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Requirements for certification schemes

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**Group Forest Management Certification –
Requirements**



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Contents

1	Scope.....	6
2	Normative references	6
3	Terms and definitions	6
4	Context of the group organisation	8
4.1	Understanding the group organisation and its context.....	8
4.2	Understanding the needs and expectations of interested parties	8
4.3	Determining the scope of the group management system.....	9
4.4	Group management system	9
5	Leadership	9
5.1	Organisational roles, responsibilities and authorities	9
5.1.1	Functions and responsibilities of the group entity.....	9
5.1.2	Function and responsibilities of participants	10
5.2	Commitment and policy	11
6	Planning.....	11
7	Support	11
8	Operation	12
9	Performance evaluation.....	12
9.1	Monitoring, measurement, analysis and evaluation	12
9.2	Internal audit	13
9.2.1	Objectives	13
9.2.2	Organisation.....	13
9.3	Selection of participants in the internal audit programme	13
9.3.1	General	13
9.3.2	Determination of sample categories	14
9.3.3	Determination of the sample size	14
9.3.4	Selection of the participants.....	15
9.4	Management review	15
10	Improvement.....	16
10.1	Nonconformity and corrective action	16
10.2	Continual improvement.....	16
	Bibliography	17

Foreword

The PEFC Council (Programme for the Endorsement of Forest Certification schemes) is a worldwide organisation promoting sustainable forest management through forest certification and labelling of forest-based products. Products with a PEFC claim and/or label offer assurances that the raw materials used in the manufacture of the product originate from sustainably-managed forests.

The PEFC Council endorses national forest certification schemes which comply with PEFC Council requirements. Schemes are regularly evaluated.

This document has been developed using an open, transparent, consultative and consensus based-process and involving a broad range of stakeholders.

PEFC Council is committed to standard and procedures as developed by the International Organization for Standardization (ISO) and the International Accreditation Forum (IAF).

PEFC Council supports gender equality. Hence, every term in this standard referring to a specific person (e.g. manager, owner, participant) embraces women and men likewise, without further accentuation.

This document cancels and replaces the 2010 version of PEFC's Group Certification Standard (PEFC ST 1002:2010).

Introduction

The PEFC Council endorses national forest certification schemes for sustainable forest management. Forest conditions, their ecological, social, economical and historical aspects vary between different regions and countries. The PEFC Council reflects this fact by incorporating national forest certification schemes and standards which are appropriate to local situations.

In many countries forests are characterized by significant numbers of small forest holdings. The limited capacities and resources of people owning/managing such small forest holdings represent significant barriers to forest certification. Factors including but not limited to the periodicity of their management activities and revenues, the low intensity, small scale and low frequency of operations, limited access to information, technical support and knowledge, individually and in combination, limit access and participation of small holdings and ownerships in forest management certification.

Group certification is an alternative approach to individual certification which allows forestowners and managers to become voluntarily certified under one certificate and share the financial obligations arising from forest certification as well as the common responsibility for forest management. This approach aims at improving information dissemination and co-operation in forest management among individual forest owners and managers.

The limitations concerning individual certification in forestry and the resulting procedures for group certification do not lead to a lower level of compliance with PEFC's requirements for sustainable forest management.

This standard is designed to enable forest owners/managers of different forest management units to participate in certification.

1 Scope

This document defines the requirements for forest certification schemes which include group forest management certification and allow the certification of a number of forest owners/managers under one certificate.

Group forest management certification requires establishing a specific management structure that includes the individual forest owners/managers. This entity represents the individual owners/managers in forest certification in order to ensure the correct implementation of the sustainable forest management standard and provide confidence in sampling-based certification activities.

The requirements laid out in this document reflect PEFC's international benchmark for group forest certification. This benchmark shall be implemented by group forest certification standards submitted for PEFC endorsement. They constitute requirements for group organisations applying for group certification.

2 Normative references

PEFC ST 1003:200x, Sustainable Forest Management - Requirements

3 Terms and definitions

For the purposes of this document the terms and definitions given in ISO/IEC Guide 2 apply together with the following definitions.

3.1 Audit

Systematic, independent, documented process for obtaining records, statements of fact or other relevant information and assessing them objectively to determine the extent to which specified requirements are fulfilled.

3.2 Certified area

The forest area covered by a sustainable forest management system according to the PEFC Sustainable Forest Management Standard (PEFC ST 1003). In the group certification context the certified area is the sum of forest areas of the **participants** and covered by a **group forest certificate**.

