



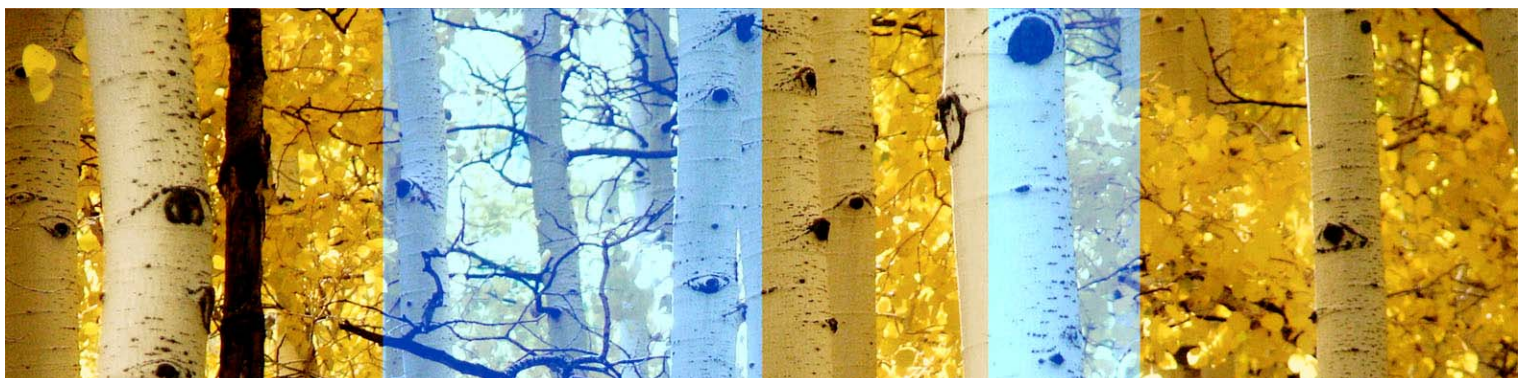
PEFC Council

Re-assessment of the SFI Small Lands Group Certification Module Against the PEFC Council Requirements

Final Report

Helsinki, Finland
August 6, 2019

8504
ID 132195





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ABBREVIATIONS

AFF	American Forest Foundation
ANAB	ANSI National Accreditation Board in North America
ANSI	American National Standards Institute
ATFS	American Tree Farm System
BMP	Best Management Practices
CoC	Chain of Custody
ENGO	Environmental Non-Governmental Organization
ERP	External Review Panel
FM	Forest Management
FMU	Forest Management Unit



FPIC	Free Prior Informed Consent
FS	Fiber Sourcing
GMO	Genetically Modified Organisms
IAF	International Accreditation Forum
ILO	International Labor Organization
ISO	International Organization for Standardization
NC	non-conformity
OSHA	US Occupational Safety and Health Administration
PEFC	Program for the Endorsement of Forest Certification Schemes
PEFCC	PEFC Council
PEFC GD	PEFC Guidance Document
PEFC ST	PEFC Standard
SCC	Standards Council of Canada
SIC	Standard Implementation Committee
SFI	Sustainable Forestry Initiative
SFM	Sustainable Forest Management
SLGC	Small Lands Group Certification
UN	United Nations
UNDRIP	UN Declaration on the Rights of Indigenous People
WHO	World Health Organization



PREFACE

This report provides an independent conformity assessment to the PEFC requirements of the revised Small Lands Group Certification Module developed in collaboration by Sustainable Forestry Initiative (SFI) and American Forest Foundation (AFF). The report is prepared to provide information for the PEFC Council for its decision on the potential endorsement of the SLGC Module.

The report or its information may not be used for other purposes. PEFC Council has the right to publish the final version of the report on the Council's Internet site.

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1. INTRODUCTION

1.1 Background

Sustainable Forestry Initiative (SFI) Inc. is an independent, non-profit organization that owns the SFI Program and Standards. The System is implemented in USA and Canada. SFI Inc. is also a PEFC national governing body in the USA. Selected parts of the SFI Program, i.e. forest management and chain of custody certification arrangements, forest management standard and its development, were re-endorsed by PEFC Council in 2016. The re-endorsement did not cover among other, SFI Fiber Sourcing Standard, group certification or provisions to develop amending modules to the Program.

Today SFI Inc wants to enhance supply of certified wood from small scale forest owners. For that purpose, it developed the new *SFI Small Lands Group Certification Module* (SLGC) as an amendment to the already endorsed SFI 2015-2019 Program (System). The Module was first submitted to PEFC Council (PEFCC) endorsement in spring 2018 but at that stage it was not fully in compliance with PEFC requirements. The first version of the Module was not developed in line with PEFC or SFI requirements for participatory standard setting and the Module was not submitted to pilot testing. In October 2018 - March 2019 SFI revised the Module in collaboration with American Forest Association (AFF) that has long traditions in representing the interests of private non-industrial forest owners in USA. AFF also operates the PEFC endorsed American Tree Farm forest certification system (ATFS).

In March 19, 2019 SFI submitted the revised SLGC Module to PEFC Council endorsement process.

1.2 Objective and Scope of the Assessment

The *SFI Small Lands Group Certification Module* is partly based on the endorsed SFI Forest Certification System and on non-endorsed *SFI 2015-2019 Fiber Sourcing Standard*. The module provides a pathway for forest owners to join group certification if they supply timber to an organization that is SFI Program Participant and certified to Fiber Sourcing Standard. The Module has adopted selected requirements from ATFS forest management standard.

The Module has procedures for group certification for forest owners in the US and Canada. Each eligible forest holding should be below 8 000 ha in size. In USA forest area and management will be considered as ATFS certified and in Canada as SFI certified. ATFS certification is not applicable in Canada.

The objective of this assignment is to assess the compliance of *SFI Small Lands Group Certification Module* with PEFC requirements for standard setting process, group certification, sustainable management of forests and certification arrangements.

The assessment report will provide sufficient information as well as professional and objective conclusions on the compliance of the *SFI Small Lands Group Certification Module* with the PEFC requirements.

The report will provide a basis for the decision-making process of the PEFC Council on possible endorsement of the added SLGC Module.

Chain of custody certification, System administration including PEFC notification of certification bodies, PEFC Logo usage licensing and complaints and dispute procedures are not covered by this assessment.

1.3 Assessment Process

The assessment process included the following phases:

1. International public consultation

The international public consultation was organized by the PEFC Council between April 10, 2018 and June 9, 2018, during the first assessment round of the SLGC Module. Comments



received during the consultation are discussed in Section 10 and presented in Appendix 2. The Module revision process between November 2018 and March 2019 took into consideration most of the comments.

2. National consultation of interested parties

For this assessment of the revised SLGC Module Indufor organized a consultation on standard revision process with selected interest groups. A questionnaire was sent out to 26 persons in May 2019. The contacted stakeholders included the parties that were involved in standard development, the USA and Canadian organizations that commented the process in international consultation and selected other national organizations that had been interested in the earlier SFI development processes.

The objective of the consultation was to verify that the planned procedures were implemented and the principles of open access, fair decision making, consensus building, and availability of grievance procedures were respected.

In the first assessment round in early 2018 the consultation was broader and, Indufor received a number of critical comments related to standard setting. The SFI and AFF had taken these comments into account in the revision process.

Comments received during the consultation are discussed in Section 10 and presented in Appendix 3.

3. Desk study

The desk study on the conformance of the Small Lands Group Certification Module to PEFC requirements was made using the applicable sections of the PEFC Checklist (PEFC GD 1007:2017) as a reference template. The standard setting process was assessed against the PEFC ST 1001:2010 requirements.

Evidence on conformity was verified from the original SFI documentation or other documents referenced by SFI Inc.

4. Field interviews

For the assessment of the first version of the Module, Indufor interviewed SFI that was the only organization responsible for the Module development before November 2018. The field interviews took place in Washington on August 22, 2018.

5. Elaboration of draft and final draft report

The assessment round of the first version of the SLGC Module in May – October 2018 included the full reporting cycle from draft report, to final draft and final report. This assessment of the revised SLGC Module published in March 2019 will be based on the earlier work. Thus, the assessment results are presented directly in a final draft report that is sent to the PEFC Council for review.

Final draft report was sent out to PEFC Council on July 12, 2019.

6. Elaboration of the final report

This final report takes into consideration the comments provided by the PEFC Council on the final draft report. Appendix 5 lists the comments and the changes and amendments that Indufor, in the role of independent assessor, deemed relevant to include in the report.



1.4 Report Structure

Chapter 1 describes the objective, scope and process of the assessment.

Chapter 2 states the Indufor's recommendation to the Board of the PEFC Council on the endorsement of the SLGC Module.

Chapter 3 describes a summary of findings and gives justifications for Indufor's recommendation.

Chapter 4 presents the assessment method and material used.

Chapter 5 describes SFI Program organization and the implementation arrangements of Small Lands Group Certification Module.

Chapter 6 describes standard setting and revision procedures and processes and their compliance with PEFC requirements.

Chapter 7 assesses the SLGC Module requirements for group certification and their compliance with the PEFC requirements.

Chapter 8 describes the SLGC Module requirements for sustainable forest management and their compliance with the PEFC requirements.

Chapter 9 describes the certification arrangements applied in the SLGC Module.

Chapter 10 summarizes the received stakeholder comments and explains their consideration in the assessment.

Appendices provide detailed information on the assessment. The most relevant is:

Appendix 1 describing Indufor conclusion on the SLGC Module conformity to each PEFC requirement and lists the reference documents that provide the basis for the conclusion.

Appendices 2 and 3 summarize stakeholder comments received in international and national consultations during the assessment process.

Appendix 4 presents the agenda of the field interviews in August 2018.

Appendix 5 lists the comments presented by PEFC Council and their consideration in the report.

2. RECOMMENDATION

Indufor recommends that PEFC Council does not endorse the Small Lands Group Certification Module before the one major non-conformity is corrected. SFI should also take measures to address the seven minor non-conformities identified in the assessment.

The major reason for this recommendation is:

- The SLGC Module is developed as an additional element to the SFI 2015-2019 Program but it is not based on the PEFC endorsed sections of the Program, e.g. PEFC endorsed SFI standard setting procedures were not applied in the Module development. Forest management requirements are based on the Module and SFI Fiber Sourcing standard that is not endorsed by PEFC Council. The Module's FMU level standard is the ATFS forest management standard with relevant changes in wording, which has been implemented in USA under the ATFS scheme. The Module requires conformity to both Fiber Sourcing standard and the ATFS compatible forest management requirements. This combination is not tested under the complex group certification arrangement of the Module. The both standards are quite generic and require various programs to promote sustainable management. The Fiber Sourcing standard applies to primary forest industry and the Module to the industry (Group Manager) and landowners.

The implementation arrangements in the SLGC Module are complex because it combines different standards and it is implemented under two different forest certification programs: under ATFS in USA and under SFI in Canada.

Although PEFC Council requirement on **pilot testing** is limited to the testing of the forest management standard and not the group certification model, Indufor deems it necessary to gain experience on how the group certification with the two standards would function in practice also in cases where industry's Fiber Sourcing certificate covers a larger and complex geographic, administrative and organizational environment or forest owners sell timber to uncertified industry. There is no experience on how the Module's forest management requirements (ATFS based criteria) would be readily applicable in Canadian forestry and how the internal monitoring will be arranged in the complex arrangements of group certification.

PEFC requires that when a scheme develops a new standard the development process shall be in line with PEFC rules for standard setting and pilot testing. Technically the Module cannot be considered to be an amendment to an existing endorsed standard. It opens certification to new target groups, introduces new, untested, arrangement and standard combinations for group certification. AFF also considers it as an independent system from their own ATFS certification.

The chapter 3 and Appendix 1 demonstrate more in detail the conformity of the SLGC Module.

3. SUMMARY OF FINDINGS

3.1 General Structure of the Small Lands Group Certification Module

The Small Lands Group Certification Module describes requirements for certified groups of forest owners (participants) that supply timber to primary industry operators (Group Managers) which are certified in line with SFI Fiber Sourcing standard. Forest owners shall comply with the forest management and group certification requirements of the Module and primary industry with the requirements of the Fiber Sourcing standard and applicable requirements of the Module. The Fiber Sourcing standard applies to all timber sourcing of the Group Manager and can extend to the area of several states/provinces in USA or Canada (see Figure 5.3). Forest owners and potential agents that manage forests on behalf of the owner shall make a written commitment to comply with the requirements of the Module. This strengthens the group's internal responsibility to conform with the Module, especially in cases where timber is sold to third parties that are not holders of an SFI Fiber Sourcing certificate. Still it is a challenge to monitor that the relevant FMU level requirements emerging from the Fiber Sourcing certificate and the Module are applied in all forestry activities related to timber production to industry with and without an SFI Fiber Sourcing certificate.

Due to the complexity of the Module and the combination of two different standards under Module's implementation, it is important that it is **tested** in different contexts.

The Module's forest management unit (FMU) level requirements focus on timber harvesting, but they also require prompt regeneration of forests. The Fiber Sourcing standard sets management system requirements to primary industry. These include implementation of various programs that promote environmental protection, work safety, societal benefits etc. Audit reports for Fiber Sourcing certification demonstrate that the program implementation is verified in field. Exact performance level requirements are largely defined by Group Manager (Fiber Sourcing certificate holder) with the baseline of legislation and applicable Best Management Practices.

SFI gives general guidance on contracts between landowners and Group Managers but in the absence of pilot testing there is no evidence on the incentives of Group Manager and landowner to commit into long-term sustainable management beyond the timber sales. Individual landowners shall make a written commitment to comply with the Module.

The assessment conclusions raised eight non-conformities (NC) of which one is a major non-conformity and seven are minor non-conformities. Minor non-conformities request mostly for better recording of procedures and processes as well as amendments and specifications in the documentation. In addition, Indufor gave comments, which are described in Chapters 6 to 8.

3.2 Standard Setting Procedures and Processes

The SFI *procedures* for Module development are stated in SFI 2014-2019 Program Section 12 on Additional Modules, which allows SFI to develop internally additional Modules to the Program. The Section 12 does not conform to PEFC requirements but the general SFI standard setting procedures (Section 8) are endorsed by PEFC Council (Comment 1 ref PEFC ST 1001:2010 4.2).

The scope of this conformity assessment covers only standard setting process and not the standard setting procedures for SFI additional modules.

The *process* to develop this latest version of the SLGC Module was more participatory than the SFI Section 12 would have required and aimed at the compliance with PEFC ST 1001:2010. The standard setting process included the participatory steps required by PEFC ST 1001:2010, although the stakeholder engagement in the Module's standard development was not in-depth. The participatory stakeholder process in standard development was ran through in one consultation period and in only one conference call of the participatory Task Force group. In addition, AFF discussed the Module development among its own stakeholders. The stakeholder identification was satisfactory.

The SLGC Module development process has **four minor and one major non-conformities** to PEFC ST 1001:2010 requirements (Table 6.1). Information on the planned standard development process was published extremely shortly in one announcement at SFI website and in one email to identified stakeholders. A description of the implemented process is not either published nor are the records compiled systematically.

Indufor raised **one major non-conformity** on standard setting:

- (1) the lack of pilot testing (PEFC ST 1001:2010 5.7)
 - The Module requires conformity to both Fiber Sourcing Standard and the ATFS compatible forest management requirements. This combination is not tested under the complex group certification arrangement of the Module.
 - It is worth to note that PEFC requires pilot testing of the forest management standard, not the scheme. The ATFS compatible standard alone would not need testing. Fiber Sourcing standard has also been implemented under SFI for years, but the combination of the two standards under a group certification context is not tested.

Minor non-conformities in standard setting are the following:

- (1) SFI has not described in a concise manner the implemented standard setting process and has not made it accessible to public (PEFC ST 1001:2010 5.10).
 - Currently the procedures are described in one Web announcement and in an email and the process description is limited to email invitation and list of comments and their consideration by the Task Force. There is no evidence that a description of the applied process is made publicly available. The information was available to Indufor and to the participants of the Task Force and partly to SFI identified stakeholders and ATFS related stakeholders
- (2) The standard-setting procedures (applied) for the Module development were not well defined in advance (PEFC ST 1001:2010 4.2).
 - The mandatory steps for participatory standard development were put together on an ad hoc manner. The procedures were informed with a few lines at SFI Web site and in one email to stakeholders. AFF was active in informing its stakeholders on Module development in January – March 2019.
- (3) Recording of standard setting process was not systematic and there was no information on how interested parties would have access to the records (PEFC ST 1001:2010 4.3).
 - Records on meeting agendas and memos are not reported systematically. The given comments in consultation are recorded, as appropriate, with given comments. There is no indication that interested parties outside the Task Force would have had the access to the records.
- (4) Lack of evidence on consensus decision in the Task Force group conference call (PEFC ST 1001:2010 5.8)
 - There are no formal minutes of the Task Force group meeting, that would demonstrate that the key decisions e.g. on agenda and consensus on all standard requirements. The questionnaire Indufor sent to Task Force members and interviews with SFI and AFF indicated that a consensus decision was made.

The applied procedures for standard setting were not described in advance and the applied process does not fully comply with PEFC ST 1001:2010.

3.3 Group Certification

Group Managers are primary industry operators that also hold a Fiber Sourcing certificate. Landowners commit to certification through a written contract with the Group Manager. Landowners shall submit all consecutive forest areas to a group certification. They have the right to sell timber to non-certified industry.



Group Managers may form multisite groups across states/provinces if they are capable to manage them and ensure compliance to the Module.

The Module's requirements for organization of group certification comply with PEFC ST 1002:2010.

3.4 Forest Management Requirements

The requirements for forest management, described in Sections 4.1 and 4.2 in the Module document, do not alone comply with the PEFC ST 1003:2010 in the group certification context. The forest management requirements are drawn from ATFS forest management standard that is endorsed by PEFC Council. The Fiber Sourcing standard set complementary requirements especially on social aspects. Underlying principle in the Module requirements is a full compliance with all jurisdictional regulations and applicable best management practices. It is important to repeat that there is no experience how the implementation of the two standards function and deliver sustainable forest management in practice, because the Module has not been tested.

The Module focuses on harvesting operations although prompt regeneration is also required. The Group Manager shall develop a sustainable sourcing plan that includes general information on forest resources and valuable nature sites in company's whole sourcing area. This plan is adapted with relevant elements to FMU level for the group members.

The Module requirements for maintenance of forest resources and planning (Criterion 1) encompass the issues PEFC requires.

Regarding forest health the two standards together require monitoring of harmful agents to forests and mitigation of damages. The requirements to protect special sites and habitats of threatened species support natural forest structures. Compliance with laws and regulations and Best Management Practices also contribute to forest health and appropriate management of hazardous substances. **The Module complies with PEFC requirements on forest health (Criterion 2).**

The Module's requirements for Group Manager's fiber supply area plans, complemented with the specific requirements of the optional forest owner's own management plan establish a **compliance with PEFC Criterion 3 on maintenance of productive functions of forests.**

For biodiversity protection (Criterion 4) the Module sets quite generic requirements for the level of biodiversity protection compared to sometimes detailed PEFC requirements. It requires consideration of special habitats and protection of threatened and endangered species. Waste management is stipulated on laws and regulation and in best management practices.

A minor non-conformity related to Criterion 4 (Table 8.2)

- (5) Fiber Sourcing plan does not set regional requirements to promote ecological connectivity, although it is a regional plan (PEFC ST 1003:2010 5.4.6 (Table 8.2)).
If such requirements are not issued in applicable legislation, connectivity is not required by the Module.

Requirements of the Module and Fiber Sourcing standard on biodiversity protection in forestry do not fully comply with PEFC ST 1003:2010 (Criterion 4).

The requirements of the Module and Fiber Sourcing standard on protective functions in forestry comply with PEFC ST 1003:2010 (Criterion 5).

Regarding compliance with PEFC requirements of socio-economic functions (Criterion 6), the Module has **two minor non-conformities** to PEFC ST 1003:2010 Criterion 6 (Table 8.4):

- (6) There is a disharmony between the performance requirements of the Module and Fiber Sourcing standard. Fiber Sourcing Standard sets requirements for consultation/community outreach, but the Module does not. Group Manager shall make social assessment, but the Module does not require any dialogue with interested parties (PEFC ST 1003:2010 5.6.1).

- (7) The SFI complaints procedures are not updated to take into consideration complaints related to SLGC Module certification and to complaints between members or member and Group Manager. ATFS procedures apply in USA for forest owners, but the Module documentation is not updated to encompass that option either (PEFC ST 1003:2010 5.6.10).

Requirements of the Module and Fiber Sourcing standard on socio-economic functions in forestry do not fully comply with PEFC ST 1003:2010 (Criterion 6).

