFC MK 03:2017
- The individual objectives defined for the forest

In the cases where the forest develops in a “wrong” direction, it shall be evaluated in a report, regardless whether this development can be explained with the current circumstances and whether the development is in a certain way acceptable.

The observations and deviations shall be handled as follows:

Observations

Observations are with reference to the registered conditions of the forest which do not comply with the requirements of the SFM Standard, but do not deviate considerably or result in a significant risk of affecting the environment negatively. It shall be evaluated whether the observed issues are reasonably substantiated in the special conditions of the forest. If this is not the case, the observation is given to the owner in writing and it is included in the field report.

Observations can turn into deviations.

Minor deviations

Even a minor deviation implies that an indicator is evolving in a negative direction or that certain conditions in the management are in conflict with the SFM Standard in general or where earlier registered observations have not been dealt with in an adequate way. It shall be evaluated whether the deviation is satisfactorily substantiated by specific conditions of the forest. Deviations shall be included in the field report. If the deviation cannot be substantiated by specific conditions, this is pointed out to the member in writing and the member in question receives a written command for correcting the deviation. The group leader may, depending on the character of the deviation, give a deadline for the corrective action, which must be set before the next field audit. The minor deviation will be upgraded to a major deviation if it is not followed up by corrective actions before the specified deadline.

Major deviations

A major deviation is a deviation where the group leader can point out a forest management which is violating the foundation and requirements of the PEFC MK SFM Standard or when earlier written

commands for correction have not been followed up. The group leader cannot issue a SFM proof if a major deviation is pointed out and it is noted in relation to admission into a group and the conditions are not reasonably substantiated. Major deviations shall be included in the field report.

If the deviation is pointed out after the SFM proof has been issued, the group leader shall give the member a written injunction about a corrective action with a deadline within 3 months. If the deviation has been observed repeatedly, the group leader shall suspend the SFM proof until the required corrective action has been executed.

If the corrective action has not been executed or the deviation is directly inconsistent with the SFM Standard, conditions for withdrawal of the certification consent and agreement exist. The member receives written communication about the presence of the conditions for withdrawing the agreement for participating in the group. The member is requested to explain the criticized circumstances within two months. If the explanation is considered unsatisfactory, the agreement for participation in the group is terminated.

Annex 2: Illustrations for keeping documents in archive

There are rules for keeping in archive all documents of importance for carrying out and maintaining the certification, internal control, handling deviations, denunciation and withdrawal of certificates. The procedures for archiving document should fulfill reasonable security demands.

| Type of Document: | Time of filling |
|---|---|
| Regulative documents of the group leader | 5 years after passing or alteration |
| Register of certified members in the group organization | Current updating |
| Copies of agreements about PEFC certification | Current updating and 4 years after denunciation |
| Documents for internal audit and monitoring | 5 years from creating the document |
| Field reports of observed deviations and suggested corrective actions | 5 years from creating the document |
| Decisions for withdrawing or termination of certificates | 5 years from bringing the decision |
| Plans for internal and external audits | 5 years |