3.3 Documented information

Information required to be controlled and maintained by an organisation using any format and media, from any source.

3.4 Group entity

A legal 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. For this purpose the group entity is using a group management system.

NOTE The structure of the group entity should follow the operations, number of participants and other basic conditions for the group organisation. It can be represented by one person.

3.5 Group forest certificate

A document confirming that the **group organisation** complies with the requirements of a sustainable forest management standard and other applicable requirements of the forest certification scheme.

3.6 Group forest certification

Certification of the **group organisation** under one **group forest certificate**.

3.7 Group management plan

Documented information specifying objectives, actions and control arrangements. It covers planned changes of the group management system and requirements of the sustainable forest management standard which are covered on group level.

3.8 Group management system

Set of interrelated or interacting elements of an organisation to achieve the objectives and outcomes of the sustainable forest management standard.

3.9 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. A binding written agreement shall be established between a participant and the group entity.

The term “group organisation” is equivalent to the term “regional organisation” if the group is defined by regional boundaries or other terms chosen by the relevant forest certification scheme and complying with the content of this definition.

3.10 Internal Audit

Systematic, independent, documented process for obtaining records, statements of fact or other relevant information and assessing them objectively to determine the extent to which specified requirements are fulfilled, undertaken by the group organisation itself (first party audit).

3.11 Manager

Person who directs and controls an organisation.

NOTE A manager can also be a person executing her or his traditional or customary tenure rights.

3.12 Monitoring

Determining the status of a system, a process or an activity.

3.13 Organisation

Person or group of people that has its own functions with responsibilities, authorities and relationships to achieve its objectives.

3.14 Owner

Person, group of people or legal entity who has the legal ownership rights or executes its traditional or customary tenure rights for the area under management and certification.

3.15 Participant

A forest owner/manager or other entity covered by the **group forest certificate**, who has the legal or tenure 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 the area.

NOTE The term “ability to implement the requirements of the sustainable forest management standard” requires the entity to have a legal or tenure right to manage the forest and would disqualify one-off contractors from becoming participants in group certification.

3.16 Policy

Intentions and direction of an organisation, as formally expressed by its manager/owner or the group entity.

3.17 Document confirming participation in group forest certification

A document issued to a **participant** that refers to the **group forest certificate** and that confirms the **participant** as being covered by the scope of the **group forest certification**.

NOTE This document can be for instance a sub-certificate or a confirmation of participation.

4 Context of the group organisation

4.1 Understanding the group organisation and its context

The standard shall define how relevant external and internal issues of the group organisation shall be determined. A general framework for the group organisation shall be determined:

- a) regional groups: group of owners/managers defined by regional borders and
- b) other groups and/or
- c) whether there are any other specific circumstances which influence the implementation of the group management system.

4.2 Understanding the needs and expectations of interested parties

4.2.1 The standard requires that the group organisation shall identify

- a) the stakeholders that are relevant for the group management system and
- b) the relevant expectations of these stakeholders.

4.2.2 The standard requires that arrangements shall be made for the need and way(s) of communication (group wise, individual management unit wise) with these stakeholders in compliance with the respective sustainable forest management standard.

4.3 Determining the scope of the group management system

4.3.1 The standard shall provide definitions relating to the following terms, which are in conformity with the definitions of those terms presented in chapter 3:

- a) the group organisation and the elements of the group organisation (group entity and participant),
- b) the certified area,
- c) the group certificate and
- d) the document confirming participation in group certification.

4.3.2 The standard requires that for the establishment of the scope for the group management system the boundaries and applicability of the group management system shall be determined.

4.3.3 The standard shall define which requirements of the sustainable forest management standard can be covered on group level.

4.3.4 The standard requires that the scope shall be made available as documented information.

4.4 Group management system

4.4.1 The standard requires that all participants shall be subject to the internal monitoring and the internal audit programme.

4.4.2 The standard requires that a certified PEFC chain of custody system shall be in place if a group entity acts as a trader of forest based material not covered by group certificate.