The Module and Fiber Sourcing Standard Comply with the legal compliance requirements of PEFC ST 1003:2010 (Criterion 7).

3.5 PEFC Chain of Custody Certification

Not covered by this assessment.

3.6 PEFC Logo Usage

Not covered by this assessment.

3.7 Certification and Accreditation Procedures

SFI 2015-2019 Audit Procedures and Auditor Qualifications and Accreditation (Section 9) was endorsed by PEFC Council in 2016. Also, ATFS audit and certification procedures are endorsed by PEFC Council. Certification bodies auditing ATFS shall also have accreditation to SFI certification.

Based on the discussions SFI has had with certification and accreditation body (ANAB), it is possible to extend the accreditation to SFI Fiber Sourcing certification to also cover certification to SLGC Module. ANAB has accreditation programs for SFI and the ATFS standards.

SFI should provide the evidence that ANAB programs for accreditation also cover SLGC Module, when the testing and first certifications take place. This would demonstrate that SFI procedures for auditor qualification and accreditation (SFI 2015-2019 Section 9) are implemented.

3.8 Notification of Certification Bodies

Not covered by this assessment.

3.9 Complaints and Dispute Resolution Procedures

The SFI complaints and dispute resolution procedures are described in SFI 2015-2019 Section 11, that PEFC Council endorsed in 2016. The Procedures are not updated to include the proposed Modules which is raised as a minor non-conformity to PEFC ST 1003:2010 requirement 5.6.10.



4. MATERIAL AND METHODS

4.1 PEFC Documentation

PEFC documentation to be used for assessing compliance of Module

The following international PEFC standards and normative guidelines set the requirements for compliance for the Small Lands Group Certification Module. The assessment reviews in detail the conformity of the Module to a specific PEFC requirement presented in the listed documentation. PEFC Council has recently updated its international standards, but due to the fact the assessment of the SLGC Module started during the era of the old standards, these will remain the reference documents till the completion of the assessment.

Standard Setting Process

1. PEFC ST 1001:2010, Standard Setting – Requirements

Forest Management Requirements

2. PEFC ST 1003:2010, Sustainable Forest Management – Requirements

Implementation of Certification

3. PEFC ST 1002:2010, Group Forest Management Certification – Requirements

Accreditation and Certification

4. Accreditation and certification procedures for forest management as defined in Annex 6 (only if PEFC endorsed SFI 2015-2019 Audit Procedures and Auditor Qualifications and Accreditation is not applied or applicable)

Other Documentation

5. A stakeholder questionnaire to verify stakeholder invitation and participation in Module development along with stakeholder views on process implementation.

The *PEFC Standard and System Requirement Checklist* will provide the templates for detailed assessment of conformity to specific PEFC requirements.



4.2 SFI Program Documentation

SFI System documentation to be assessed in Module

The assessment is based on the following documentation of the Applicant System:

Normative documents:

1. SFI Small Lands Group Certification Module
2. SFI 2015-2019 Fiber Sourcing Standard (Section 3 of SFI Program)
3. SFI 2015-2019 Policies (Section 7)
4. SFI 2015-2019 Audit Procedures and Auditor Qualifications (Section 9)
5. SFI 2015-2019 Communication and Public reporting (Section 10)
6. SFI 2015-2019 Definitions (Section 13)
7. Interpretations for the Requirements for the SFI 2015 – 2019 Standards and Rules.

Indufor takes into consideration the results of the PEFC conformance assessment of the SFI 2015-2019 Program in June 2016¹, the SFI 2015-2019 normative standards² and descriptive documents as relevant to the defined scope of the assessment.

The standard setting procedures of SFI 2015-2019 (Section 8) were endorsed by the PEFC in 2016.

Informative documentation relevant to the assessment:

AFF Standards:

1. 2015-2020 American Forest Foundation Standards of Sustainability for the American Tree Farm System
2. 2015-2020 American Forest Foundation Standards of Sustainability for the American Tree Farm System Guidance
3. 2015-2020 American Tree Farm System (ATFS) Independently Managed Group Standards
4. American Tree Farm System (ATFS) Eligibility Requirements.

SFI informative documentation:

5. SFI 2015-2019 Rules and Standards, Section 8 - SFI Standards Development
6. SFI Records Retention Policy
7. SFI Guidance to SFI 2015 – 2019, Section 6
8. SFI 2015-2019 Rules and Standards, Section 11 – Public Inquiries and Official Complaints
9. SFI 2015-2019 Rules and Standards, Section 12 – Optional Modules
10. SFI Small Lands Module Guidance – March 14, 2019
11. Comments to public consultation – March 11, 2019
12. SFI-AFF Task Group Roster February 4, 2019
13. Stakeholder mapping for public consultation November 19, 2018.

Additional information is collected from extracts and records of the communication of SFI on public consultation and invitation of stakeholders to task group and to comment the draft standard.

SFI has not submitted a separate description of the standard revision process. SFI email correspondence and Web announcements are the only available documentation on standard setting.

¹ [Available from PEFC Council](#)

² <http://www.sfiprogram.org/sfi-standards/>

4.3 Methods

The assessment is done as a desk study based on (i) the documentation listed above, (ii) on the feedback received from the stakeholders and (iii) on the additional information provided by the SFI Inc and AFF.

Indufor sent out a questionnaire on May 17, 2019 on the standard setting process to 26 parties, most of which had participated in the Task Force group for Small Lands Group Certification Module development or commented the Module also in the international consultation.

Section 10.3 summarizes the comments received during the consultation and Appendices 2 and 3 describe them in detail.

The results of international consultation on the earlier version of the SLGC Module, launched by PEFC Council in April 10, 2018, were also available for the assessment.

In August 22, 2018 Indufor consultant discussed the earlier Module development and its implementation with SFI staff members in Washington DC.

4.3.1 Small Lands Group Certification Module

This assessment presents the consultant's conclusions on the conformity of the SLGC Module to the PEFC requirements. The Module is an amendment to the SFI 2015-2019 Program. The conclusions on the conformity are based on the available evidence. Conformity to the PEFC requirements would assure that the Module is developed in line with the PEFC requirements and that it will operate in a consistent and reliable way. The assessment covers the development and provisions for the Module implementation as described in Table 4.1.

Table 4.1 Assessed Elements and Core Issues

Element	Core issues
Standard setting	<ul style="list-style-type: none"> - Stakeholder participation - Transparency - Consensus building - Consistency in planned procedures and in their implementation
Criteria for forest management in the Module standard and in Fiber Sourcing standard	<ul style="list-style-type: none"> - Performance requirements - Practical applicability of the criteria considering natural conditions, forest tenure, organizational and administrative structures - Auditability of compliance with the criteria
Group Certification arrangements	<ul style="list-style-type: none"> - Applicability and governance of planned arrangements - Reliability of arrangements to deliver full conformance to the scheme requirements - Implementation of the Module under two independent and endorsed forest certification schemes (SFI and ATFS) - Methods to indicate certification status - Complaints procedures

The results and conclusions on the conformity analysis are presented in detail in Appendix 1 where Small Lands Group Certification Module's compliance with each requirement of the PEFC Council Checklist is assessed. For standard setting, the assessment focuses on applied processes because standard setting rules of SFI 2015-2019 Program (Section 8) are already endorsed by PEFC.

Certification and accreditation arrangements applied in SLGC Module were not part of the assessment scope. The procedures as applied in PEFC endorsed ATFS and SFI forest management certification are already endorsed by PEFC Council.



4.3.2 Assessment Scales

The following grading of conformity levels will be used in the final draft report (Box 4.1).

Box 4.1 Assessment Scales Used in Conformity Evaluation (final draft report)

Conformity

A procedure described by the Scheme documentation fully meets the particular requirement of PEFC Council.

Comment

Comment is a remark on potential improvement in compliance. It is not a nonconformity and does not require any mitigation action, but it gives relevant information on risks and/or future improvement needs.

Minor non-conformity

A minor nonconformity does not violate the integrity of the certification Scheme and is not a bar to endorsement. The assessor recommends appropriate corrective action. Generally, a minor non-conformity should be corrected within 6 months. The assessor may recommend a longer period where justified by particular circumstances.

Major non-conformity

A major nonconformity violates the integrity of the certification Scheme and has to be corrected before the endorsement of the Scheme.

NA Not applicable.

Only a positive conclusion on the conformity is considered to meet the PEFC requirements. The requirements indicating minor or major non-conformities do not meet the performance level the PEFC demands from an endorsed module.

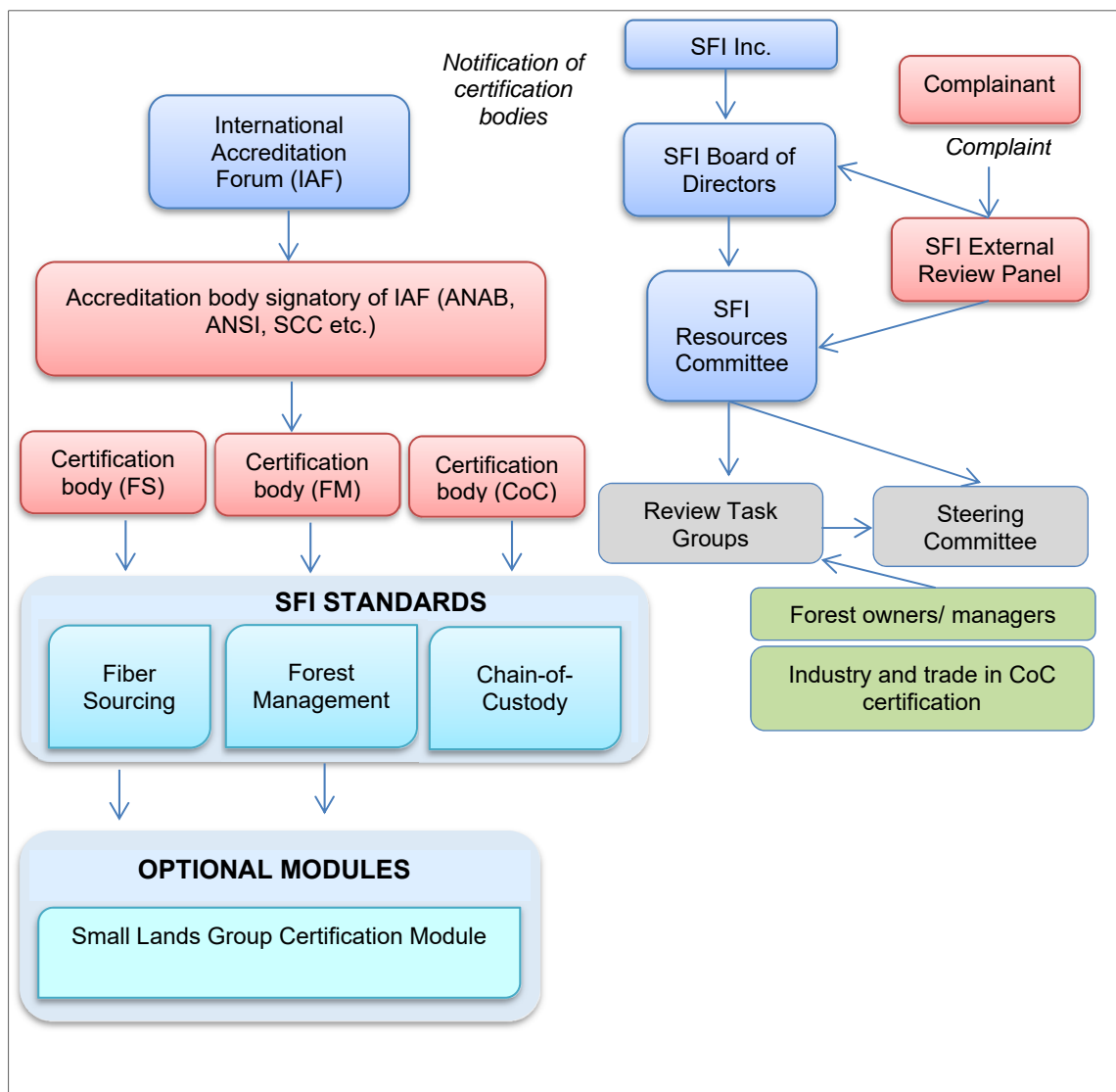
PEFC requirements were classified as not applicable e.g., if they address a phase that is not relevant in the development of implementation of the SLGC Module.

The conformity assessment process is described in Section 4.3.

5. SFI PROGRAM ORGANIZATION AND SMALL LANDS MODULE IMPLEMENTATION

The SFI Program includes standards for forest management, fiber sourcing and chain-of-custody and the new module discussed in this report. In addition to PEFC compliant chain of custody and labelling procedures, SFI Program has own chain of custody standard and label. In all certifications the SFI Program requires accredited third-party audits and certifications in line with PEFC requirements. The scheme elements and functions are organized as presented in the Figure 5.1.

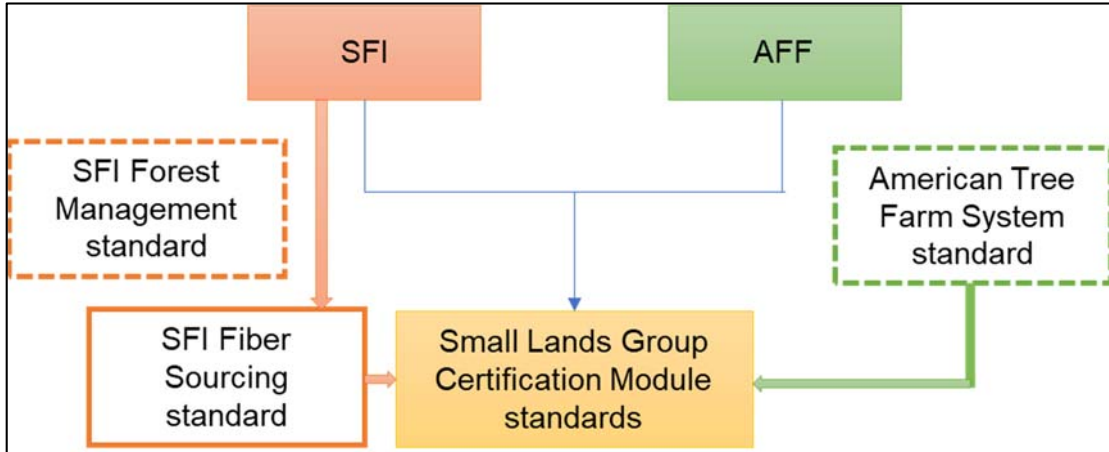
Figure 5.1 Organization of the Sustainable Forestry Initiative



SFI developed the current version of the SFI-AFF SLGC Module in collaboration with American Forest Foundation and their American Tree Farm System (ATFS) forest certification scheme (Figure 5.2). The Module is partly based on the endorsed SFI Forest Certification System and on non-endorsed *SFI 2015-2019 Fiber Sourcing Standard*. The PEFC Council endorsed SFI 2015-2019 standards and rules on certification and accreditation, communication and conflict resolution, chain of custody, labelling and SFI policies that apply in Small Lands Group Certification. Group certification requirements are new and not endorsed by PEFC Council.

Forest management requirements are drawn largely from PEFC endorsed ATFS forest management standard and adapted to be applicable both in USA and Canada.

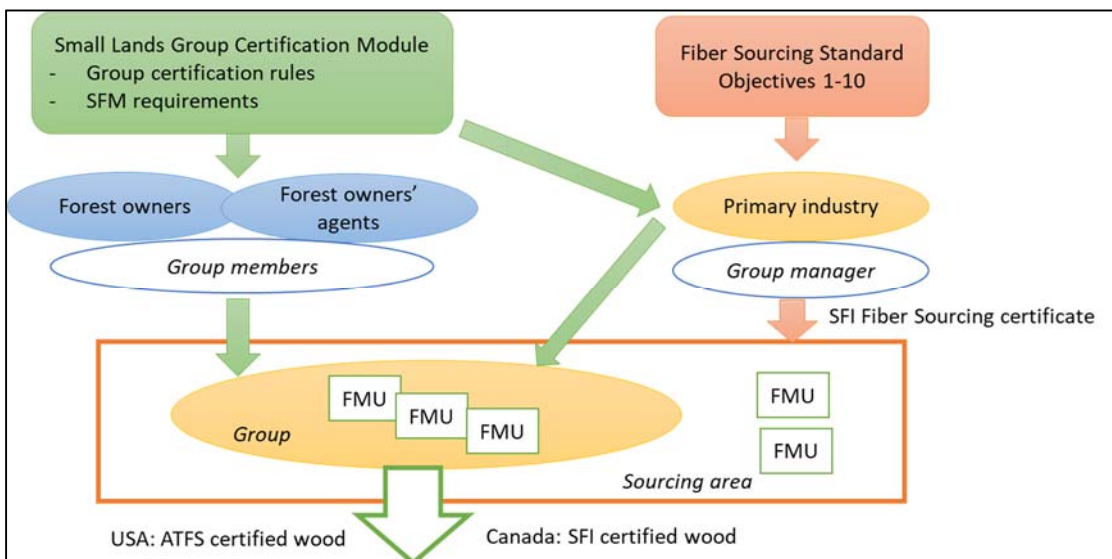
Figure 5.2 Roles of SFI and AFF in Small Lands Group Certification



The Module provides a pathway for forest owners to join group certification under an industrial organization that is SFI Program Participant and certified to Fiber Sourcing Standard (Figure 5.3). The industry operator who is applicant to Small Lands Group Certificate shall have a Fiber Sourcing certificate covering all timber sourcing.

The Module sets the rules for group certification and describes responsibilities for Group Manager and members (landowners). It also sets forest management requirements that landowners/managers and Group Manager shall respect. In addition, Fiber Sourcing standard obliges Group Manager to apply sustainable sourcing that also has implications to the required performance in forest management.

Figure 5.3 Implementation of Small Lands Group Certification



The Small Lands Group certificates are separate certificates covering the consecutive forest areas group members submit to the certified/certifiable group. The geographic area of SLGC

Module and Fiber Sourcing certification is different. Landowners can join only one certification group operating in a geographic area. Certification to the SLGC Module is linked to specific forest areas. Group Manager has a fiber sourcing certificate which requires that the company applies sustainable methods in all timber procurement in different sourcing areas. Fiber Sourcing certificate is not linked to specific forest holdings or areas and it alone does not allow any claims certified origin of procured timber.

Figure 5.4 Contracting Framework in Timber Sales under Small Lands Group Certification



Forest owners make a written contract with Group Manager on joining the group certification. Forest owner signs a separate contract for each timber sale with potential environmental conditions and requirements for the use of trained and certified logging operators (Figure 5.4). In USA and Canada forest owners usually contract logging companies to do the harvesting. Fiber Sourcing standard requires that sourcing companies (Group Manager) use and expect to use qualified/certified logging professionals when available.

In some case landowner agents are contract parties in group certification. They are parties to whom landowners have given the juridical right to manage the forest land. In such situation an agent is responsible for all forestry transactions and also for certification. The Module implementation does not lead to situation where landowner could be certified without giving his own consent to it or a mandate to a third party to make the decision.

The cap size for a small lands forest holding in the Module is 8 000 ha which is in line with the definitions of PEFC endorsed American Tree Farm System. PEFC Council Technical Documentation does not define any thresholds for small/family size forest land holdings.



6. STANDARD SETTING AND REVISION PROCEDURES

6.1 Standard Setting in SFI Program

SLGC Module is developed and governed under SFI Program, although AFF partners in its development and implementation in USA. SFI has PEFC endorsed procedures for standard setting as described in Section 8 of the SFI 2015–2019 Standards and Rules. The above described SFI standard setting and revision procedures were not applied in the development of Module, because SFI considered them to be amendments to the approved standards and subject to the rules of SFI Section 12 on Optional Modules:

*SFI Inc. has developed a process for the SFI program to address emerging issues and new opportunities, such as start-up templates for new Program Participants, carbon markets, short rotation woody crops, conservation easements, **small lands**, etc. through **optional modules developed by SFI Inc. and approved by the SFI Inc. board of directors**. These modules will provide implementation assistance using case studies or optional certification requirements to address specific issues of benefit to the SFI program. Any modules developed prior to the next standard review process in 2019 will be added in this section.*

Thus, there was not an intention to apply the PEFC endorsed SFI standard setting procedures in the Module development.

Due to the fact that SFI and also ATFS standard setting procedures are compatible with PEFC requirements the scope of this conformity assessment covers only the standard setting process applied in the drafting of forest management requirements for the SLGC Module and reviews if it conforms to the PEFC requirements.