5 Leadership

5.1 Organisational roles, responsibilities and authorities

5.1.1 Functions and responsibilities of the group entity

The standard requires that the following functions and responsibilities of the group entity shall be specified:

- (a) to implement and maintain an effective management system covering all participants of the group;
- (b) 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;
- (c) to establish written procedures for the management of the group organisation;
- (d) to establish written procedures for the acceptance of new participants of the group organisation. These acceptance procedures shall cover at least the verification of the applicant's information about contact details, clear identification of their forest property and its/their size(s); previously excluded group participants cannot apply earlier than 12 months after exclusion.
- (e) to establish written procedures for the suspension and exclusion of participants who do not correct/close nonconformities.
- (f) to keep documented information of:
 - i. the group entity and participants' conformity with the requirements of the sustainable forest management standard, and other applicable requirements of the forest certification scheme,

- ii. all participants, including their contact details, identification of their forest property and its/their size(s),
 - iii. the certified area,
 - iv. the implementation of an internal monitoring programme, its review and any preventive and/or corrective actions taken;
- (g) to establish connections with all participants based on a binding 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 nonconformity with the sustainable forest management standard;

NOTE The requirements for "participant' commitment" and "written contract or other written agreement with all participants" can also be satisfied by the commitment of and written agreement of the a pre-existing organisation or group or the members participation, such as a forest owners'/managers' association, SFM programme and submission to tax programming, where the organisation can demonstrate that it has a legal mandate to represent the participants and where its commitment and the terms and conditions of the contract are enforceable.

- (h) to provide all participants with a document confirming participation in the group forest certification;
- (i) to provide all participants with information and guidance required for the effective implementation and maintenance of the sustainable forest management standard and other applicable requirements of the forest certification scheme;
- (j) to address nonconformities reported from group members which were identified under other PEFC certifications than the particular group certification and to ensure implementation with all group members;
- (k) to operate an internal monitoring programme that provides for the evaluation of the participants' conformity with the certification requirements;
- (l) to operate an annual internal audit programme covering both group members and group entity;
- (m) to operate a management review of the group forest certification and acting on the results from the review;
- (n) to provide full co-operation and assistance in responding effectively to all requests from the certification body, accreditation body, PEFC International or the National Governing Body for relevant data, documentation or other information; allowing access to the forest area covered by the group organisation and other facilities, whether in connection with formal audits or reviews or otherwise related or with implications for the management system.

5.1.2 Function and responsibilities of participants

The standard requires that the following functions and responsibilities of the participants shall be specified:

- (a) To provide the group entity with a binding written agreement, including a commitment on conformity with the sustainable forest management standard and other applicable requirements of the forest certification scheme;

NOTE The requirement for "written agreement" and participants' "commitment" is also satisfied by the written agreement of the forest owners/managers' association with the group entity, where the forest owners/managers' association can demonstrate that it has a legal mandate to represent the participants and where its commitment and the terms and conditions of the written agreement are enforceable.

- (b) to comply with the sustainable forest management standard and other applicable requirements of the certification scheme as well as with the requirements of the management system;
- (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 related or with implications for the management system;
- (d) to inform the group entity about nonconformities identified under other PEFC certifications than the particular group certification.
- (e) to implement relevant corrective and preventive actions established by the group entity.

5.2 Commitment and policy

5.2.1 The standard requires that the group entity shall provide a commitment

- a) to comply with the sustainable forest management standard and other applicable requirements of the certification scheme;
- b) to integrate the group certification requirements in the group management system;
- c) to continuously improve the group management system;
- d) to continuously support the improvement of the sustainable management of the land/forests by the participants.

5.2.2 The commitment of the group entity can be part of a group management policy and shall be publicly available as documented information upon request.

5.2.3 The standard requires that the participants shall provide a commitment

- a) to follow the rules of the management system;
- b) to implement the requirements of the sustainability standard in their operations on their area.

6 Planning

6.1 The standard requires that if a group organisation plans any changes in the group management system, these changes shall be included in a group management plan.

6.2 The standard requires that if a group organisation decides to cover requirements of the sustainable forest management standard on the group level, these requirements shall be considered in a group management plan.

7 Support

7.1 The standard requires that resources needed for the establishment, implementation, maintenance and continual improvement of the group management system shall be determined and provided;

7.2 The standard shall define the necessary competence of persons doing work in the group management system;

7.3 The standard requires that communications system shall be in place to raise the awareness of participants concerning

- a) the group management policy;
- b) the requirements of the sustainable forest management standard

- c) their contribution to the effectiveness of the group management system and the sustainable forest management, including the benefits of improved group performance;
- d) the implications of not conforming with the group management system requirements.