6.2 Standard Setting in the SLGC Module Development

The SFI initiated the discussion on the need to improve the possibilities to certify small private landholdings already in 2014. The SFI Board Small Lands Task Group was formed in December 2014 to plan the development of certification options for small land holders. In 2017 SFI submitted a draft for SLGC Module for PEFC review. Based on the comments received in that context, SFI reorganized the standard setting process and produced together with AFF the current version of the Module in March 2019.

Development of the forest management standard under SLGC Module did not fully conform to the PEFC Council endorsed SFI standard setting procedures (Section 8 SFI Program 2015-2019). SFI produced internally the first version of the Module and invited other stakeholders to participate in the process first in November 2018. In January 2019 SFI and AFF partnered to carry out the standard setting process and development of other elements of the Module together. SFI/AFF did not write and publish procedures for the standard development. SFI launched a stakeholder process to discuss and finalize the forest management requirements.

SFI carried out a comprehensive stakeholder mapping and informed all identified stakeholders in November 2018 on the possibility to comment and join a Task Force on SLGC Module standard development. The communication was sent by an email and posted on SFI Web site. In practice all interested parties had the access for commenting and joining the Task Force. The Task Force consisted of 13 independent members and three staff members from SFI/AFF. The SFI-AFF Task Force was dominated by the forest owners' and industries' interests, 31% and 38% respectively. It had also 1-2 members representing social - environmental interests respectively. There was a significant imbalance in the composition of the Task Force because only one member, representing the First Nation, was Canadian.

The Task Force had one conference call on February 14, 2019 where it discussed the 45 comments received to the preliminary SFI draft for the Module. The members had received the comments and SFI proposals for their consideration well before the meeting. The development process is described in Figure 6.1.

Figure 6.1 SLGC Module Development Process



The implementation of the SLGC Module has not yet been tested in practice.

6.3 Results on Conformity of Standard Setting Processes

The SLGC Module development process has four minor and one major non-conformities to PEFC ST 1001:2010 requirements. The development process did not fully comply with PEFC endorsed SFI 2015-2019 Standard development and revision procedures (Section 8) nor the PEFC requirements.

The Table 4.1 below describes the non-conformities identified in the development of the forest management requirements of the Module. Appendix 1 contains a more detailed description and references to the SFI documentation.

Table 6.1 Non-conformities in Module Development Process

Standard setting PEFC ST 1001:2010	Justifications of non-conformities
	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.
Minor NC	<p>The standardizing procedures for the Module development were not well defined or published in advance. The procedures were informed with a few lines at SFI Web site and in one email to stakeholders.</p> <p>SFI did not fully implement its own rules (SFI 2015-2019 Section 8) in standard setting. SFI Section 12 does not conform to PEFC requirements on standard setting.</p> <p>The Module is based on the PEFC endorsed SFI 2015-2019 Standards, the unendorsed SFI Fiber Sourcing standard and adapted ATFS forest management requirements. These procedural documents shall be updated to encompass SLGC Module in a manner that also its standard setting and revision procedures comply with PEFC requirements.</p> <p>The non-conformity is classified as minor, because the minimum information sharing through email and Internet included some information on the planned standard setting procedures.</p>

Standard setting PEFC ST 1001:2010	Justifications of non-conformities
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 records shall be kept for a minimum of five years and shall be available to interested parties upon request.	
Minor NC	Records on meeting agendas and memos are not reported systematically. Drafts on Module development are recorded, as appropriate, with given comments. There is no evidence that the drafts would have been available for parties not belonging to the Task Force (13 interest groups).
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.	
Major NC	The FMU level standard of the Module is the ATFS forest management standard with relevant changes in wording. It has been implemented in USA under the ATFS scheme. However, the Module requires conformity to both Fiber Sourcing Standard and the ATFS compatible forest management requirements. This combination is not tested under the complex group certification arrangement of the Module.
5.10 Documentation on the implementation of the standard-setting process shall be made publicly available.	
Minor NC	The documentation of the standard development process was not publicly available.
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.	
Minor NC	<p>There are no formal minutes of the meeting, that would demonstrate the that the key decisions e.g. on agenda and consensus on all standard requirements.</p> <p>A working group that meets only once in a conference call has limited possibilities to reflect among the participating interest groups the proposed changes and their overall impact to standard requirements. Such approach is not a good example of balanced stakeholder participation, although it seemed to have worked well in this context.</p>

Appendix 1 to this report make detailed references to the relevant SFI documents and give the justifications for the decisions on conformance.

7. GROUP CERTIFICATION ARRANGEMENTS

7.1 Description of Small Lands Group Certification Module

Small Lands Group Certification Module is the first proposed group certification arrangement in the SFI 2015-2019 Program. AFF has an Independently Managed Group Certification system (ATFS-IMGC 2015-2020) that is endorsed by PEFC. In the SLGC Module individual private forest owners and landowners' agents would join a group compiled by a SFI Program Participant, i.e. primary industry company, that is certified to the SFI 2015-2019 Fiber Sourcing Standard.

The Module aims at the situation where timber procured from the group members' forests could be considered as certified and conform to the requirements of the PEFC ST 1003:2010. The forest management requirements implemented in the management of potentially certified forests would comprise of the forest owners' commitments to comply with the Module's SFM requirements and industries commitment to the environmental and other Fiber Sourcing Standard requirements.

The participating forest owners and landowners' agents commit by a contract to comply with the forest management and group certification requirements of the SLGC Module. The written agreement shall address the conditions of participation in group certification, Group Manager's right to implement and enforce audits and corrective actions or to initiate the suspension of a member. Group member commits to comply with the Module's requirement and with the conditions and recommendations of the broader Fiber Supply Area Plan (prepared by Group Manager under Fiber Sourcing certification).

The SLGC Module defines requirements for management of the group organization – responsibilities of the Group Manager, as well as responsibilities of the group members. The Group Manager has the responsibility to establish practices and procedures that ensure the compliance of group organization with the requirements of the SFI 2015-2019 Fiber Sourcing standard, as well as wood and fiber supply area plan and forest management practices on certified area as defined in the Module. Group Managers are responsible for maintaining records related to group members, certified area, internal monitoring program, training and implementation of wood and fiber supply area plan etc. This responsibility also extends to forest management operations supplying timber for forest industry that is not part of the group and does not have a SFI Fiber Sourcing certificate. The group management procedures shall ensure that group members implement, and Group Managers verify regularly the performance also outside the scope of timber sales contracts.

The SFI Fiber Sourcing certificate requires a number of environmental commitments from the sourcing organization. Certified timber sourcing organizations shall ensure conservation of environmental values in harvesting planning and operations and regeneration in their whole supply area. FS standard has little requirements for silviculture or other operations that are not in the responsibility of the certified sourcing organization but SLGC Module and its overall objective to respect legislation and best practices set additional forest management unit level requirements. The Module has little social requirements which, on the other hand are included in the Fiber Sourcing standard.

Fiber Sourcing certificate is not linked to a specific predefined land area but in SLGC the certified forest area is defined as *the forest area covered by a group forest certificate representing the sum of forest areas owned by landowners that are group members*. Landowners must submit all consecutive areas for one group certification, but separate forest estates may remain uncertified. The maximum size for small lands forest holdings is 8 000 ha. Landowners can join several groups operating in one area. Group Manager may also apply the group certification module in multisite groups, e.g. across state boundaries if the organization has the capacity to manager the groups. Fiber Sourcing certificate can also cover multisite sourcing areas.

7.2 Analysis Results on Group Certification Arrangements

The Module requirements for the organization of a group entity comply with the PEFC requirements (PEFC ST 1002:2010).

However, the complexity of the group certification model implemented under two different certification systems (ATFS and SFI) and that has not been tested, raised the following comments (Table 7.1):

Table 7.1 Comments on Module's Compliance to PEFC ST 1002:2010

PEFC ST 1002:2010 reference	Comment
<p>4.2.1 h) <i>The forest certification scheme shall define the following requirements for the function and responsibility of the group entity - To operate an annual internal monitoring programme that provides for the evaluation of the participants' conformity with the certification requirements</i></p>	<p>Comment SFI should give guidance to the drafting of procedures for the management of the Group Certification Organization and internal monitoring programs to ensure that annual internal monitoring also covers forestry operations which supply timber to third parties that may not be holders of Fiber Sourcing certificate. The Module's forest management requirements alone do not fully comply with PEFC ST 1003:2010 on forest management without implementing the programs required by Fiber Sourcing standard. Thus, if internal monitoring does not cover the compliance of the third-party industry with Fiber Sourcing standard, there is not a full assurance that timber sold by a Group Member to a non-certified party will fully comply with PEFC requirements.</p> <p>Testing would have brought more insight to the scope of internal monitoring in such situations.</p>



8. FOREST MANAGEMENT STANDARD

8.1 Small Land Group Certification Forest Management Requirements

The SFI Small Lands Group Certification Module is partly based on the PEFC endorsed ATFS forest management requirements and on non-endorsed SFI 2015-2019 Fiber Sourcing standard. Underlying principle in the Module requirements is a full compliance with all jurisdictional regulations and applicable best management practices.

SLGC Module requires that Group Manager develops and updates a publicly available wood and fiber supply area plan which is based on long-term sustainable timber and non-timber use and management of forest resources. The general plan is adapted as appropriate to the management objectives of individual landowners.

The forest management requirements focus on forest regeneration, harvesting and transportation operations, waste management, fire prevention, as well as on the use of pesticides and fertilizers. The Module includes few biodiversity related or social requirements, but Fiber Sourcing certificate requires that Group Manager develops various programs to promote these issues. The Objectives 1-10 of SFI 2015-2019 Fiber Sourcing Standard (SFI Section 3) apply to implementation of Group Certification Module in USA and Canada. Performance measures and indicators specify the requirements under each objective. It is important to note that the SLGC Module (Chapter 4) alone does not fully comply with PEFC ST 1003:2010 on forest management, if the programs required by Fiber Sourcing standard are not implemented.

The conformity analysis of SLGC Modules forest management requirements also covers the provisions set by the SFI 2015-2019 Fiber Sourcing standard. The detailed results are presented in Appendix 1 (Part III) to this report.

8.2 Analysis Results on Forest Management Requirements

8.2.1 Criterion 1 - Enhancement of Forest Resources and Their Contribution to the Global Carbon Cycle

The assessment of SFI Small Lands Group Certification Module and the Fiber Sourcing Standard has disclosed that the set requirements for planning are strategic with the main principle of adapting any planning to landowners' objectives. SLGC standard define the scope of planning and FS standard require specific programs to improve e.g. biodiversity. The standards do not set operational requirements on how the plans should be integrated into practical forest management especially in multisite certification that may cover several states/provinces and biomes. No plans or programs are available at this point.

Inventory and Planning

The Module requires development of a wood and fiber supply area plan which shall, among other things, be based on forest inventory, mapping and monitoring of forest resources. In this respect, monitoring shall be established, for example, for growth and drain trends and harmful agents. Monitoring growth and drain system shall serve as the base for developing forest management activities aimed at maintaining sustainability of harvesting levels. Mapping should cover at least sensitive sites and areas with high biodiversity values, as well as areas with specific water and soil protection functions.

The sourcing plans prepared by Group Manager (primary industry), are adapted for each group member. The Module does not set any minimum requirements what an FMU level plan should encompass. Thus, FMU level responsibilities emerging from the fiber sourcing plan are not clearly defined. FMU level plans are voluntary in the SMLGC.

Sourcing plans shall be based on publicly available inventories and information and potential own studies on sourcing. Industry will have only limited access to the forest resource and

management planning data covering private lands, which may be an obstacle for taking into consideration characteristics of one specific region in the planning.

Forest owners may opt to have and implement own forest management plan. In such case the Module (Section 4.2) lists the elements that shall be taken into consideration in the plan: e.g., forest health, soil, water, wood and fiber production, threatened or endangered species, special sites, invasive species, special sites (as defined in USA and Canada).

Silviculture

Forest management practices under the Module shall ensure proper forest regeneration, while harvesting and transportation operations shall minimize the negative impact they may have on forest, soil or water resources. Group member shall meet or exceed best management practices (BMP) applicable to the FMU. Although focusing on soil and water protection, in some US states BMPs contain instructions for silviculture.

Conversion

The Module requires the wood and fiber supply area plan to identify risks and mitigation measures in forest conversion and determine whether there is potential for converting agricultural lands or land without trees into forest areas. From another side, the Fiber Sourcing standard defines conversion sources of forest-based products as potential controversial sources and requires a due diligence system for avoiding such sources and an associated risk assessment.

The requirement for compliance with the applicable legislation is interpreted to ensure that conversion shall be a result of national or regional land-use planning governed by a governmental or other official authority.

It is unclear whether the standard requires any consultation with interest groups in planning and mapping of valuable areas and in specification of conversion rules, as well as who defines the risks or conversion of open land to planted forest.

The Group Certification Module and SFI 2015-2019 Fiber Sourcing Standard, when implemented together, comply with the criterion 1 of PEFC ST 1003:2010.

The following comments were raised in the assessment for the PEFC consideration (Table 8.1):

Table 8.1 Comments on Module Compliance with (PEFC ST 1003:2020) Criterion 1

PEFC ST 1003:2010 reference	Comment
4.1. b) <i>The requirements for sustainable forest management defined by regional, national or sub-national forest management standards shall: Be clear, objective-based and auditable</i>	<p>Comment The requirements are objective-based and auditable, but without pilot testing and operational documentation (e.g. contracts between Group Manager and participants) it is not fully clear how the two standards are implemented together in the Small Lands Group Certification. Fiber Sourcing standard sets management system requirements for certificate holder (Group Manager) that applies them through sourcing related programs including commitments to promote Best Management Systems when available.</p> <p>Forest owners commit directly only to the Module’s limited forest management requirements in the area that source wood to the certified industry, however they are eligible to sell SLGC certified fiber to uncertified third parties.</p>

PEFC ST 1003:2010 reference	Comment
	<p>Examples of group contracts between certificate holder and forest owner, or certified forest owner and logging companies were not available to provide additional evidence. Examples of public audit reports of Fiber Sourcing certification demonstrated that the programs industry have developed set requirements to operational forest management and their impact is audited in field. USA the Module is implemented under American Tree Farm Forest Certification (ATFS) which introduce additional untested element in the Module implementation</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 tools that support land-use planning and nature conservation.</p>
Comment	<p>The forest management planning and forest resource development requirements are the responsibility of Group Manager (primary industry). The plans are mostly based on publicly available data on forest resources and biologically important areas. The scope of planning is in line with PEFC requirements, but there a risk that the plan will be very general. The Module does not set any minimum requirements on the scope of the plans adapted at the FMU level</p> <p>Due to the absence of pilot testing, any examples of the plans were not available.</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 for a cycle of continuous improvement to minimize or avoid negative impacts.</p>
Comment	<p>Large scale fiber sourcing plan drafted by Group Manager (primary industry) focus on sustainable sourcing and only selected elements of it are applied at an FMU level. The inventory and main monitoring data is collected from public sources.</p> <p>FMU level plans are voluntary and if drafted they shall comply with the Module's requirements of section 4.2. Forest inventory is not directly required due to small scale of FMUs, but the plans shall be adaptive and reflect the information collected in monitoring.</p> <p>The required PEFC elements are covered, but only pilot testing and examples demonstrate how well the overall fiber sourcing plan promotes forest management and its environmental and social impacts in practice</p>
	<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>
Comment	<p>SFI should also set minimum requirements on what information should be disclosed in public summaries to fiber sourcing plans and potentially also on the landowner level adaptations of the plan. Group Manager has the responsibility to publish the information.</p>
	<p>5.1.8 Responsibilities for sustainable forest management shall be clearly defined and assigned.</p>
Comment	<p>The Module defines the responsibilities of group managers and group members. Through pilot testing and examples of relevant contracts with landowners or their agents, SFI should demonstrate how the responsibilities are allocated in practice.</p>

8.2.2 Criterion 2 – Maintenance of Forest Ecosystem Health and Vitality

Control of Damages

The Module requires that a wood and fiber supply area plan include the results of monitoring of harmful agents and protection measures against them. Requirements on protection of forest productivity and health form one of the main principles of sustainable fiber sourcing. The Fiber Sourcing Standard, in its own turn, makes a reference to Best Management Practices which are aimed at safeguarding forest resources, including their health and vitality. The Module requires that Group Manager monitors forest health and updates the fiber sourcing plan accordingly.

Preventive Measures

The Module requires measures to protect against harmful agents. Additional preventive measures are applicable through compliance to the Best Management Practices.

The use of fire is restricted only to a silvicultural or forest management practices.

Waste Management

The Module requires compliance to applicable federal, state, provincial, county and municipal legislation, regulations and ordinances and to applicable best management practices. Waste management is addressed in both contexts. In the USA the Environmental Protection Agency (EPA) sets statutory rules for chemical use. In Canada the authority is the Pest Management Regulatory Agency (PMRA) of Health. In US waste management is regulated, e.g. by the Resource Conservation and Recovery Act, Comprehensive Environmental Response, Compensation and Liability Act, National Environmental Policy Act, Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) etc. and oil spillage by the Oil Pollution Act.

Examples of waste management requirements in BMPs:

Alabama: *Trash disposal must be properly handled throughout the operation in accordance with all applicable laws. Fuel, lubricants and other toxic chemicals must never be drained into the soil. Food and drink containers, discarded equipment parts, and used fluids must be properly removed and disposed of. Trash must not be burned or buried on site.*

Michigan: *A spill response plan, (of fuel/lubricants), at least one spill kit, as recommended by MDEQ (Michigan Department of Environmental Quality), should be available on every job site...*

Provide receptacles in maintenance areas or in vehicles for collecting solid wastes... The materials collected in these receptacles must be disposed of properly, at an approved solid waste site.

Locate landing and fueling areas outside of riparian management zones... Where a spill does contaminate soil, the contaminated material must be removed from the site and deposited at a facility licensed for that purpose.

Chemical Use

The Module requires that landowners consider alternatives to the use of herbicides, insecticides, rodenticides or fungicides and thus aim at decrease in the chemical use. Only licensed persons may apply chemicals. However, legislation and BMPs allow the use of all these chemicals for damage prevention/control and also for site preparation. Laws and BMPs restrict their use only on buffer zones to water bodies.

Both the Module and Fiber Sourcing standard require strict compliance with applicable laws and regulations which set the basis for the rules in chemical use in certification requirements under SLGC Module. USA and Canada are signatories to the Stockholm Convention banning the use of persistent organic pesticides (POPs).

The requirements of the Module and Fiber Sourcing Standard on forest health comply with PEFC ST 1003:2010 (Criterion 2).

8.2.3 Criterion 3 – Maintenance and Encouragement of Productive Functions of Forests

Regarding productive functions of forests, the Module requires that forest management planning shall aim at production of a comprehensive range of forest products and services. Planning shall cover different functions of forests including production of merchantable wood and non-wood products, conservation and protection, as well as recreational services.

The practical measures for enhancement of forest resources focus on proper regeneration and damage prevention in harvesting and transportation operations, as well as in use of pesticides and fertilizers. The requirement to use qualified contractors in harvesting operations is an approach to avoid damages that compromise the productive functions of forests. Less attention is given to stand management during the rotation under the Module.

The requirements of the Module and Fiber Sourcing Standard on productive functions of forests comply with PEFC ST 1003:2010 (Criterion 3).

8.2.4 Criterion 4 – Enhancement of Biological Diversity

Biodiversity

Legislation defines the requirements for biological diversity, but for private forestry they are less strict when compared to public forests. Laws and regulations also vary between states/provinces resulting in different level of performance in different geographic areas. The Module sets quite generic requirements for the level of biodiversity protection compared to sometimes detailed PEFC requirements. However, the Module requires that a plan should address biodiversity issues when they are relevant. These include e.g. threatened or endangered species, special sites, invasive species and Forests of Recognized Importance (USA) or Exceptional Conservation Value (Canada). Fiber Sourcing certification demands programs to assess and promote biological diversity and to address forests with exceptional conservation value. The Fiber Sourcing standard sets more requirements for stakeholder consultation and recognition of valuable sites than the Module. Optional group member's forest management plan requires that forest owner/manager confer with existing biodiversity programs and consulta expertise on the field.

The Module requires that wood and fiber supply area plans include a review of non-timber activities and opportunities as well as maps of areas with high biodiversity values and that forest management practices minimize damages to biodiversity. In regeneration of harvested stands, methods promoting diversity of forests are preferred. High biodiversity values to be protected are not defined in the Module and it is up to the local laws, regulations and best management practices to specify the objectives for biological diversity in more detail.

Restoration of wildlife increases browsing and grazing pressure on some areas. In USA and Canada grazing is only allowed on public forest lands and if relevant it is included in forest management plans for public forests. Program Participants with forest management responsibilities on public lands are required to take part in public land planning and management activities.

Species Protection

In species protection the Module relies on applicable laws and regulations in USA and Canada. Statutory regulations address protection of endangered species that binds all group members.

Forest Stand

The Module requires proper regeneration of harvested sites using such methods, as natural regeneration, tree planting or direct seeding. Regeneration methods are also to be specified in a harvest plan. Regeneration methods have to be well adapted to the site conditions. Regeneration and maintenance of forest productivity is also promoted by the Fiber Sourcing Standard. Ecological connectivity in afforestation and reforestation is not separately addressed

neither in the Module nor in the Fiber Sourcing standard. Applicable laws and regulations set the basis for landscape level forest management planning.

SFI is committed to comply with legislation and PEFC policy on the use of genetically modified organisms (GMO). SFI follows the policy on Forest Tree Biotechnology (Section 7 in SFI 2015–2019 Standards and Regulations) that prohibits commercial use of GMOs. However, the policy shall be updated in line with the editorial update to the Chain of Custody Standard by 31 December 2022 which currently excludes GMO material from the PEFC-certified supply chains. Certified organizations may be involved in GMO research when it is in line with applicable laws and regulations.

Table 8.2 Non-conformities and Comments in Module Related to Criterion 4

Reference PEFC ST 1003:2010	Justifications of non-conformities and comment
	<p>5.4.2 a,b,c,d <i>Forest management planning, inventory and mapping of forest resources shall identify, protect and/or conserve ecologically important forest areas containing significant concentrations of:</i></p> <ul style="list-style-type: none"> a) <i>protected, rare, sensitive or representative forest ecosystems such as riparian areas and wetland biotopes;</i> b) <i>areas containing endemic species and habitats of threatened species, as defined in recognized reference lists;</i> c) <i>endangered or protected genetic in situ resources;</i> <p><i>and taking into account Globally, regionally and nationally significant large landscape areas with natural distribution and abundance of naturally occurring species</i></p>
Comment	<p>The standard is quite generic compared to sometimes detailed PEFC requirements and there is a risk that certificate holder and landowners also take a very generic approach to biodiversity protection. This problem is a structural weakness of the Small Lands Group certification approach. Fiber Sourcing certification demand programs to assess and promote biological diversity and to address forests with exceptional conservation value</p> <p>The valuable sites can be limited to formal protection areas or also include other areas potentially affected by forestry operations. There is a great variation in State/Province level environmental legislation, therefore it would be necessary that a certification program establishes a common performance level for biodiversity protection.</p> <p>From management system viewpoint, it is good that SFI requires assessment of biodiversity values, a program for their conservation to the degree desired by landowner/Group Manager and monitoring of the management results. The Module requires that Group Managers have a biodiversity protection program (FS standard) and a supply area plan that ensure enhancement of forest resources and identification/protection of high biodiversity values. The plan will be applied at the level of FMU as agreed with each group member. These are good measures to protect biodiversity, but especially in the conditions where legislation varies between states (US) and provinces (Canada) there is no guarantee that the specific PEFC requirements e.g. on endangered/endemic species, landscape areas will be taken into account in all certified FMUs/ groups.</p>

Reference	Justifications of non-conformities and comment
PEFC ST 1003:2010	
5.4.6 Afforestation and reforestation activities that contribute to the improvement and restoration of ecological connectivity shall be promoted.	
Minor NC	Although the Fiber Sourcing plan is regional, it does not set regional requirements to promote ecological connectivity. The Module does not have any requirements on landscape level connectivity. If such requirements are not issued in applicable legislation, connectivity is not required by the Module.

Apart from the minor non-conformity, the requirements of the Module and Fiber Sourcing Standard on biodiversity protection comply with PEFC ST 1003:2010 (Criterion 4).

8.2.5 Criterion 5 - Enhancement of Protective Functions in Forest Management

Forest management planning under the Module requires consideration of different forest functions and uses, i.e. identification of land areas with air, water or soil protection functions.

In addition, the Fiber Sourcing standard requires compliance with the mandatory Best Management Practices developed at state/province and/or municipal levels. The BMPs set operational level rules for air, water and soil protection. The annual surveillance audits also assess the compliance with the BMPs.

The Module and the Fiber Sourcing standard set restrictions on the types of chemicals used. Buffer zones are not defined in neither of the documents, but BMPs give guidance on their width and appropriate management. Based on the reviewed examples of BMPs the widths of buffer zones/riparian zones vary between 10 m to 50 m depending on the region, habitat, slope, type of water body, etc.

The requirements of the Module and Fiber Sourcing standard on protective functions in forestry comply with PEFC ST 1003:2010 (Criterion 5).

8.2.6 Criterion 6 - Maintenance of Socio-economic Functions

Socio-economic Values and Wellbeing

In general, the SFI Program requires high level of outreach from certificate holders to local communities. The organizations shall participate in regional/local SFI regional Standard Implementation Committees (SIC) that increase awareness in sustainable management and organize training for contractors and loggers. The SIC is also the first level, along with certification bodies, to address complaints related to the management of certified forests. However, the Small Lands Group Certification Module sets little obligations to address socio-economic values, community engagement and well-being. Fiber Sourcing Standard complements this gap and requires that companies take social values into consideration into their sourcing plans.

Group Managers shall review recreational function of forests along with other non-timber activities and take that information into consideration in their fiber supply area plans. However, the Module does not oblige forest owners to ensure adequate public access to forests. In practice landowners have often interest to allow recreational activities that provide additional income to the owner.

Minor non-conformities were raised to PEFC requirements 5.6.1 and 5.6.10 due to the potential gaps in Module's engagement of local communities and contribution to rural development:

1. Fiber Sourcing Standard sets requirements for consultation/community outreach, but the Module does not. Group Manager shall make social assessment, but the Module does not require any dialogue with interested parties.
2. Forest owners complying with the forest management requirements of the Module may sell certified timber to third parties that are not holders of a FS certificate. There is no evidence how the social commitments and processes agreed on in the Group Manager's fiber supply area plan are respected by the uncertified industry buying wood from a group member. Due to the lack of testing there is no evidence how well internal audits could address the social engagements of non-certified third parties that are not group members.

Fiber Sourcing Standard complements the Module requirements on contribution to the benefits and well-being of local communities. When it is verified that the both standards are enforced in certified forest management the SLGC Module complies with PEFC requirements 5.6.1 and 5.6.2 (see Appendix 1 p. 75 for details).

The Module does not state any specific training requirements. The Group Manager is responsible for capacity building through compliance with the Fiber Sourcing Standard.

International Labour Conventions

The SFI Fiber Sourcing Standard addresses the requirement set in ILO Conventions 87, 98, 111³ which are not ratified by USA (Table 8.3). The requirements of the other Conventions (ILO C 29 Forced Labour Convention (1930), 100 Equal Remuneration (1951), 105 Abolition of Forced Labor (1957), 138 Minimum Age for Admission to Employment (1973), 182 Worst Forms of Child Labor Convention (1999) and 169 Indigenous and Tribal People's Convention (1989) shall be addressed by the legislation or the Module.

PEFC also refers to ILO Convention on Occupational Safety and Health Convention (1981) that is covered by legislation to a variable degree (see Appendix 1 p. 100–101).

In addition, an independent legal review commanded by SFI in 2005 concluded that the US legislation is compatible with the ILO Conventions 87, 98, 29, 105, 138, 100 and 111⁴. The lawyer's conclusion was that the US federal level legislation prohibits forced and child labor, guarantees freedom of association, a right to organize collective bargaining (with some limitations) and also equal remuneration. Alabama, North Carolina and Virginia have legislation that prohibit collective bargaining in public sector and thus, in practice, prohibits the full compliance with ILO C 98.

The review is old and can be outdated, therefore the SFI should find updated impartial information on integration of the ILO conventions into legislation in the US. In Canada the ratification status is higher as presented in the Table 8.3.

³ ILO 87 – Freedom of Association and Protection of Right to Organize
ILO 98 – Right to Organize and Collective Bargaining
ILO 111 – Discrimination (Employment and Occupation)

⁴ ILO Conventions 29 and 105 on forced Labor, 87 and 98 on right to organize, 100 on equal remuneration, 111 on discrimination and 138 on minimum age of employment

Table 8.3 Ratification Status of Fundamental ILO Conventions in North America

Fundamental ILO Conventions Number	Name and Year	Status in USA	Status in Canada
Freedom of Association and the Effective Recognition of the Right to Collective Bargaining			
ILO No 98	Right to Organize and Collective Bargaining, 1949	not ratified	14 Jun 2017
ILO No 87	Freedom of Association and Protection of the Right to Organize, 1948	not ratified	23 Mar 1972
Elimination of all Forms of Forced and Compulsory Labor			
ILO No 29	Forced Labor, 1930	not ratified	13 Jun 2011
ILO No 105	Abolition of Forced Labor, 1957	25 Sep 1991	14 Jul 1959
Effective Abolition of Child Labor			
ILO No 138	Minimum Age for Admission to Employment, 1973	not ratified	08 Jun 2016
ILO No 182	Worst Forms of Child Labor Convention, 1999	2 Dec 1999	06 Jun 2000
Elimination of Discrimination in Respect of Employment and Occupation			
ILO No 100	Equal Remuneration, 1951	not ratified	16 Nov 1972
ILO No 111	Discrimination (Employment and Occupation) 1958	not ratified	26 Nov 1964
Other ILO Conventions referred by PEFC Council			
ILO No 155	Occupational Safety and Health Convention, 1981	not ratified	not ratified
ILO No 169	Indigenous and Tribal People's Convention, 1989	not ratified	not ratified

Sources: http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102582
http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102871

The Module and the Fiber Sourcing Standard assume that legal compliance ensures appropriate application of the ratified ILO Conventions and forestry enterprises shall take measures that encompass the intent of the unratified ILO conventions. SFI 2015–2019 Program, Section 6 on Guidance to SFI 2015–2019 Standards and Rules, Chapter 13 on ILO Core Conventions, specifies the consideration of ILO Conventions.

Compliance with ILO Conventions is a complex issue that easily leads to juridical interpretations in cases of complaints on infringement. SFI has a special ILO Task Force that addresses complaints related to inconsistent practices with ILO Conventions 87, 98 and 111. These shall be first addressed to SFI Program participant (e.g. Group Manager) and the certification body. If the given response is unsatisfactory, the complainant shall contact the SFI ILO Task Force. The SFI ILO Task Force will inform the SFI Board on the issue raised.

SFI ILO Task Force or the SFI Board of Directors do not address labor law related issues that are addressed through formal grievance processes or by any agencies established by the US National Labor Relations Act, provincial Labor Code or Act or the courts.

In the US the ratified ILO Conventions (105, 182) together with the Conventions 87, 98 and 111 cover all the four key areas of fundamental ILO Conventions, i.e. freedom of association and bargaining, forced labor, abolition of child labor and elimination of discrimination.

International Conventions on Human Rights

Canada and the US have ratified the UN Declaration on the Rights of Indigenous People (UNDRIP 2007) that, however, is not legally binding. It is not either subject to supervisory or regular monitoring applied to ILO Conventions. ILO 169 Convention on Indigenous and Tribal People's Convention (1989) that would be legally binding and subject to annual monitoring is not ratified. On the other hand, the scope of the UN Declaration is broad and has relevance to ILO instruments beyond to the Convention 169.

The USA and Canada have well-developed legislation to protect the rights of indigenous people on public lands. By law public forestry at a state/provincial level is mostly responsible on ensuring that the interests of indigenous communities are fully taken into consideration in forest management. The principle of Free Prior Informed Consent (FPIC) is respected as appropriate through legislation for operations planned on public lands.

The Small Lands Group Certification Module (with FS Standard) does not address the rights of indigenous people and thus does not require their consideration in private forests beyond the legislation. It is left unclear how these interests and rights are taken into consideration in a regional sourcing plan that does not specifically require consultations with stakeholders and may not require consideration of social aspects at an FMU level.

Despite these gaps in Module's own descriptions for protection of indigenous rights, the assessor considers that legislation in Canada and USA sets compliant responsibilities to forest management, mainly in public forests. Detailed justifications are presented in Appendix 1, page 79.

Safety

The Federal laws of the US Occupational Safety and Health Administration (OSHA) and the Canadian Center for Occupational Health and Safety stipulate the detailed requirements for work safety and health. The US State and Canadian Provincial legislation set more specific requirements e.g. on safety and monitoring.

Requirements for appropriate training and education programs are covered mostly by the Fiber Sourcing Standard, while the Module (a) addresses training through guidance provided through the Group Manager.

Complaint Procedures

SFI has established complaint procedures at regional/local levels (Section 11). The procedures are accessible to any party. Any party is entitled to inform on non-conforming practices first to the certificate holder that shall respond within 45 days in addition to sending also a copy of the response to the certification body.

If the complainant believes that the issue has not been satisfactorily resolved, he/she may provide its original documentation and the response from the program participant to the appropriate SFI Standard Implementation Committees (SIC) that holds an Inconsistent Practices Program and it will address the issue together with the certification body.

The applicable SFI complaints procedures Section address non-complying practices in Fiber Sourcing certification, but the complaints procedures are not updated to cover the Small Lands Group Certification Module. This issue is raised as a minor non-conformity.

Support to Research

The Fiber Sourcing Standard addresses forestry research, science and technology and requires program participants to support them, as well as "*develop or use state, provincial or regional*

analyses in support of their sustainable forestry programs.” In addition, the Standard requires that applied forestry practices are scientifically credible.

Table 8.4 The Non-Conformities in Module Related to Criterion 6

Reference PEFC ST 1003:2010	Justifications of non-conformities
5.6.1 <i>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</i>	
Minor NC	<p>In written standards there is a disharmony between the performance requirements of the Module and Fiber Sourcing Standard. Fiber Sourcing Standard sets requirements for consultation/community outreach, but the Module does not. Group Manager shall make social assessment, but the Module does not require any dialogue with interested parties.</p> <p>Forest owners complying with the forest management requirements of the Module may sell certified fiber to third parties that are not holders of a FS certificate. There is no evidence how the social commitments and processes agreed on in the Group Manager’s fiber supply area plan is respected by the uncertified industry buying wood from a group member. Due to the lack of testing there is no evidence how well internal audits could address the social engagements of non-certified third parties that are not group members.</p>
5.6.10 <i>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.</i>	
Minor NC	<p>The applicable SFI complaints procedures Section address non-complying practices in Fiber Sourcing certification, but the complaints procedures are not updated to cover the Small Lands Group Certification Module.</p> <p>The Section 11 on complaints does not provide procedures to address complaints within a group, e.g. between Group Manager and member or between different group members.</p>

Table 8.5 Comments Related to Criterion 6

Reference	Comment
PEFC ST 1003:2010	
5.6.2 Forest management shall promote the long-term health and well-being of communities within or adjacent to the forest management area	
Comment	SLGC Module alone does not address well-being of communities, but SFI Fiber Sourcing standard sets relevant requirements that contribute to the Module's conformity
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 forestland shall be clarified, recognized and respected.	
Comment	It is assumed that laws and enforcement systems ensure proper definition and respect of property rights in USA and Canada. Customary rights to use forests are valid only in designated public forest areas in the two countries
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.	
Comment	In Canada and USA customary rights to use forests for any purpose are always defined in regulations. In principle, people have access only to public forests and access to private forests requires separate contract and is often subject to financial compensation. Traditional rights for indigenous communities are also defined by laws. The Module requires that the sourcing plan includes review of recreational uses, it does not oblige forest owners to commit to ensure adequate public access forests for that purpose. Review may guide allocation of harvesting operations but not necessarily increase recreational opportunities in countries where property rights restrict access.
5.6.6 Sites with recognized 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.	
Comment	The Module should specify that SFI definition on special sites (that includes cultural values) is applied also at FMU level where ATFS based requirements are implemented. The Module document does not give a definition to the term.
5.6.13 Forest management shall comply with fundamental ILO conventions.	
Comment	SFI should provide updated information on the compliance of the federal and relevant state/provincial legislation with the listed and non-ratified ILO Conventions.

Apart from the two non-conformities the Module and Fiber Sourcing Standard together comply with the PEFC requirements. PEFC Council and SFI should take into consideration the comments above in decision making and in the future development of the Module.

8.2.7 Criterion 7 - Legal Compliance

A wood and fiber supply area plan required by the Module shall be consistent with applicable legislation and land use plans. In addition, compliance with the applicable federal, state/provincial and local laws, statues and regulations is required under the Fiber Sourcing Standard. The standard also draws special attention to commitment to relevant social laws.

Avoiding illegal logging and other illegal/unauthorized activities is required through compliance with applicable legislation under both the Module and the Standard. Illegal logging is also



separately addressed in objective 12 of the Fiber Sourcing Standard in the light of avoiding controversial sources of forest products.

The SFI Module or Fiber Sourcing Standard does not specify the range or scope of laws landowners and industry should take into consideration in certified forestry. The definition cannot be very specific, but it should clearly communicate to Group Manager and members that relevant social and environmental laws shall be respected, in addition to the more traditional forest laws.

This is raised as a comment (Table 8.6 Comment Related to Criterion 7). SFI is currently developing better information base on relevant legislation.

Table 8.6 Comment Related to Criterion 7

Reference PEFC ST 1003:2010	Comment
5.7.1	<i>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, labor and safety issues; and the payment of royalties and taxes</i>
Comment	The Module should specify the range of legislation certified forest management should comply with and clearly indicate that the scope covers social and environmental laws in addition to the standard forestry related legislation. Currently Fiber Sourcing standard indicate the scope of applicable laws. When the Module is fairly generic in its requirements there is a risk that a narrow interpretation of sustainable management meets the requirements.

9. CERTIFICATION AND ACCREDITATION PROCEDURES

The certificates under the SFI Small Lands Group Certification Module will be issued in line with SFI processes in Canada and with ATFS processes in USA. Thus, in Canada the applicant receives an SFI SMLG certificate and in USA an ATFS SMLG certificate. This arrangement implies that the certification and accreditation procedures of the two PEFC endorsed forest certification schemes are applicable in SMLG certification.

SFI has described the certification and accreditation procedures in SFI 2015-2019 Standards and Rules Section 9 on Audit Procedures and Auditor Qualifications and Accreditation. Based on the discussions SFI has had with certification and accreditation body ANAB⁵, it is possible to extend the accreditation to SFI Fiber Sourcing certification to cover also Small Lands Group Certification.

The procedures are endorsed by PEFC Council in the re-endorsement of the SFI forest certification scheme in 2016. The procedures are not reassessed in this assessment.

Certification and accreditation procedures of ATFS forest certification system are described e.g. in ANAB (Accreditation Program for American Tree Farm System (1.1.2014)). Certification bodies applying for ANAB accreditation for ATFS shall acquire and maintain also the ANAB accreditation to SFI as a prerequisite condition. Thus, the accreditation requirements of SFI and ATFS are well harmonized which ensure that the qualification requirements for certification bodies and procedures reach the same level regardless if the SLGC certificates are issued under SFI or ATFS schemes.

The ATFS accreditation and certification procedures were assessed and endorsed by PEFC Council in 2017.

SFI should provide evidence on ANAB accreditation program that is extended to cover also SLGC Module, when the first certifications have taken place.

⁵ ANAB - National Accreditation Board in North America

10. STAKEHOLDER SURVEYS

10.1 International PEFC Consultation

The international public consultation organized by the PEFC Council on SLGC Module was held between April 10 and June 9, 2018. Since the international consultation SFI revised the Module in cooperation with American Forest Foundation that manages ATFS forest certification scheme. Most critical comments given in the international consultation addressed the lack of open and transparent development process and communication with AFF that predominantly represents private small lands owners. The comments also expressed stakeholders' concern that the Module creates a duplicative small forest land certification standard parallel to ATFS, which brings confusion to the sector.

The criticism on lack of transparency, landowner's engagement and clear forest management requirements was well taken into consideration in the Module's revision between November 2018 – March 2019.

Appendix 2 presents the original comments given in the international consultation.

10.2 Stakeholder Questionnaire

Indufor sent out a questionnaire on the standard setting process to 21 parties. The first questionnaires were sent out on May 19 and May 21, 2019 to 14 SFI Task Group members and to additional 7 respondents on May 29, 2019. Indufor received nine replies (43% reply rate). Respondents represented a good spread across different stakeholder categories regardless of the small absolute number of responses. However, respondents represented only five stakeholder categories out of the total 15 options listed in the questionnaire. Section 10.3 summarizes the comments received during the consultation and Appendix 3 describes them in detail.

The objective of the consultation was to verify that the planned procedures were implemented and the principles of open access, fair decision making, consensus building, and availability of grievance procedures were respected.