7.4 The standard requires that the internal and external communications relevant to the group management system shall be determined. This includes

- a) on what to communicate;
- b) when to communicate;
- c) with whom to communicate;
- d) how to communicate.

7.5 The standard requires that appropriate mechanisms shall in place for resolving complaints and disputes relating to group management and sustainable forest management operations.

7.6 The standard requires that the documented information relevant to the group management system and the conformance with the requirements of the sustainable forest management standard is

- a) up to date;
- b) available and suitable for use, where and when it is needed;
- c) adequately protected against loss of confidentiality, improper use, or loss of integrity.

8 Operation

8.1 The standard requires that the group organisation shall plan, implement and control processes needed

- a) to meet the requirements of the group certification standard and the sustainable forest management standard and
- b) to implement the actions determined in 6.

8.2 The standard requires that this planning, implementing and controlling shall be done by:

- a) defining the necessary processes and establishing criteria for those;
- b) implementing control of the processes in accordance with the criteria;
- c) keeping documented information to the extent necessary to have confidence that the processes have been carried out as planned.

9 Performance evaluation

9.1 Monitoring, measurement, analysis and evaluation

9.1.1 The standard requires that an ongoing internal monitoring programme provides confidence in the conformity of the group organisation with the sustainable forest management standard. In particular, it shall be determined

- a) what shall be monitored and measured;

- b) the methods for monitoring, measurement, analysis and evaluation, as applicable, to ensure valid results;
- c) when the monitoring and measuring shall be performed;
- d) when the results from monitoring and measurement shall be analysed and evaluated;
- e) what documented information shall be available as evidence of the results.

9.1.2 The standard requires that the group entity shall evaluate the group management performance and the effectiveness of the group management system concerning the implementation of the sustainable forest management requirements.

9.2 Internal audit

9.2.1 Objectives

9.2.1.1 The standard requires that an annual internal audit programme shall provide information on whether the group management system

- a) conforms to
 - i. the group organisation's own requirements for its group management system;
 - ii. the requirements of the national group certification standard;
- b) ensures the implementation of the sustainable forest management standard on the participant level;
- c) is effectively implemented and maintained.

9.2.1.2 The standard requires that the internal audit programme shall cover the group entity and all group participants. The group entity shall be audited annually. The participants can be selected on a sample basis.

9.2.2 Organisation

The standard shall define requirements for the internal audit programme which shall cover at least

- a) planning, establishing, implementing and maintaining an audit programme(s) including the frequency, methods, responsibilities, planning requirements and reporting, which shall take into consideration the importance of the processes concerned and the results of previous audits;
- b) definition of the audit criteria and scope for each audit;
- c) competence of internal auditor (forest knowledge, standard knowledge);
- d) selection of auditors and conducting of audits to ensure objectivity and the impartiality of the audit process;
- e) ensuring that the results of the audits are reported to relevant group management;
- f) retaining of the documented information as evidence of the implementation of the audit programme and the audit results.

9.3 Selection of participants in the internal audit programme

9.3.1 General

The standard shall define requirements for the selection of participants in the audit programme. These requirements shall include the following procedures for

- a) determination of sample categories

- b) determination of the sample size
- c) selection of the participants

9.3.2 Determination of sample categories

9.3.2.1 The principle of the sampling is based on the establishment of different risk based sample categories. A sampling between the categories shall not be possible. A sampling within the categories is possible.

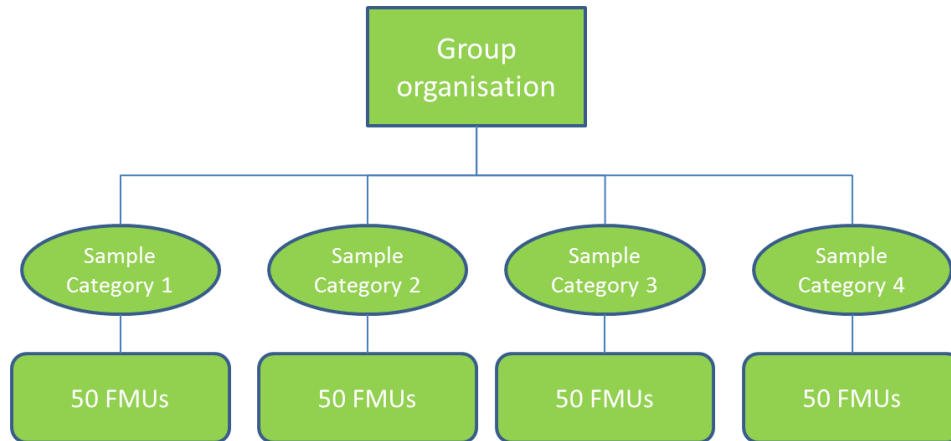


Figure 1: Principle of sampling

9.3.2.2 The sample categories shall be established based on the results of a risk assessment. The indicators used in the risk assessment shall reflect the geographical scope of the standard. The following (non exhaustive list of) indicators can be used for the risk assessment:

- (a) ownership type (e.g. state forest, communal forest, private forest);
- (b) size of management units (different size classes);
- (c) biogeographic region (e.g. lowlands, medium range mountains, alps).
- (d) operations, processes and products of potential group participants;
- (e) deforestation and forest conversion;
- (f) rotation period(s);
- (g) richness of biological diversity;
- (h) recreation and other socio-economic functions of the forest;
- (i) dependence of and interaction with local communities and indigenous people;
- (j) available resources for administration, operations, training and research;
- (k) governance and law enforcement.

9.3.2.3 Conditions which constitute risk for each indicator on low, medium and high level and the respective consequences for the sampling shall be defined.

9.3.3 Determination of the sample size

9.3.3.1 The sample size shall be calculated for the participants of the group organisation.

9.3.3.2 The size of the sample generally should be the square root of the number of participants: $(y=\sqrt{x})$, rounded to the upper whole number.

9.3.3.3. The size of the sample can be adapted by a standard taking into account one or more of the following indicators:

- a) results of a risk assessment. In this case deviations of sample sizes in case of low or high risk for individual categories shall be defined;
- b) results of internal audits or previous certification audits;
- c) quality / level of confidence of the internal monitoring programme;
- d) use of technologies allowing the gathering of information concerning specified requirements;

NOTE Such technologies can be e.g. the use of satellite data or drones and allow compliance statements for specific requirements of a sustainability standard or support the risk based sampling.

- e) based on other means of gathering information about activities on the ground.

NOTE Such a mean can be a survey with participants who provide some information about their activities on the ground.

9.3.3.4 The sample shall be distributed to the categories according to the result of the risk assessment.

9.3.4 Selection of the participants

9.3.4.1 At least 25% of the sample shall be selected at random.

9.3.4.2 A procedure for the further selection of the participants shall be specified.

9.4 Management review

9.4.1 The standard requires that an annual management review shall at least include

- a) changes in external and internal issues that are relevant to the group management system;
- b) the status of conformity with the sustainable forest management standard, that includes reviewing the results of the internal monitoring programme, the internal audit and the certification body's evaluations and surveillance;
- c) information on the group performance, including in:
 - i. corrective actions
 - ii. internal and external feedback, including grievances and complaints;
 - iii. monitoring and measurement results;
 - iv. achievement of objectives
 - v. audit results;
- d) the evaluation of the effectiveness of corrective actions taken.
- e) opportunities for continual improvement.

9.4.2 The standard requires that the outputs of the management review shall include decisions related to continual improvement opportunities and any need for changes to the group management system.

9.4.3. The standard requires that the group organisation shall retain documented information as evidence of the results of management reviews.

10 Improvement

10.1 Nonconformity and corrective action

10.1.1 The standard requires that nonconformities and corrective action for group level and participant level shall be managed. When a nonconformity occurs, the group organisation shall respond to the nonconformity:

- a) evaluate the need for action to eliminate the causes of the nonconformity, in order that it does not recur or occur elsewhere, by:
 - i. reviewing the nonconformity;
 - ii. determining the causes of the nonconformity;
 - iii. determining if similar nonconformities exist, or could potentially occur;
- b) implement any action needed;
- c) review the effectiveness of any corrective action taken;
- d) make changes to the group management system, if necessary.

10.1.3 The standard requires that the group organisation shall retain documented information as evidence of:

- a) the nature of the nonconformities and any subsequent actions taken;
- b) the results of any corrective action.

10.1.4 The standard requires that a participant who was excluded from the group certification shall be internally audited by the group entity before it is allowed to re-enter the group certification. The internal audit can take place 12 months after the exclusion at the earliest.

10.2 Continual improvement

The standard requires that the suitability, adequacy and effectiveness of the group management system and the sustainable management shall be continuously improved.

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