10.3 Summary of Stakeholder Consultation

Replies to the stakeholder questionnaire were quite homogenous and indicated that stakeholders had been involved quite successfully in the module revision process. No overarching concerns were identified, and most respondents seemed quite satisfied with their opportunities to impact the module.

The main themes that arose from the stakeholder responses were the following:

1. The module development process has been transparent, stakeholders have been offered the opportunity to participate and they have been equipped with adequate information and materials
2. No clear gaps exist in the representation of different stakeholder groups
3. Stakeholders are unaware of any dispute settlement procedures in case of conflicting views in standard development. However, respondents reported that all views were thoroughly discussed to reach a consensus.



Appendix 1

Indufor Compliance Assessment of the SFI Small Lands Group Certification Module and Fiber Sourcing Standard



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Checklist - Referred Documents

<p>SFI Standard revision procedures</p>	<p>SFI 2015–2019 Standards Development and Interpretation- Section 8 - SFI Standard Development and Interpretations Process http://www.sfiprogram.org/files/pdf/2015-2019-standardsandrules-section-8-pdf/</p> <p>Section 12 – Optional Modules (in SFI Program) http://www.sfiprogram.org/files/pdf/2015-2019-standardsandrules-section-12-pdf/</p> <p>Section 11- Public Inquiries and Official Complaints (in SFI Program) http://www.sfiprogram.org/files/pdf/2015-2019-standardsandrules-section-11-pdf/</p> <p>Public Consultation Announcement, November 19, 2018 – Appendix 4 to the PEFC endorsement application. SFI Small Lands Group Certification Module, March 11, 2019 – Appendix 1 to the application</p>
<p>SFI Standard revision process</p>	<p>Small Lands Group Certification Module Task Group Roster, February 4, 2019 - Appendix 6 of the application Public Consultation Announcement, November 19, 2018 – Appendix 4 to the application. Stakeholder Mapping for Public Consultation, November 19, 2018 – Appendix 7 to application Comments on Public Consultation March 11, 2019 – Appendix 3 to the application AFF Board of Trustees Minutes (extract) March 13, 2019 AFF correspondence and information related to cooperation with SFI and consultation with AFF stakeholders (January – March 2019)</p>
<p>Group certification</p>	<p>Small Lands Group Certification Module, March 11, 2019 – group certification – Appendix 1 to application Small Lands Module Guidance, March 14, 2019 – Appendix 2 to application</p>
<p>Forest management requirements</p>	<p>Small Lands Group Certification Module, March 11, 2019 – forest management requirements– Appendix 1 to application Small Lands Module Guidance, March 14, 2019 – Appendix 2 to application Fiber Sourcing Standard SFI Policy on Forest Tree Biotechnology – Section 7 of SFI 2015–2019 Standards and Rules SFI 2015-2019, Section 13 Definitions</p>



Explanations:

- The conclusion on conformity with PEFC requirement is presented in column YES/NO. YES is indication for a full conformity and NO indicates that additional evidence is needed, that given reference documents are not correct or any other issue that needs further inputs from the applicant.
- In this draft report also, symbol. NO is used in the cases where assessor concludes that SLGC Module complies with the major part of the requirement, but additional evidence or clarification is needed for a full compliance.
- Justification for the conclusion on conformity is provided under the column "Comment".



Part Ia: Standard and System Requirement Checklist for the Standard Setting Process (PEFC ST 1001:2010)

Question	Assess. basis*	YES /NO*	Reference to application documents
Standardising Body			
<p>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.</p>	Process	NO	<p>SFI 2015–2019 Standards Development and Interpretation- Section 8 - SFI Standard Development and Interpretations Process</p> <p>Section 12 – Optional Modules: <i>SFI Inc. has developed a process for the SFI program to address emerging issues and new opportunities, such as start-up templates for new Program Participants, carbon markets, short rotation woody crops, conservation easements, small lands, etc. through optional modules developed by SFI Inc. and approved by the SFI Inc. Board of Directors. These modules will provide implementation assistance using case studies or optional certification requirements to address specific issues of benefit to the SFI program. Any modules developed prior to the next standard review process in 2019 will be added in this section.</i></p> <p>SLGC Module is considered to be an optional Module described above.</p> <p>In this assessment the focus is in the actual development process of the SLGC Module in November 2018 – March 2019. SFI communicated the planned standard setting procedures (public consultation, compilation of a Task Force, conference calls and consideration of comments) on SFI Website in November 19, 2018 and in the email sent out to all relevant stakeholders in the same day. Stakeholders were requested to comment also the standard setting process but in practice the given templates for replies focused on the draft standard. AFF communicated the agreed Module development process to its stakeholders through its own organisation, in annual leadership conference and by email.</p> <p>The description of the Module’s standard setting process is given in generic terms in SFI publication of the Module in 2018 and in emails to the interested parties (App 8 and App 4 to application). “As part of the PEFC endorsement process, SFI is seeking additional input into the Module, including the standard development process described below” (App 4 and 8 to application).“</p> <p>SFI 2015-2019 Section 8 on Standards Development is the principal procedural document that guides standard setting and regular review of the procedures. However, the Section 12 that was not relevant in</p>

Question	Assess. basis*	YES /NO*	Reference to application documents
			<p>the SFI re-endorsement process, does not require participatory and transparent processes for the development of separate Modules.</p> <p>Conclusion: Minor non-conformity</p> <p>The standardizing procedures for the Module development were not well defined in advance. The mandatory steps for participatory standard development were put together on an ad hoc manner. The procedures were informed with a few lines at SFI Web site and in one email to stakeholders. AFF was fairly active in informing its stakeholders on Module development in January – March 2019.</p> <p>Comment on procedural documents: SFI procedural documents on development of standards under additional Modules (ref. SFI 2015-2019 Section 12) do not conform with PEFC requirements. However, the overall rules in SFI 2015-2019 Section 8 for standard setting comply with PEFC requirements as demonstrated with the endorsement of the revised SFI 201-2019 forest certification system. SFI did not fully implement its own rules in standard setting.</p> <p>SLGC Module is based on the PEFC endorsed SFI 2015-2019 Standards and the unendorsed SFI Fiber Sourcing standard. These procedural documents shall be updated to encompass SLGC Module in a manner that also its standard setting and revision procedures comply with PEFC requirements.</p>
<p>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 records shall be kept for a minimum of five years and shall be available to interested parties upon request.</p>	<p>Process</p>	<p>NO</p>	<p>Procedures on recording: SFI Inc. Policies and Procedures define SFI Records Retention Policy (undated) <i>"VI. SFI Standards and Guidelines documents shall be retained for a minimum of one standards development cycle. These include background information, ballots, meeting books of standards committees, etc.</i></p> <p>SFI 2015-2019 Requirements Section 8; Standards Development: <i>The Forum shall maintain records regarding all comments and their disposition for review by the independent External Review Panel. These written procedures shall be publicly available to all interested parties. Additional information on the SFI Standards development process, regional workshop reports and stakeholder comments submitted</i></p>

Question	Assess. basis*	YES /NO*	Reference to application documents
			<p>during both public comment periods and how they were addressed shall be publicly available and also maintained for a minimum of five years.”</p> <p>Development process November 2018 – March 2019: Invitations to conference calls were sent by email to SFI-AFF Task Force members. Task Force held only one conference call where they discussed the 45 comments received to the preliminary standard draft SFI had written. The minutes were recorded and shared by email.</p> <p>SFI recorded all public comments and their consideration in the Module development (ref. App 3 to application).</p> <p>Conclusion: Minor non-conformity</p> <p>Records on meeting agendas and memos are not reported systematically. The given comments in consultation are recorded, as appropriate, with given comments. There is no indication that interested parties outside the Task Force would have had the possibility to study the records.</p>
4.4 The standardising body shall establish a permanent or temporary working group/committee responsible for standard-setting activities.	Process	YES	<p>SFI-AFF Task Force for SLGC Module standard development was formed by the SFI Board of Directors and AFF Board of Trustees and AFF Certification Committee in February 2019. The Group had the first conference call on February 14, 2019.</p> <p>Conclusion: Complies. The members to the SFI-AFF Task Force were invited by SFI and AFF.</p>
4.4 The working group/committee shall:			
a) be accessible to materially and directly affected stakeholders,	Process	YES	<p>The members to the Task Force (working group) were invited by SFI and AFF through public invitation in and via personal email or phone invitations.</p>

Question	Assess. basis*	YES /NO*	Reference to application documents
			<p>Task Force consisted of 16 members of which 4 represented forest owners, 5 industrial organisations, 2 environmental interests, 1 first nation and 1 state forestry. In addition, two Task Force members were SFI staff members and one AFF staff member.</p> <p>Conclusion: Complies</p> <p>The parties that showed interest to participate in the Task Force were given to possibility to do so. SFI and AFF also actively invited different interest groups to the join the Task Force.</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, and</p>	<p>Process</p>	<p>YES</p>	<p>The SFI-AFF Task Force was dominated by the forest owners' and industries' interests, 31% and 38% of non SFI/AFF staff members respectively. However, it had members representing also environmental and social interests and the task force would not have restricted any broader participation of these interest groups if there had been willingness to participate. The only representative of First Nation was the only Canadian in the Task Force. This is significant geographic imbalance.</p> <p>The participants were relevant to the subject matter.</p> <p>Conclusion: Complies</p> <p>Task Group is fairly small compared to the geographic scale and diverse interests it should present. However, it was accessible to a broader number of people if there had been interest. Stakeholder mappings by SFI and AFF were satisfactory.</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</p>	<p>Process</p>	<p>YES</p>	<p>The SFI-AFF Task Force was composed of 13 members with high level of expertise relevant to the subject matter of the standard, as well as those who could influence the implementation of the standard. In addition, 3 SFI/AFF staff members were part of the group.</p> <p>Conclusion: Complies</p> <p>The Task Force includes interest groups that are affected by the standard and have the expertise of the subject matter.</p>



Question	Assess. basis*	YES /NO*	Reference to application documents
a meaningful segment of the participants.			
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.	Process	YES	SFI Section 11- Public Inquiries and Official Complaints procedures endorsed by PEFC apply SFI has not informed the assessor on any complaints received during the standard setting for Fiber Sourcing Standard or the SFM requirements for the Module. Task Group members also reported in that no complaints were raised in the process. Conclusion: Complies
4.5 Upon receipt of the complaint, the standard-setting body shall:			
a) acknowledge receipt of the complaint to the complainant	Process	NA	No complaints were given during the process.
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	NA	No complaints were given during the process.

Question	Assess. basis*	YES /NO*	Reference to application documents
c) formally communicate the decision on the complaint and of the complaint handling process to the complainant.	Process	NA	No complaints were given during the process.
4.6 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.	Process	YES	SFI staff member who coordinated the Task Force was the contact point for any feedback on the Module development. Conclusion: Complies.
Standard-setting process			
5.1 The standardising body shall identify stakeholders relevant to the objectives and scope of the standard-setting work.	Process	YES	SFI carried out a stakeholder mapping (SFI Small Lands Stakeholder exercise) (App 7 to application) and AFF reviewed the stakeholder roster and amended it with people with complementing expertise or interest. Conclusion: Complies
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.	Process	YES	AFF had defined already in original ATFS development in 2013 that individual landowners with holdings of small, size, scale and intensity often have financial, social and human resources as limiting factors in defending their own interests in forestry. AFF defines these interest groups as disadvantaged. SFI did not specifically identify disadvantaged stakeholder groups. SFI invited representatives from First Nation but there is no evidence on any additional inputs to invite disadvantaged groups in USA or Canada. Small land forest owners' interests were well represented in the process. Conclusion: Complies



Question	Assess. basis*	YES /NO*	Reference to application documents
<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.</p>	<p>Process</p>	<p>YES</p>	<p>In November 2018 SFI announced in its web site a public comment period for the internally prepared draft for the SLGC Module. The same announcement was mailed to the identified stakeholders. The announcement included invitation to join a Task Force group for standard finalization (App 8 to application):</p> <p><i>“SFI is also seeking individuals to participate in the multi-stakeholder SFI Small Lands Work Group. This Work Group will review comments, but also offer interpretations and/or guidance on the implementation of the Module. In keeping with the SFI and PEFC requirements, individuals wishing to apply should be: Small forest landowners; SFI Program Participants or SFI Implementation Committee representatives; Organizations Piloting the Module; Representatives of conservation organizations; Indigenous people; Government resource management agencies; Academia and the research community; and/or Representatives of labor organizations.”</i></p> <p>SFI Fiber Sourcing standard development process in 2014- 2015 was a publicly informed stakeholder process. However, the standard or its development process is not endorsed by PEFC.</p> <p>AFF informed its interest groups on the Module development e.g. in its network wide email alert in February 2019.</p> <p>Conclusion: The start of the Module development was published at SFI Website. Fiber Sourcing standard that establishes part of the Module’s requirements, was developed in a stakeholder process, but without informing of the potential extended use of the standard in the context of forest management certification. AFF informed on the process in through its governance bodies, annual conference and emails.</p>
<p>5.3 The announcement and invitation shall include:</p>			
<p>a) information about the objectives, scope and the steps of the standard-setting process and its timetable</p>	<p>Process</p>	<p>YES</p>	<p>See extract of the SFI invitation to join the Task Force above. The steps of standard development were described in a very generic manner (App 8 to application):</p>



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Question	Assess. basis*	YES /NO*	Reference to application documents
			<p><i>“...Module Working Group conference calls will commence in the new year. Dates and times for the calls will be determined once the Working Group membership has been finalized. Review of the comments, and any edits to the Module will be finalized no later than April 1st.”</i></p> <p>Conclusion: Complies</p> <p>The objectives and scope of Module development were mentioned in the invitation. The steps and timetable were not planned and communicated in detail. Communication of the process only in generic emails, does not demonstrate that the process would be well planned and reflect the potential scale of its impact.</p> <p>Fiber Sourcing standard that stipulate some of the Module’s performance requirements, was developed in a stakeholder process, but without informing of the potential extended use of the standard in the context of forest management certification</p>
<p>b) information about opportunities for stakeholders to participate in the process</p>	<p>Process</p>	<p>YES</p>	<p>SFI invitation at web site (App 8 to application) <i>“...Module Working Group conference calls will commence in the new year.”</i></p> <p>Task Force members were informed on the opportunity to comment in conference calls and emails the internally prepared SFI draft for SLGC Module.</p> <p>Conclusion: Complies</p>
<p>(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</p>	<p>Process</p>	<p>YES</p>	<p>SFI invitation at web site (App 8 to application) <i>“...SFI is also seeking individuals to participate in the multi-stakeholder SFI Small Lands Work Group... If you are interested in participating in the Work Group, or if you are interested but don't feel that you fall cleanly into one of the categories above, please contact me at standard.development@sfiprogram.org.”</i></p> <p>In addition, SFI and AFF contacted directly by email a number of stakeholders identified in stakeholder mapping. This list included a number of groups that potentially could be disadvantaged to participate in the process. However, SFI-AFF did not specify them.</p>



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Question	Assess. basis*	YES /NO*	Reference to application documents
recipients and in a format that is understandable			Conclusion: Complies
d) an invitation to comment on the scope and the standard-setting process	Process	YES	<p>SFI invitation at web site (App 8 to application) <i>"...As part of the PEFC endorsement process, SFI is seeking additional input into the Module, including the standard development process described below. "</i></p> <p>Conclusion: Complies The email invitation requests in very general terms inputs to standard development process.</p>
e) reference to publicly available standard-setting procedures.	Process	YES	<p>SFI Section 12 on Optional Modules is publicly available. It only states that SFI may develop Modules and the Board will approve them. Section 12 is not endorsed by PEFC.</p> <p>In addition, the invitation's (App 8 to application) description of the planned conference calls is the only written information on the applied procedures.</p> <p>Conclusion: Complies Although unsatisfactory, the principles of Module development were publicly available in Internet.</p>



Question	Assess. basis*	YES /NO*	Reference to application documents
<p>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.</p>	<p>Process</p>	<p>YES</p>	<p>SFI asked in spring 2014, during the development of the SFI Program 2015-2019, comments on then valid SFI Program 2010-2014. No comments were given on Section 12 on Optional Modules. At that point SFI did not clearly indicate that it plans to develop a new certification arrangement based on two different standards including the Small Lands Group certification standard.</p> <p>App 8 and App 4 to the application: <i>“As part of the PEFC endorsement process, SFI is seeking additional input into the Module, including the standard development process described below...”</i></p> <p>At the time of publishing the consultation SFI and AFF had not given information on their future cooperation in standard development. The partnership was formed in early January 2019, when the consultation period was ending.</p> <p>Both AFF and SFI invited people to join the Task Force. Interest was not too high which allowed all interested parties to join the group.</p> <p>Conclusion: Complies</p>
<p>5.5 The work of the working group/committee shall be organised in an open and transparent manner where:</p>			
<p>a) working drafts shall be available to all members of the working group/committee,</p>	<p>Process</p>	<p>YES</p>	<p>Working versions of the SFI prepared SLGC Module draft and subsequent commented versions were shared with traceable information on proposed changes. Participating Task Force members were satisfied with the transparency of the development process.</p> <p>Conclusion: Complies</p>
<p>b) all members of the working group shall be provided with meaningful</p>	<p>Process</p>	<p>YES</p>	<p>The Task Force meetings was held in one teleconference on February 14, 2019,</p>

Question	Assess. basis*	YES /NO*	Reference to application documents
opportunities to contribute to the development or revision of the standard and submit comments to the working drafts, and			<p>Participating stakeholders that replied to Indufor questionnaire claimed that all parties had fair opportunities to contribute to standard formulation.</p> <p>Conclusion: Complies</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.	Process	YES	<p>Task Group members reported in national questionnaire in May – June 2019, that the consideration of comments was open and transparent.</p> <p>Conclusion: Complies</p>
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	Process	YES	<p>Small Lands Group Certification Module (standard and its implementation with Fibre Sourcing Standard was submitted for public consultation in November 19th, 2018 – January 17th, 2019 (App 4 and App 8 to application). The consultation was published on SFI website and informed directly to the extensive list of stakeholders identified by SFI. The information was also shared with additional stakeholders listed by AFF.</p> <p>The early development of the Module in 2015-2018 was not well informed to stakeholders, which became evident in the international consultation of the first version of the SLGC Module.</p> <p>Section 12 on Optional Modules, does not require consultation. It only states that SFI drafts Modules.</p> <p>Conclusion: Complies</p>

Question	Assess. basis*	YES /NO*	Reference to application documents
b) the invitation of disadvantaged and key stakeholders shall be made by means that ensure that the information reaches its recipient and is understandable	Process	YES	SFI and AFF contacted directly by email a number of stakeholders identified in stakeholder mapping. This list included a number of key stakeholders and groups that potentially could be disadvantaged to participate in the process. However, SFI-AFF did not specify them. Conclusion: Complies
c) the enquiry draft is publicly available and accessible	Process	YES	The draft to SLGC Module was available at the SFI Website. Conclusion: Complies
d) the public consultation is for at least 60 days	Process	YES	Public consultation in November 19 th , 2018 – January 17 th , 2019 (App 4 and App 8 to application), i.e., 60 days. Conclusion: Complies
e) all comments received are considered by the working group/committee in an objective manner	Process	YES	“SFI is also seeking individuals to participate in the multi-stakeholder SFI Small Lands Work Group. This Work Group will review comments “(App 8 to application). The Task Force group of 13 people and 3 SFI/AFF staff members discussed the comments in a conference call on February 14, 2019 (App 5 to application). Conclusion: Complies
(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	Appendix 3 to application summarizes the comments and their consideration in the standard development. Conclusion: Complies
5.7 The standardising body shall organise pilot testing of the new standards and the results of the pilot	Process	NO	SFI has cooperated with several primary forest industry companies on arrangement of pilot testing of the Module. The preparations are still in the process.

Question	Assess. basis*	YES /NO*	Reference to application documents
testing shall be considered by the working group/committee.			<p>Conclusion: Major non-conformity</p> <p>The Module has not been tested in practice. Two pilot tests are planned for the year 2019. The FMU level standard of the Module is the ATFS forest management standard with relevant changes in wording. It has been implemented in USA under the ATFS scheme. However, the Module requires conformity to both Fiber Sourcing Standard and the ATFS compatible forest management requirements. This combination is not tested under the complex group certification arrangement of the Module. Module combining group certification under three different certification systems in vast geographic area would need to be tested before PEFC endorsement. This is especially relevant when the procedural documentation on Module's implementation are not well developed.</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.	Process	NO	<p>The Task Force group discussed the 45 comments given to preliminary draft Module. SFI/AFF had given a proposal in the conference call material for addressing each comment. The 13 independent Task Force members agreed in one 2-hour conference call on February 12, 2019 on the consideration of each comment. Members of the Task Force that replied to Indufor questionnaire claimed that decisions were done in consensus.</p> <p>AFF Board of Trustees and SFI Board approved unanimously the Module in their March 2019 meetings.</p> <p>Conclusion: Minor non-conformity</p> <p>There are no formal minutes of the Task Force group meeting, that would demonstrate that the key decisions e.g. on agenda and consensus on all standard requirements.</p> <p>A working group that meets only once in a conference call has limited possibilities to reflect among the participating interest groups the proposed changes and their overall impact to standard requirements. Such approach is not a good example of balanced stakeholder participation, although it seemed to have worked well in this context.</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.	Process	NA	Task Force held on conference call. Conclusion: Not applicable
b) a telephone conference meeting where there is a verbal yes/no vote	Process	YES	Conclusion: Complies
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	NA	Conclusion: Not applicable
d) combinations thereof.	Process	NA	Conclusion: Not applicable
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):			



Question	Assess. basis*	YES /NO*	Reference to application documents
a) discussion and negotiation on the disputed issue within the working group/committee in order to find a compromise	Process	NA	Conclusion: According to SFI, AFF and Task Force members no sustained opposition was present in the Module development.
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	Process	NA	Conclusion: According to SFI, AFF and Task Force members no sustained opposition was present in the Module development.
c) dispute resolution process.	Process	NA	Conclusion: According to SFI, AFF and Task Force members no sustained opposition was present in the Module development.
5.10 Documentation on the implementation of the standard-setting process shall be made publicly available.	Process	NO	SFI or AFF has not published the different steps of the Module development process. Conclusion: Minor non-conformity There is no summary document of the process, the documentation consist of emails, a Web announcement and draft Module and the comments received. Later SFI and AFF drafted a guidance document. The process related documents on the decision making of the Task Force were not publicly available.

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.	Process	YES	<p>The SFI Board and AFF Board of Trustees have approved the Module. SFI email to Task Force members on April 12, 2019: <i>“Since the last meeting, the AFF Board of Trustees officially approved the Module as a way to achieve Tree Farm certification.”</i> Extract of the AFF Board of Trustees meeting minutes.</p> <p>Conclusion: Complies</p>
5.12 The formally approved standards/normative documents shall be published in a timely manner and made publicly available.	Process	YES	<p>SFI published the Module of March 11, 2019 in April 18, 2019 at SFI Website: https://www.sfiprogram.org/wp-content/uploads/SFI-Small-Lands-Group-Certification-Module-March-11-2019.pdf</p> <p>AFF posted the Module on its Website - documents.</p> <p>Conclusion: Complies SFI and AFF made the Module publicly accessible in Internet in a timely manner.</p>
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 documents shall follow those set out in chapter 5.	Process	YES	<p>SLGC Module 1.1.5 <i>“The Small Lands Group Certification Module is dependent on the SFI 2015-2019 Fiber Sourcing Standard and AFF 2015-2020 Standards of Sustainability as its foundation. Revision to either of these standards will trigger a collaborative review and potential revision to the Small Lands Group Certification Module to ensure consistency and continual improvement. If the Module is not reviewed and approved by both the SFI Board of Directors and AFF Board of Trustees, it will expire with the earliest expiry of either the 2015-2019 Fiber Sourcing Standard or AFF 2015-2020 Standards of Sustainability. If either SFI or AFF wish to make changes to the Module, both organizations must agree and will work to make changes through a collaborative process.”</i></p> <p>The PEFC endorsed SFI and ATFS forest certification systems require regular revision at five years intervals (See e.g. SFI Section 8, 1.2).</p>

Question	Assess. basis*	YES /NO*	Reference to application documents
			<p>Conclusion: Complies</p> <p>It is important that SFI and AFF will have separate review working groups for all the relevant elements of their forest certification systems (e.g. forest management, SLGC, chain of custody etc.) . An overall invitation to participate in the system revision does not give stakeholders a right understanding of the scope of the process and of the range of possibilities for contribution.</p>
6.2 The revision shall define the application date and transition date of the revised standards/normative documents.	Process	NA	SFI Small Scale Group Certification Module is a newly developed module
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	NA	SFI Small Scale Group Certification Module is a newly developed module
6.4 The transition date shall not exceed a period of one year except in justified exceptional circumstances where the implementation of the revised standards/normative documents requires a longer period.	Process	NA	SFI Small Lands Group Certification Module is a newly developed module



Part II: Standard and System Requirement Checklist for Group Forest Management Certification (PEFC ST 1002:2010)

Referenced SFI documents

SFI Small Lands Group Certification Module, March 11, 2019
SFI 2015-2019, Section 13 Definitions

Question	YES / NO*	Reference to system 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, <i>PEFC ST 1002:2010: A group of participants represented by the group entity for the purposes of implementation of the sustainable forest management standard and its certification</i>	YES	SFI Small Lands Group Certification Module 1.3 Definitions: <i>“ A specific type of multi-site organization where forest owners, forest owners’ organizations, forest managers, forest products manufacturers or forest products distributors without a pre-existing legal or contractual link can form a group for the purposes of achieving certification and gaining eligibility for a sampling approach to certification audits against this module “.</i> Group Manager and group certificate holder shall be primary industry organization, certified to SFI 2015-2019 Fiber Sourcing Standard. Forest owners make a written commitment to comply with the Module’s requirements for the area where he/she is sourcing to the certificate holder. Owner’s may sell timber to other parties and they may be part of several certification groups. Note: Fiber Sourcing certificates are not endorsed by PEFC Council. Conclusion: Complies The group organization is clearly defined. It is managed by primary industry company.
b) the group entity, <i>PEFC ST 1002:2010 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</i>	YES	SFI Small Lands Group Certification Module 1.3 Definitions <i>“Group Manager:</i> <i>An organization with overall responsibility for ensuring the conformity of forest management in the certified area of the Group Certification Organization to the certification requirements in this module. Note: Within this SFI</i>



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Question	YES / NO*	Reference to system documentation
<p><i>applicable requirements of the forest certification scheme.</i></p>		<p><i>Small Lands Group Certification Module, the Group Manager must be an SFI Program Participant, certified to the SFI 2015-2019 Fiber Sourcing Standard, with a fiber sourcing program that acquires roundwood and/or field-manufactured residual chips.”</i></p> <p>In the Module the holder of Fiber Sourcing certificate and Group Manager shall be primary producers.</p> <p>In SFI 2015-2019 Section 13 (Definitions), SFI defines primary producers as follows: <i>Manufacturing units that manufacture forest products and source 50 percent of more (by weight) of their wood-based raw material directly from primary sources. Primary producers can include companies that manufacture roundwood, wood chips and/or composite products.</i></p> <p>Group Manager shall conduct internal audits to assess conformance to the Module’s requirements in its own sourcing area. Audit reports on SFI 2015-2019 Fiber Sourcing (FS) certification indicate that the FS standard also requires FMU level performance that complies with the various programs for sustainable sourcing a FS certificate holder (i.e. Group Manager) is committed to implement.</p> <p>Conclusion: Complies</p> <p>Group Manager represents the participants in certification, informs on the requirements for SLGC certified sourcing. The requirements are based on forest management criteria and indicators listed in the Module and on Fiber Sourcing standard as adopted by the Group Manager.</p>
<p>c) the participant</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 1.3 Definitions</p> <p><i>“Group member: Landowners who own land to be certified by the group forest certification or a landowner agents covered by the group forest certificate who has have the legal authority to manage forestland within the wood and fiber supply area and/or the ability to implement the certification requirements within the wood and fiber supply area.</i></p> <p><i>Landowner: Non-industrial entity or individual that holds title to the property</i></p> <p><i>Landowner agent: A qualified resource professional, a qualified logging professional, a certified logging professional, wood producer or other individual or organization that has the legal authority to manage forestland</i></p>



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Question	YES / NO*	Reference to system documentation
		<p><i>and implement the certification requirements on certified lands at the direction of landowner members within the wood and fiber supply area.”</i></p> <p>Note: written agreement to be part of a group certification organization is signed always between Landowner and Group Manager. Trained landowner agents may facilitate and transmit written agreements between Group Manager and landowner members</p> <p>Conclusion: Complies</p>
d) the certified area	YES	<p>SFI Small Lands Group Certification Module, 1.3 Definitions</p> <p><i>“Certified area: The forest area covered by a group forest certificate representing the sum of forest areas owned by landowners that are Group Members. Lands certified to this module in the United States are certified to the American Tree Farm System (ATFS). Lands certified to this module in Canada are SFI certified.”</i></p> <p>Conclusion: Complies</p> <p>SFI Fiber Sourcing certificate allows multisite certifications e.g. covering sourcing areas in different states in USA and Provinces in Canada. ATFS certification system also allows Independent Group Certification in USA.</p>
e) the group forest certificate	YES	<p>SFI Small Lands Group Certification Module, 1.3 Definitions</p> <p><i>“Group forest certificate – a document confirming that the group certification organization complies with the requirements for certification to this Module”.</i></p> <p>Conclusion: Complies</p>
f) the document confirming participation in group forest certification.	YES	<p>SFI Small Lands Group Certification Module, 3.1.3 and 3.2.1</p> <p>The Group Manager and all Group members shall conclude a written agreement, in which members commit themselves to comply with the SFI Small Lands Group Certification Module and give their consent to be included into a group forest certificate.</p>



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Question	YES / NO*	Reference to system documentation
		<p>3.1.3 To form a formal relationship with all Group Members based on a written agreement established directly between the Group Manager and each Group Member (every landowner and every landowner agent).</p> <p>3.2.1 To commit through a written agreement with the Group Manager to implement and maintain the relevant requirements⁹ of the SFI Small Lands Group Certification Module</p> <p>Conclusion: Complies</p>
<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.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 3.1.15 and 3.2.5</p> <p>One of the responsibilities of the Group Manager is to “consider within its internal audit/monitoring program information from the Group Member on continuing non-conformities that have been found if the Group Member is part of another group certification organization”.</p> <p>From another side, a Group Member is obliged to “inform the Group Manager of any continuing non-conformities if the Group Member is part of another group certification organization.”</p> <p>Conclusion: Complies</p>
<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.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 3.1.9, 3.1.10 and 3.2.2</p> <p>Maintenance of an annual internal audit or a monitoring program and review of Group Members’ conformity based on obtained results are among key responsibilities of the Group Manager:</p> <p><i>“Responsibilities of the Group Manager:</i></p> <p>3.1.11 To maintain an annual internal audit or monitoring program sufficient to ensure conformance with the requirements of the SFI Small Lands Group Certification Module by the organization and individual Group Members. The internal audit or monitoring program can be based on a sampling (risk based, aiming at geographic representativeness) of Group Members’ properties and forest management activities...Minimum sampling density is defined.</p> <p>3.1.12 To operate a review of the conformity of Group Members based on results of internal audit and/or monitoring data sufficient to assess performance of the Group Certification Organization as a whole rather than at the individual Group Member’s level”.</p>



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Question	YES / NO*	Reference to system documentation
		<p>The internal audits/ monitoring as well as assessment of conformity and corrective/preventive measures shall accommodate verification mechanisms required by Fiber Sourcing Standard.</p> <p>Group Members are responsible for responding to any request in connection with that: <i>“Responsibilities of the Group Members: 3.2.2 To respond effectively to all requests from the Group Manager or a certification body for relevant data, documentation or other information whether in connection with formal audits or reviews or other requirements”.</i></p> <p>Conclusion: Complies</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>SFI Small Lands Group Certification Module, 3.1.11-3.1.14 and 3.2.2-3.2.5</p> <p>Apart from maintaining an annual internal audit or a monitoring program and reviewing Group members’ conformity, the Group Manager is obliged to set corrective and preventive measures and assess how effective they have been, notify the certification body about major non-conformities and check whether any Group member has had non-conformities as part of another group certification organization.</p> <p>Internal monitoring shall follow the rules of:</p> <p><i>it is based on an appropriate risk management methodology considering the scale and type of Group Members’ activities; geographical distribution of Group Members; previous non-conformities; information from external parties, etc. and</i></p> <p><i>it provides overall confidence in the conformity of the Group Certification Organization and Group Members with the certification requirements;</i></p> <p><i>the sample is representative considering the number of each type of Group Members (landowner and landowner agents) and their geographical distribution;</i></p> <p><i>the sample covers all the participating group members and the number of samples equals at least the square root of the total number of participating landowners.</i></p>



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Question	YES / NO*	Reference to system documentation
		<p>In regard to the annual internal monitoring program, all Group Members are obliged to reply to arising requests connected to it, cooperate, assist and notify the Group Manager about non-conformities as part of another group certification organization.</p> <p><i>“Responsibilities of the Group Manager:</i></p> <p><i>3.1.11 To maintain an annual internal audit or monitoring program sufficient to ensure conformance with the requirements of the SFI Small Lands Group Certification Module by the organization and individual Group Members... 3.1.12, 3.1.13, 3.1.14</i></p> <p><i>“Responsibilities of the Group Members:</i></p> <p><i>3.2.2 To respond effectively to all requests from the Group Manager or a certification body for relevant data, documentation or other information whether in connection with formal audits or reviews or other requirements</i></p> <p><i>3.2.3 To provide full co-operation and assistance in respect of the satisfactory completion of audits, reviews, monitoring, relevant routine inquiries or corrective actions; and</i></p> <p><i>3.2.4 To implement relevant corrective and preventive actions required by the Group Manager.</i></p> <p><i>3.2.5 To inform the Group Manager of any continuing non-conformities if the Group Member is part of another group certification organization.”</i></p> <p>Fiber Sourcing Standard:</p> <p>Group entity (i.e. group manager) is a certificate holder for Fiber Sourcing Certificate. That certification allows multisite certification and sets own sampling guidelines for annual internal audits. The SFI Small Lands Module expects that application of the sampling rules and the monitoring requirements of the Fiber Sourcing standard result in credible monitoring also in multisite certifications.</p> <p>Conclusion: Complies</p> <p>The internal audit requirements of the Small Lands Group Certification Module, as such, comply with the PEFC requirements. Audit and monitoring rules related to Fiber Sourcing certification increase the credibility of the group management functions.</p>



Question	YES / NO*	Reference to system documentation
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	<p>SFI Small Lands Group Certification Module, 3.1.2</p> <p><i>“Responsibilities of the Group Manager:</i></p> <p><i>3.1.2 To represent the whole Group Certification Organization in the certification process, including communications and relationships with the certification body, submission of an application for certification under this Module and contractual relationship with the certification body.”</i></p> <p>Conclusion: Complies</p>
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	<p>Appendix 23 SFI Small Lands Group Certification Module, 3.1.1</p> <p><i>“Responsibilities of the Group Manager:</i></p> <p><i>3.1.1 To ensure a commitment on behalf of the whole Group Certification Organization to establish and maintain practices and procedures in accordance with the requirements of this SFI Small Lands Group Certification Module”.</i></p> <p>Conclusion: Complies</p>
c) To establish written procedures for the management of the group organisation;	YES	<p>SFI Small Lands Group Certification Module, 3.1.7</p> <p><i>“Responsibilities of the Group Manager:</i></p> <p><i>3.1.7 To establish written procedures for the management of the Group Certification Organization and clearly define and assign responsibilities for sustainable forest management and compliance with the certification requirements of this Module.</i></p> <p><i>3.1.4 To establish procedures for inclusion of new Group Members ...including internal assessment,... implementation of corrective and relevant preventive measures.</i></p>



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Question	YES / NO*	Reference to system documentation
		<p>3.1.5 To establish procedures for expulsion of Group Members ...in cases of unresolved nonconformity, ownership transition or other circumstances,</p> <p>3.1.8 To provide all Group Members with information and guidance....”</p> <p>Conclusion: Complies</p> <p>The Module requirements on written procedures are in line with the PEFC requirements. The Module will be implemented under ATFS in USA and SFI in Canada.</p>
<p>d) To keep records of:</p> <ul style="list-style-type: none"> - the group entity and participants' conformity with the requirements of the sustainable forest management standard, and other applicable requirements of the forest certification scheme - 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>YES</p>	<p>SFI Small Lands Group Certification Module, 3.1.8</p> <p><i>“Responsibilities of the Group Manager:</i></p> <p>3.1.10 To keep records on:</p> <p><i>A. the SFI Program Participant’s and the Group Members’ conformity with the relevant certification requirements as spelled out by this Small Lands Module.</i></p> <p><i>B. all Group Members, including their contact details and, for landowner members, identification of their property and its/their sizes.</i></p> <p><i>C. the certified area.</i></p> <p><i>D. a record of all operations carried out on the forest lands owned by the Group Members to support the internal monitoring program, the implementation of an internal monitoring program, its review and any preventive and/or corrective measures.</i></p> <p><i>F. the wood and fiber supply area plan as defined in 4.1., and the individualized goals and strategies for landowners, and/or the individual landowner management plan as defined in 4.2, as applicable.</i></p> <p><i>G. In the US, Group Managers share records of items A, B, C and E at least annually with AFF for documentation in the ATFS database to enable verification of the certified status of the certified area. In Canada, Group Managers share records of items A, B, C and E at least annually with SFI.</i></p> <p>4.1 Wood and Fiber Supply Area Plan</p>



Question	YES / NO*	Reference to system documentation
		<p><i>The Group Manager shall develop and update a wood and fiber supply area plan that adequately covers the fiber procurement area by the Group Certification Organization.”</i></p> <p>Conclusion: Complies</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>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 3.1.3</p> <p>The Group Manager is responsible for concluding a written agreement with the Group Members, in which members commit themselves to comply with the SFI Small Lands Group Certification Module and give their consent to be included into a group forest certificate.</p> <p><i>“Responsibilities of the Group Manager: To form a formal relationship with all Group Members based on a written agreement established directly between the Group Manager and each Group Member (every landowner and every landowner agent). The written agreement shall include:</i></p> <ul style="list-style-type: none"> - <i>The Group Manager’s enumeration of the conditions of participation in the group and group forest certificate</i> - <i>The Group Manager’s right and responsibility to implement and enforce any corrective or preventive measures, and to initiate the suspension of any Group Member from the scope of certification in the event of nonconformity with the requirements of the Small Lands Group Certification Module</i> - <i>The Group Member’s commitment to comply with the requirements of the SFI Small Lands Group Certification Module</i> - <i>The Group Member’s agreement to participate and comply with the conditions of membership and forest management operations as recommended in the wood and fiber supply area plan (or their own conforming forest management, where applicable)</i> - <i>The Group Member’s agreement to be included under the scope of the Group Manager’s group forest certificate”.</i> <p>A written contract is signed between Group Manager and all landowners and landowners’ agents that have the legal authority to implement the certification requirements.</p> <p>Group participants need not to submit only all consecutive forest areas to group certification, thus audits do not necessarily cover all forestry operations of one ownership. Group Members are allowed to sell timber to other parties that may not necessarily have a Fiber Sourcing certificate. Participants may also arrange logging operations with their own contractors.</p>



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Question	YES / NO*	Reference to system documentation
		Conclusion: Complies
f) To provide participants with a document confirming participation in the group forest certification	YES	SFI Small Lands Group Certification Module, 3.1.3 <i>“To form a formal relationship with all Group Members based on a written agreement established directly between the Group Manager and each Group Member (every landowner and every landowner agent).”</i> Conclusion: Complies
g) To provide all participants with information and guidance required for the effective implementation of the sustainable forest management standard and other applicable requirements of the forest certification scheme	YES	SFI Small Lands Group Certification Module, 3.1.8 , 3.1.9 <i>“Responsibilities of the Group Manager: 3.1.8 To provide all Group Members with information and guidance needed for effective implementation and maintenance of practices and procedures in accordance with the requirements of this SFI Small Lands Group Certification Module. 3.1.9 To ensure all Group Managers and Landowner Agents have been trained to implement the requirements of the module specific to section 4.3 Forest Management Practices6”</i> Conclusion: Complies
h) To operate an annual internal monitoring programme that provides for the evaluation of the participants’ conformity with the certification requirements	YES	SFI Small Lands Group Certification Module, 3.1.9 Maintenance of an annual internal audit or a monitoring program is among key responsibilities of the Group Manager: <i>“Responsibilities of the Group Manager: 3.1.11 To maintain an annual internal audit or monitoring program sufficient to ensure conformance with the requirements of the SFI Small Lands Group Certification Module by the organization and individual Group Members. The internal audit or monitoring program can be based on a sampling of Group Members’ properties and forest management activities...”</i> Conclusion: Complies Comment:



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Question	YES / NO*	Reference to system documentation
		<p>SFI should give guidance to the drafting of procedures for the management of the Group Certification Organization and internal monitoring programs to ensure that annual internal monitoring also covers forestry operations which supply timber to third parties that may not be holders of Fiber Sourcing certificate. The Module's forest management requirements alone do not fully comply with PEFC ST 1003:2010 on forest management without duly implementing the programs required by Fiber Sourcing standard. Thus, if internal monitoring does not cover the compliance of the third-party industry with Fiber Sourcing standard, there is not a full assurance that timber sold by a Group Member to a non-certified party will fully comply with PEFC requirements.</p> <p>Testing would have brought more insight to the scope of internal monitoring in such situations.</p>
<p>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.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 3.1.12-3.1.14</p> <p><i>“Responsibilities of the Group Manager:</i></p> <p><i>3.1.12 To operate a review of the conformity of Group Members based on results of internal audit and/or monitoring data sufficient to assess performance of the Group Certification Organization as a whole rather than at the individual Group Member's level.</i></p> <p><i>3.1.13 To establish corrective and preventive measures if required and evaluate the effectiveness of corrective actions taken.</i></p> <p><i>3.1.14 To communicate to the relevant Certification Body those Group Members with serious and continuing non-conformities that have not been resolved and that resulted in the Group Member's expulsion from the group certification organization based on the results of internal audits and/or the monitoring program”.</i></p> <p>Conclusion: Complies</p>
Function and responsibilities of participants		
<p>4.3.1 The forest certification scheme shall define the following requirements for the participants:</p>		
<p>a) To provide the group entity with a written agreement, including a commitment on conformity with the sustainable forest management standard and other</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 3.2.1</p> <p><i>“Responsibilities of the Group Members:</i></p>



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Question	YES / NO*	Reference to system documentation
applicable requirements of the forest certification scheme;		<p>3.2.1 <i>To commit through a written agreement with the Group Manager to implement and maintain the relevant requirements of the SFI Small Lands Group Certification Module”.</i></p> <p>Conclusion: Complies</p>
b) To comply with the sustainable forest management standard and other applicable requirements of the forest certification scheme;	YES	<p>SFI Small Lands Group Certification Module, 3.2.1</p> <p><i>“Responsibilities of the Group Members:</i></p> <p>3.2.1 <i>To commit through a written agreement with the Group Manager to implement and maintain the relevant requirements of the SFI Small Lands Group Certification Module”.</i></p> <p>Conclusion: Complies</p>
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	<p>SFI Small Lands Group Certification Module, 3.2.2 and 3.2.3</p> <p><i>“Responsibilities of the Group Members:</i></p> <p>3.2.2 <i>To respond effectively to all requests from the Group Manager or a certification body for relevant data, documentation or other information whether in connection with formal audits or reviews or other requirements</i></p> <p>3.2.3 <i>To provide full co-operation and assistance in respect of the satisfactory completion of audits, reviews, monitoring, relevant routine inquiries or corrective actions”.</i></p> <p>Conclusion: Complies</p>
d) To implement relevant corrective and preventive actions established by the group entity.	YES	<p>SFI Small Lands Group Certification Module, 3.2.4</p> <p><i>“Responsibilities of the Group Members:</i></p> <p>3.2.4 <i>To implement relevant corrective and preventive actions required by the Group Manager.</i></p> <p>3.2.5 <i>To inform the Group Manager of any continuing non-conformities if the Group Member is part of another group certification organization”</i></p> <p>Conclusion: Complies</p>

Part III: Standard and System Requirement Checklist for Sustainable Forest Management (PEFC ST 1003:2010)

Referenced SFI documents

Small Lands Group Certification Module. March 11,2019 – Appendix 1 to the application
SFI Small Lands Module Guidance, March 14, 2019 – Appendix 2 to the application
SFI 2015-2019 Section 3: Fiber Sourcing Standard
SFI 2015-2019 Section 11: Public Inquiries and Official Complaints

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		
<p>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</p>	<p>YES</p>	<p>The Module is an amendment to the unendorsed SFI 2015-2019 Fiber Sourcing standard. SFI published in August 2018 a new version of the Section 3 with the title <i>SFI 2015-2019 Fiber Sourcing Standard and the Small Lands Group Certification</i>. Earlier the Section 3 covered only the Fiber Sourcing standard (FS). The Module requires compliance with SFI 2015-2019 Fiber Sourcing Standard (Group Manager shall be a FS certificate holder) and additional requirements for sustainable forest management set in Chapter 4 of the Module. These set FMU level requirements for forest management planning and operations.</p> <p>In view of AFF, the Module is an independent certification that delivers ATFS certificates in USA.</p> <p>SFI 2015-2019 Fiber Sourcing Standard includes 14 Principles (P) and 13 Objectives (O), sub-divided into 21 Performance measures (PM) and 55 Indicators (I) that set specific qualitative targets.</p> <p>Performance measures can be considered as criteria requirements applicable at the level of an organization sourcing timber from one or several geographic areas.</p> <p>Indicators set mostly procedural requirements on programs and procedures to address the required sustainable sourcing elements. Audits will cover all three levels of the requirements.</p>

Question	YES / NO*	Reference to scheme documentation
		<p>The maximum size of ownership eligible for certification under the Module is no more than 20,000 acres or 8,000 hectares in aggregate.</p> <p>The SFI 2015-2019 Fiber Sourcing Standard applies to primary industry organizations in the United States and Canada that procure wood domestically or globally. In international wood procurement, the Fibre Sourcing Standard calls for due diligence in exclusion of any illegal wood in timber imports and avoidance of sourcing from countries where there are no effective social laws in place. The industry can organize SFI SLGC certification only in USA and Canada.</p> <p>Conclusion: Complies</p> <p>The Module introduces a unique model for group certification where the group entity's/manager's interest is primarily to source certified fiber in line with its commitments to SFI Fiber Sourcing standard. Fiber Sourcing standard is largely a management system standard, that requires Programs that would then specify requirements the industrial sourcing organization places to suppliers (forest owners/logging companies). Group members, i.e. forest owners or their agents shall make a commitment to respect the SFM requirements of the Module when supplying fiber to the manager. These requirements are based on the ATFS forest certification standard. Both Fiber Sourcing standard and the Module's group and SFM requirements define the desired performance in certified forest management and fiber sourcing.</p>
b) Be clear, objective-based and auditable	YES	<p>SFI Small Lands Group Certification Module chapter 4 sets FMU level forest management requirements whereas SFI 2015-2019 Fiber Sourcing Standard sets mostly procedural management system requirements to be implemented at organizational, regional or FMU levels.</p> <p>Conclusion: Complies</p> <p>Comment: The requirements are objective-based and auditable, but without pilot testing and operational documentation (e.g. contracts between Group Manager and participants) it is not fully clear how the two standards are implemented together in the SFGC Module. FS standard sets management system requirements for certificate holder (Group Manager) that applies them through sourcing related programs including commitments to promote Best Management Systems when available. Forest owners commit directly only to the Module's limited forest management requirements in the area that source wood to the certified</p>



Question	YES / NO*	Reference to scheme documentation
		<p>industry, however they are eligible to sell SLGC certified fiber to uncertified third parties. Examples of group contracts between certificate holder and forest owner, or certified forest owner and logging companies were not available to provide additional evidence. Examples of public audit reports of FS certification demonstrated that the programs industry have developed set requirements to operational forest management and their impact is audited in field. In USA the Module is implemented under ATFS which introduces additional untested element in the Module implementation.</p>
<p>c) Apply to activities of all operators in the defined forest area who have a measurable impact on achieving compliance with the requirements</p>	<p>YES</p>	<p>SFI 2015-2019 Fiber Sourcing Standard and the Module apply to primary industry and forest owners in USA and Canada.</p> <p>Most often forest owners arrange logging and other forest management activities with contracted loggers and other entrepreneurs. Owners' commitment to group certification requirements guide their choice of logging methods and logging companies. On the other hand, Fiber Sourcing standard require that industry imposes sustainability requirements on sourced fiber. Sales contract between forest owner and industry may have additional specifications on sustainable harvesting and regeneration obligations. Examples of such contracts were not available for review. The Group Manager has overall responsibility on ensuring FM practices are met on lands certified to their group.</p> <p>Conclusion: Complies</p> <p>The Module and Fiber Sourcing certification require commitment to sustainable harvesting/management. The obligation is implemented through various contracts (group certification and sales contracts). In addition to contractual obligations, forest owners and landowners' agents shall make commitment to SLGC Module's forest management requirements.</p>
<p>d) Require record keeping that provides evidence of compliance with the requirements of the forest management standards</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module</p> <p>3.1.10 A Group Manager is required to keep the records on:</p> <p><i>A the SFI Program Participant's and the Group Members' conformity with the relevant certification requirements as spelled out by this Small Lands Module.</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p><i>B. all Group Members, including their contact details and, for landowner members, identification of their property and its/their sizes</i></p> <p><i>C. the certified area</i></p> <p><i>D. a record of all operations carried out on the forest lands owned by the Group Members to support the internal monitoring program</i></p> <p><i>E. the implementation of an internal monitoring program, its review and any preventive and/or corrective measures</i></p> <p><i>F. the wood and fiber supply area plan as defined in 4.1., and the individualized goals and strategies for landowners, and/or the individual landowner management plan as defined in 4.2, as applicable</i></p> <p><i>G. In the US, Group Managers share records of items A, B, C and E at least annually with AFF for documentation in the ATFS database to enable verification of the certified status of the certified area. In Canada, Group Managers share records of items A, B, C and E at least annually with SFI.</i></p> <p>SFI 2015-2019 Fiber Sourcing Standard</p> <p><i>“09 Communications and public reporting.</i></p> <p><i>PM 9.2 Program Participants shall report annually to SFI Inc. on their conformance with the SFI 2015-2019 Fiber Sourcing Standard.</i></p> <p><i>I1 Prompt response to the SFI annual progress report survey.</i></p> <p><i>I2. Record keeping for all the categories of information needed for SFI annual progress report surveys.</i></p> <p><i>I3. Maintenance of copies of past survey reports to document progress and improvements to demonstrate conformance to the SFI 2015–2019 Fiber Sourcing Standard”.</i></p> <p>Conclusion: Complies</p>

Question	YES / NO*	Reference to scheme documentation
Specific requirements for SFM standards		
Criterion 1: Maintenance and appropriate enhancement of forest resources and their contribution to the global carbon cycle		
<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>	YES	<p>SFI Small Lands Group Certification Module, 4.1.1-4.1.2, 4.1.5-4.1.9, 4.2.1, 4.2.2</p> <p>The Group Manager is responsible for developing a wood and fiber supply area plan that covers all sourcing (certified and non-certified). This plan shall:</p> <p><i>“4.1.1 Be based on a long-term resource analysis including periodic or ongoing forest inventory, mapping and monitoring of forest resources; and include or be based on analysis of social, environmental and economic impacts of forest operations on forest resources;</i></p> <p><i>4.1.2 Promote the maintenance and enhancement of the quantity of forest resources., Promote afforestation of agricultural and treeless land into forests. Identify risks of conversion of forests to non-forest other land uses and, measures to for the mitigation this risk. of risks and the potential for conversion of agricultural and treeless land into forests”.</i></p> <p>In addition, it shall:</p> <p><i>4.1.5 Include analysis and determination of long-term sustainable harvest levels by monitoring growth and drain trends across the wood and fiber supply area. The monitoring system shall identify trends and develop forest management activities, on the certified area, to promote sustainable harvesting levels on the wood and fiber supply area.</i></p> <p><i>4.1.6 Include a review of non-timber activities and opportunities (e.g., conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics); and sustainable management and use of those non-timber forest products that are affected by forest management practices;</i></p> <p><i>4.1.7 Review results of monitoring of harmful agents, such as environmentally or economically undesirable wildfire, pests, diseases, invasive exotic plants and animals and list or provide information on measures to</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p><i>protect forests from those agents to maintain and improve long-term forest health, productivity and economic viability;</i></p> <p><i>4.1.8 Include identification and mapping of sensitive sites and areas with high biodiversity values on the certified area and the wood and fiber supply area;</i></p> <p><i>4.1.9 Include identification and mapping of areas with specific water and soil protection functions, including steps to ensure their protection, maintenance and enhancement of their protective functions”.</i></p> <p>The overall plan is adapted to the conditions of each forest owner when they join group certification. Thus, an FMU level plan may address all or some of the elements listed above. Through the written agreement with Group Manager, forest owners commit to the FMU level adaptation of the plan.</p> <p>In addition, forest owners may have individual plans that should comply with the requirements defined in chapter 4.2 of the Module.</p> <p><i>4.2.1 Management plan shall be active, adaptive and embody the landowner’s current objectives, remain appropriate for the land certified and reflect the current state of knowledge about natural resources and sustainable forest management.</i></p> <p><i>4.2.2 Management plan shall:</i></p> <p><i>a. Describe current forest conditions, landowner’s objectives, management activities aimed at achieving landowner’s objectives, document a feasible strategy for activity implementation and include a map accurately depicting significant forest-related resources.</i></p> <p>Requirements for Sustainable Forest Management under the SFI Small Lands Group Certification Module are also supported by principles of the SFI 2015-2019 Fiber Sourcing Standard (Principles 1-9).</p> <p>Conclusion: Complies</p> <p>Comment: The forest management planning and forest resource development requirements are the responsibility of Group Manager (primary industry). The plans are mostly based on publicly available data on forest resources and biologically important areas. The scope of planning is in line with PEFC requirements, but</p>



Question	YES / NO*	Reference to scheme documentation
		<p>there a risk that the plan will be very general. The Module does not set any minimum requirements on the scope of the plans adapted at the FMU level.</p> <p>Due to the absence of pilot testing, examples of the plans were not available.</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 for a cycle of continuous improvement to minimize or avoid negative impacts.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 4.1.1, 4.1.6, 4.2.1, 4.2.2, 4.2.3</p> <p>A wood and fiber supply area plan shall:</p> <p><i>4.1.1 Be based on a long-term resource analysis including periodic or ongoing forest inventory, mapping and monitoring of forest resources; and include or be based on analysis of social, environmental and economic impacts of forest operations on forest resources.</i></p> <p>Long-term is defined to cover a forest rotation period (i.e. 30 to 90 years or more depending on the geographic area and forest type).</p> <p>Group Managers shall continuously/periodically update the plan to reflect the new inventory information, estimates for sustainable harvesting levels and production/market trends.</p> <p><i>4.1.6 Include a review of non-timber activities and opportunities...</i></p> <p><i>4.2.1 Management plan shall be active, adaptive and embody the landowner's current objectives, remain appropriate for the land certified and reflect the current state of knowledge about natural resources and sustainable forest management</i></p> <p><i>4.2.2 Management plan shall:</i></p> <p><i>c. Where present, relevant to the property and consistent with landowner's objectives, the plan preparer should consider, describe and evaluate the following resource elements: fire, wetlands, desired species, recreation, forest aesthetics, biomass and carbon.</i></p>

Question	YES / NO*	Reference to scheme documentation
		<p>4.2.3 <i>The Landowner or landowner agent should monitor for changes that could interfere with the management objectives as stated in management plan. When problems are found, reasonable actions are taken.</i></p> <p><i>Fiber Sourcing Standard</i></p> <p><i>Objective 7 Community Involvement and Landowner Outreach</i></p> <p>Group Manager is responsible to carry out/collect relevant information on social issues related to forest use in the sourcing area.</p> <p>Conclusion: Complies</p> <p>Comment: Large scale fiber sourcing plan drafted by Group Manager (primary industry) focus on sustainable sourcing and only selected elements of it are applied at an FMU level. The inventory and main monitoring data is collected from public sources.</p> <p>FMU level plans are voluntary and if drafted they shall comply with the Module's requirements of section 4.2. Forest inventory is not directly required due to small scale of FMUs, but the plans shall be adaptive and reflect the information collected in monitoring.</p> <p>The required PEFC elements are covered, but only pilot testing and examples demonstrate how well the overall fiber sourcing plan promotes forest management and its environmental and social impacts in practice.</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>SFI Small Lands Group Certification Module, 4.1, 4.2.2</p> <p>A wood and fiber supply area plan shall, among other things, be based on forest inventory, mapping and monitoring of forest resources: for growth and drain trends (4.1.5) and harmful agents (4.1.7). Mapping should cover at least sensitive sites and areas with high biodiversity values (4.1.8), as well as areas with specific water and soil protection functions (4.1.9).</p> <p>Optional group member's plan (4.2)</p> <p><i>4.2.2 Management plan shall: a. ...include a map accurately depicting significant forest-related resources</i></p>

Question	YES / NO*	Reference to scheme documentation
		<p><i>b. Demonstrate consideration of the following resource elements: forest health, soil, water, wood and fiber production, threatened or endangered species, special sites, invasive species and Forests of Recognized Importance (in the United States) or Forests with Exceptional Conservation Value (in Canada).</i></p> <p>Conclusion: Complies</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>SFI Small Lands Group Certification Module, 4.1, 4.1.3, 4.1.13</p> <p>The Module requires development of a wood and fiber supply area plan by the Group Manager. The plans also require updating</p> <p><i>“4.1 Wood and Fiber Supply Area Plan. The Group Manager shall develop and update a wood and fiber supply area plan that adequately covers the fiber procurement area by the Group Certification Organization”.</i></p> <p>4.1.3 requires that the plan is consistent with applicable legislation and land-use plans, while 4.1.4 sets that the plan needs to have a description of forest resources.</p> <p><i>4.1.13 Identify landowner goals and strategies and silviculture for achieving those goals to be applied to each individual landowner appropriate to the size, scale and intensity of small lands certified via the module.</i></p> <p>Companies do annual reviews of their sourcing plans and major updates in each five years. Forest owners are encouraged to do and update plans e.g. with tax incentives.</p> <p>Conclusion: Complies</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>SFI Small Lands Group Certification Module, 3.1.3, 4.1.4-4.1.6, 4.1.11, 4.1.13, 4.3.13</p> <p>The Module requires development of a wood and fiber supply area plan – an equivalent of a management plan. The content of the plan shall cover, among other, description of the area, objectives, sustainable harvest levels based on monitoring results, as well as opportunities for so-called non-timber activities.</p> <p><i>“3.1.3 To form a formal relationship with all Group Members based on a written agreement established directly between the Group Manager and each Group Member (every landowner and every landowner agent). The written agreement shall include:</i></p> <p>...</p>



Question	YES / NO*	Reference to scheme documentation
		<p>- <i>The Group Member's agreement to participate and comply with the conditions of membership and forest management operations as recommended in the wood and fiber supply area plan (or their own conforming forest management, where applicable);</i></p> <p><i>The plan shall:</i></p> <p><i>4.1.4 Include a description of forest resources, their different uses and functions, and objectives for their management;</i></p> <p><i>4.1.5 Include analysis and determination of long-term sustainable harvest levels by monitoring growth and drain trends across the wood and fiber supply area. The monitoring system shall identify trends and develop forest management activities, on the certified area, to promote sustainable harvesting levels on the wood and fiber supply area.</i></p> <p><i>4.1.6 Include a review of non-timber activities and opportunities (e.g., conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics); and sustainable management and use of those non-timber forest products that are affected by forest management practice”.</i></p> <p><i>4.1.11 Be made available to the relevant landowners and/or landowner agents and provide the basis for the SFI Program Participant's verification, internal audit or monitoring program”.</i></p> <p><i>4.1.13 Identify landowner goals and strategies and silviculture for achieving those goals to be applied to each individual landowner appropriate to the size, scale and intensity of small lands certified via the module.</i></p> <p><i>4.3.13 Landowner shall monitor forest product harvests and other management activities to ensure they conform to their objectives.</i></p> <p><i>4.3.13.1 Harvest, utilization, removal and other management activities shall be conducted in compliance with the landowner's objectives and to maintain the potential of the property to produce forest products and other benefits sustainably”.</i></p> <p><i>“Fiber Sourcing Standard's Objective 6 (Training and Education) and Objective 7 (Community Involvement and Landowner Outreach) of the SFI 2015-2019 Fiber Sourcing Standard provides a framework for communicating the content of the forest management plan or its relevant parts to landowners, resource and logging professionals and for its on-the ground implementation”.</i></p> <p>Conclusion: Complies</p>

Question	YES / NO*	Reference to scheme documentation
		The plans are based on public and other available information on forest resources and their use. Relevant parts of the
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.	YES	<p>SFI Small Lands Group Certification Module, 4.1.12</p> <p>It is required that a wood and fiber supply area plan is made publicly available. Some confidential and sensitive parts of it, can, however, be excluded.</p> <p><i>“The plan shall: 4.1.12 Be made publicly available, except confidential business and personal information and other information made confidential by legislation or for the protection of cultural sites or sensitive natural resources”.</i></p> <p>Group Manager has the responsibility to publish a summary to the plan.</p> <p>Conclusion: Complies</p> <p>Comment: SFI should also set minimum requirements on what information should be disclosed. The Module does not require that summaries of FMU level plans are published, which is not specifically required by PEFC either.</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.	YES	<p>SFI Small Lands Group Certification Module, 4.1, 4.2</p> <p>According to the SFI Small Lands Group Certification Module, a wood and fiber supply area plan shall be based on monitoring of forest resources:</p> <p><i>“The plan shall: 4.1.1 Be based on a long-term resource analysis including periodic or ongoing forest inventory, mapping and monitoring of forest resources; and include or be based on analysis of social, environmental and economic impacts of forest operations on forest resources”.</i></p> <p>Plans are mostly based on public information and on information collected in internal audits. Group members shall also report on forest management operations in certified forests which also feed in information for plan revisions.</p>



Question	YES / NO*	Reference to scheme documentation
		<p><i>“4.2. Group Member’s Management Plan In the event that a landowner, or landowner agent, opts to have and implement a written forest management plan for an individual group member, it shall be consistent with the size of the ownership and the scale and intensity of the forest activities.</i></p> <p><i>4.2.1 Management plan shall be active, adaptive and embody the landowner’s current objectives, remain appropriate for the land certified and reflect the current state of knowledge about natural resources and sustainable forest management.</i></p> <p><i>4.2.2 Management plan shall: a. Describe current forest conditions, landowner’s objectives, management activities aimed at achieving landowner’s objectives, document a feasible strategy for activity implementation and include a map accurately depicting significant forest-related resources. b. Demonstrate consideration of the following resource elements: forest health, soil, water, wood and fiber production, threatened or endangered species, special sites, invasive species and Forests of Recognized Importance (in the United States) or Forests with Exceptional Conservation Value (in Canada). Where present and relevant to the property, the plan shall describe management activities related to these resource elements. c. Where present, relevant to the property and consistent with landowner’s objectives, the plan preparer should consider, describe and evaluate the following resource elements: fire, wetlands, desired species, recreation, forest aesthetics, biomass and carbon.</i></p> <p><i>4.2.3 The Landowner or landowner agent should monitor for changes that could interfere with the management objectives as stated in management plan. When problems are found, reasonable actions are taken.”</i></p> <p>Group Manger shall ensure through a verifiable monitoring system, or training of landowner agents, or through individual outreach to landowners that requirements 4.2.1 – 4.2.3 are duly implemented.</p> <p>Conclusion: Complies</p> <p>Internal monitoring under the Module and Fiber Sourcing certification play an important role in monitoring along with other public monitoring.</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>SFI Small Lands Group Certification Module clearly defines and assigns requirements for sustainable forest management (chapter 4), as well as responsibilities of the Group Manager (3.1) and the Group Members (3.2).</p> <p>Module's criteria for forest management practices on certified area (4.3) describe more in detail landowners' or their agents' responsibilities for forest use.</p> <p>SFI 2015-2019 Fiber Sourcing Standard clearly defines SFI Program Participants' (i.e. Group Manager's) responsibilities (Principles 1-14, objectives and performance measures).</p> <p>Conclusion: Complies</p> <p>Group Manager has the overall responsibility that the requirements of the Module and Fiber Sourcing standard are implemented.</p> <p>Comment: Through pilot testing and examples of relevant contracts with landowners or their agents, SFI should demonstrate how the responsibilities are allocated in practice.</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 minimize direct or indirect damage to forest, soil or water resources.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 4.1 4.2, 4.3</p> <p>According to 4.1.5, the monitoring growth and drain system shall be the base for developing FM activities aimed at maintaining sustainability of harvesting levels. FM practices shall ensure proper forest regeneration, while harvesting and transportation operations shall minimize the negative impact it may have on forest, soil or water resources.</p> <p><i>"The plan shall:</i></p> <p><i>4.1.5 Include analysis and determination of long-term sustainable harvest levels by monitoring growth and drain trends across the wood and fiber supply area. The monitoring system shall identify trends and develop forest management activities, on the certified area, to promote sustainable harvesting levels on the wood and fiber supply area.</i></p> <p><i>4.2.2 Management plan shall... (see PEFC Question 5.1.7):</i></p>

Question	YES / NO*	Reference to scheme documentation
		<p>4.2.3 <i>The Landowner or landowner agent should monitor for changes that could interfere with the management objectives as stated in management plan. When problems are found, reasonable actions are taken.</i></p> <p>4.3.3 <i>Landowner shall meet or exceed practices prescribed by state or provincial forestry best management practices that are applicable to the property.</i></p> <p>4.3.3.1 <i>Landowner shall implement specific state or provincial forestry BMPs that are applicable to the property.</i></p> <p>4.3.3.2 <i>Landowner shall minimize road construction and other disturbances within riparian zones and wetlands”.</i></p> <p>SFI 2015-2019 Fiber Sourcing Standard makes a reference to Best Management Practices which are aimed at safeguarding forest resources. Principles 2-6 also contain requirements on protection of forest productivity, health, water resources, biological diversity, aesthetics and recreation, as well as special sites.</p> <p>Conclusion: Complies</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>SFI Small Lands Group Certification Module, 4.1, 4.3</p> <p>The wood and fiber supply area plan requires that all harvested areas are subject to proper regeneration:</p> <p><i>“4.1.2 Promote the maintenance and enhancement of the quantity of forest resources., Promote afforestation of agricultural and treeless land into forests. identify risks of conversion of forests to non-forest other land uses and, measures to for the mitigation this risk</i></p> <p><i>4.1.10 Include description of appropriate silviculture and regeneration methods to achieve forest management objectives identified in 4.1 and 4.3”.</i></p> <p><i>4.3.2 Reforestation or afforestation shall be achieved by a suitable process that ensures adequate stocking levels.</i></p> <p><i>4.3.2.1 Harvested forest land shall achieve adequate stocking of desired species reflecting the landowner’s objectives, within five years after harvest, or within a time interval as specified by applicable regulation.</i></p> <p><i>4.3.3 Landowner shall meet or exceed practices prescribed by state or provincial forestry best management practices that are applicable to the property”.</i></p> <p>Fiber Sourcing Standard Objective 2 requires promotion of the Best Management Practices. These will address, e.g., water protection, prescribed burning (if relevant), and thinning operations.</p>

Question	YES / NO*	Reference to scheme documentation
		Conclusion: Complies
<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 organizations; 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) Contributes to long-term conservation, economic, and social benefits.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 4.1.2, 4.1.3, 4.3.2</p> <p>4.1.2 requires the wood and fiber supply area plan to identify risks and mitigation measures in forest conversion and determine whether there is potential for converting agricultural lands or land without trees into forest areas:</p> <p><i>“The plan shall: Promote the maintenance and enhancement of the quantity of forest resources., Promote afforestation of agricultural and treeless land into forests. Identify risks of conversion of forests to non-forest other land uses and, measures to for the mitigation this risk. of risks and the potential for conversion of agricultural and treeless land into forests”.</i></p> <p>4.1.3 Be consistent with applicable legislation and land-use plans.</p> <p>4.3 The Group Manager shall ensure through a verifiable monitoring system that: 4.3.1 Landowner shall comply with all relevant federal, state, provincial, county and municipal laws, regulations and ordinances governing forest management activities. 4.3.1.1 Landowner shall comply with all relevant laws, regulations and ordinances and will correct conditions that led to adverse regulatory actions, if any.</p> <p>4.3.2 Reforestation or afforestation shall be achieved by a suitable process that ensures adequate stocking levels. 4.3.2.1 Harvested forest land shall achieve adequate stocking of desired species reflecting the landowner’s objectives, within five years after harvest, or within a time interval as specified by applicable regulation.</p> <p>SFI 2015-2019 Fiber Sourcing Standard defines conversion sources of forest-based products as potential controversial sources and requires a due diligence system for avoiding such sources and an associated risk assessment.</p> <p>Converted land (from forest to other land uses) cannot be included in the certified area and timber from conversion sites cannot be counted as certified fiber.</p> <p>SFI Guidance document recommend excluding areas in the risk for conversion from the certified area.</p>



Question	YES / NO*	Reference to scheme documentation
		<p>Conclusion: Complies The Module does not accept conversion or fiber from converted forests. Group Manager is responsible to assess the risk and to monitor the source of fiber.</p> <p>Forest owners are committed through group certification contract not to convert the area submitted to group certification.</p>
<p>5.1.12 Conversion of abandoned agricultural and treeless land into forestland shall be taken into consideration, whenever it can add economic, ecological, social and/or cultural value.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 4.1.2 requires the wood and fiber supply area plan to determine whether there is potential for converting agricultural lands or lands without trees into forest areas:</p> <p><i>“The plan shall: 4.1.2 Promote the maintenance and enhancement of the quantity of forest resources., Promote afforestation of agricultural and treeless land into forests. identify risks of conversion of forests to non-forest other land uses and, measures to for the mitigation this risk”.</i></p> <p>Conclusion: Complies</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>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 4.1.7</p> <p>It is required that a wood and fiber supply area plan includes the results of monitoring of harmful agents and protection measures against them. In general, increase in forest resources is to be promoted by the plan (4.1.2).</p> <p><i>“The plan shall: 4.1.7 Review results of monitoring of harmful agents, such as environmentally or economically undesirable wildfire, pests, diseases, invasive exotic plants and animals and list or provide information on measures to protect forests from those agents to maintain and improve long-term forest health, productivity and economic viability”.</i></p> <p>4.2.2 (Optional group member’s management plan)</p>



Question	YES / NO*	Reference to scheme documentation
		<p><i>4.2.2 Management plan shall:</i></p> <p><i>b. Demonstrate consideration of the following resource elements: forest health, soil, water, wood and fiber production, threatened or endangered species, special sites, invasive species and Forests of Recognized Importance (in the United States) or Forests with Exceptional Conservation Value (in Canada). Where present and relevant to the property, the plan shall describe management activities related to these resource elements.</i></p> <p>SFI 2015-2019 Fiber Sourcing Standard makes a reference to Best Management Practices which are aimed at safeguarding forest resources, including their health and vitality. Principle 2 also contains requirements on protection of forest productivity and health:</p> <p><i>“SFI Program Participants (i.e. fiber sourcing organizations) shall have a written policy (or policies) to implement and achieve the following principles:</i></p> <p><i>2. Forest Productivity and Health: To provide for regeneration after harvest and maintain the productive capacity of the forest land base, and to protect and maintain long-term forest and soil productivity. In addition, to protect forests from economically or environmentally undesirable levels of wildfire, pests, diseases, invasive exotic plants and animals, and other damaging agents and thus maintain and improve long-term forest health and productivity.”</i></p> <p>Conclusion: Complies</p>
<p>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.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 4.1.7</p> <p>Monitoring of harmful agents is required:</p> <p><i>The plan shall:</i></p> <p><i>4.1.7 Review results of monitoring of harmful agents, such as environmentally or economically undesirable wildfire, pests, diseases, invasive exotic plants and animals and list or provide information on measures to protect forests from those agents to maintain and improve long-term forest health, productivity and economic viability.</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p>SFI 2015-2019 Fiber Sourcing Standard requires monitoring of information related to forest health and vitality:</p> <p><i>“Performance Measure 5.3. Program Participants shall individually and/or through cooperative efforts involving SFI Implementation Committees, associations or other partners broaden the awareness of climate change impacts on forests, wildlife and biological diversity. Indicators: 1. Where available, monitor information generated from regional climate models on long-term forest health, productivity and economic viability”.</i></p> <p>Conclusion: Complies</p>
<p>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.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 4.1.7</p> <p>Monitoring of harmful agents covers wildfire, pests and other disturbances:</p> <p><i>“The plan shall: 4.1.7 Review results of monitoring of harmful agents, such as environmentally or economically undesirable wildfire, pests, diseases, invasive exotic plants and animals and list or provide information on measures to protect forests from those agents to maintain and improve long-term forest health, productivity and economic viability”.</i></p> <p>Conclusion: Complies</p>
<p>5.2.4 Forest management plans or their equivalents shall specify ways and means to minimize 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>SFI Small Lands Group Certification Module, 4.1.7, 4.2.2 (Optional group member’s management plan)</p> <p>It is required that a wood and fiber supply area plan includes protection measures against harmful agents.</p> <p><i>“The plan shall: 4.1.7 Review results of monitoring of harmful agents, such as environmentally or economically undesirable wildfire, pests, diseases, invasive exotic plants and animals and list or provide information on measures to protect forests from those agents to maintain and improve long-term forest health, productivity and economic viability”.</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p><i>4.2.2 Management plan shall:</i></p> <p><i>b. Demonstrate consideration of the following resource elements: forest health, soil, water, wood and fiber production, threatened or endangered species, special sites, invasive species and Forests of Recognized Importance (in the United States) or Forests with Exceptional Conservation Value (in Canada). Where present and relevant to the property, the plan shall describe management activities related to these resource elements.</i></p> <p>SFI 2015-2019 Fiber Sourcing Standard requires monitoring of use of best management practices by Group Manager.</p> <p>Conclusion: Complies</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>SFI Small Lands Group Certification Module 4.3.3, 4.3.6, 4.3.8-11</p> <p>Natural structure (structural diversity of forests) shall be promoted in protection habitats of threatened species (4.3.6) and enhance forests of recognized importance or conservation value (4.3.9) or other special (4.3.10) or aesthetically significant sites (4.3.11). Landowner should also make practical efforts to promote forest health (4.3.8). Implementation of state level best management practices address most often protection of water dependent habitats (4.3.3).</p> <p><i>“4.3.3 Landowner shall meet or exceed practices prescribed by state or provincial forestry best management practices that are applicable to the property. 4.3.3.1 Landowner shall implement specific state or provincial forestry BMPs that are applicable to the property. 4.3.3.2 Landowner shall minimize road construction and other disturbances within riparian zones and wetlands</i></p> <p><i>4.3.6 Forest management activities shall protect habitats and communities occupied by threatened or endangered species as required by law.</i></p> <p><i>4.3.6.1 Landowner shall confer with natural resource agencies, state or provincial natural resource heritage programs (i.e. NatureServe databases), qualified natural resource professionals or review other sources of information to determine occurrences of threatened or endangered species on the property and their habitat requirements.</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p>4.3.6.2 Forest management activities shall incorporate measures to protect identified threatened or endangered species on the property.</p> <p>4.3.7 Landowner should address the desired species and/or desired forest communities when conducting forest management activities, if consistent with landowner’s objectives.</p> <p>4.3.7.1 Landowner should consult available and accessible information on management of the forest for desired species and/or forest communities and integrate it into forest management.</p> <p>4.3.8 Landowner should make practical efforts to promote forest health.</p> <p>4.3.8.1 Landowner should make practical efforts to promote forest health, including prevention, control or response to disturbances such as wildland fire, invasive species and other pests, pathogens or unwanted vegetation, to achieve specific management objectives.</p> <p>4.3.9 Where present, forest management activities should maintain or enhance Forests of Recognized Importance (in the United States) or Forests with Exceptional Conservation Value (in Canada).</p> <p>4.3.9.1 Appropriate to the scale and intensity of the situation, forest management activities should incorporate measures to contribute to the conservation of identified Forests of Recognized Importance (in the United States) or Forests with Exceptional Conservation Value (in Canada)”.</p> <p>SFI 2015-2019 Fiber Sourcing Standard also requires protection of biological diversity, i.e., protection of “animal and plant species, wildlife habitats, and ecological or natural community types”.</p> <p>The referred programs are prepared by landowner or landowners’ agent, but Group Manager is responsible for ensuring that they are in place. The programs can be regional or FMU level programs.</p> <p>Conclusion: Complies</p> <p>The Module addresses maintenance and promotion of natural structures through protection of special sites with conservation value (nationally defined or FMU level) and habitats of endangered species. Best management practices are defined at state level (in USA) and often address protection of water bodies. Fiber Sourcing standard requires that special habitats are also addressed in landscape level fiber sourcing plans. The Module sets overall requirements that contribute to the achievement of the PEFC requirement.</p>

Question	YES / NO*	Reference to scheme documentation
<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>SFI Small Lands Group Certification Module, 4.3.5, 4.3.8</p> <p><i>“4.3.5 When used, prescribed fire shall conform with landowner’s objectives and pre-fire planning.</i> <i>4.3.5.1 Prescribed fire shall conform with the landowner’s objectives and all national, federal, state, provincial and local laws and regulations</i></p> <p><i>4.3.8 Landowner should make practical efforts to promote forest health.</i> <i>4.3.8.1 Landowner should make practical efforts to promote forest health, including prevention, control or response to disturbances such as wildland fire, invasive species and other pests, pathogens or unwanted vegetation, to achieve specific management objectives”.</i></p> <p>Conclusion: Complies</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 minimize tree and/or soil damages shall be applied.</p> <p>The spillage of oil during forest management operations or the indiscriminate disposal of waste on forestland 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>YES</p>	<p>SFI Small Lands Group Certification Module regulates reforestation and afforestation (4.3.2), species management (4.3.7), best management practices (4.3.3).</p> <p><i>“4.3.2 Reforestation or afforestation shall be achieved by a suitable process that ensures adequate stocking levels.</i> <i>4.3.2.1 Harvested forest land shall achieve adequate stocking of desired species reflecting the landowner’s objectives, within five years after harvest, or within a time interval as specified by applicable regulation.</i></p> <p><i>4.3.7 Landowner should address the desired species and/or desired forest communities when conducting forest management activities, if consistent with landowner’s objectives.</i> <i>4.3.7.1 Landowner should consult available and accessible information on management of the forest for desired species and/or forest communities and integrate it into forest management</i></p> <p><i>4.3.3 Landowner shall meet or exceed practices prescribed by state or provincial forestry best management practices (BMP) that are applicable to the property.</i> <i>4.3.3.1 Landowner shall implement specific state or provincial forestry BMPs that are applicable to the property</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p><i>4.3.1 Landowner shall comply with all relevant federal, state, provincial, county and municipal laws, regulations and ordinances governing forest management activities.</i></p> <p><i>4.3.1.1 Landowner shall comply with all relevant laws, regulations and ordinances and will correct conditions that led to adverse regulatory actions, if any.</i></p> <p><i>4.3.1.2 Landowner should obtain advice from appropriate qualified natural resource professionals or qualified contractors who are trained in, and familiar with, relevant laws, regulations and ordinances.”</i></p> <p>Waste management is regulated by the legislation, e.g. the Resource Conservation and Recovery Act, Comprehensive Environmental Response, Compensation and Liability Act, National Environmental Policy Act etc. and oil spillage by the Oil Pollution Act.</p> <p>SFI 2015-2019 Fiber Sourcing Standard makes a reference to Best Management Practices which are aimed at securing use of appropriate forest management practices and water protection.</p> <p>State/Province level regulations stipulate on the approved genetic origin (e.g. proveniences) of seed and seedling materials. Registered nurseries shall obey the rules. Appendix 26 presents a Summary of U.S. and Canadian Legislation Pertaining to Forest Management.</p> <p>Conclusion: Complies</p> <p>Waste management is not addressed in the revised Module standard of March 2019. Best management practices and legislation set requirements for waste management.</p>
<p>5.2.8 The use of pesticides shall be minimized, and appropriate silvicultural alternatives and other biological measures preferred.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.3.4</p> <p><i>“4.3.4 Landowner shall consider a range of forest management activities to control pests, pathogens and unwanted vegetation.</i></p> <p><i>4.3.4.1 Landowner should evaluate alternatives to pesticides for the prevention or control of pests, pathogens and unwanted vegetation to achieve specific management objectives”.</i></p> <p>Conclusion: Complies</p>

Question	YES / NO*	Reference to scheme documentation
		Legislation and BMPs allow the use of all these chemicals for damage prevention/control and also for site preparation in USA and Canada. Laws and BMPs restrict their use only on buffer zones to water bodies.
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	<p>SFI Small Lands Group Certification Module 4.3.3, 4,3,4</p> <p><i>“4.3.4.2 Pesticides used shall be approved by the Environmental Protection Agency (EPA) in the United States or the Pest Management Regulatory Agency (PMRA) of Health Canada, and applied, stored and disposed of in accordance with EPA or PMRA approved labels and by persons appropriately trained, licensed and supervised.”</i></p> <p>U.S. EPA regulates pesticide use through the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA). WHO highly toxic pesticides are not approved for forestry uses in the U.S.</p> <p><i>“4.3.3.1 Landowner shall implement specific state or provincial forestry BMPs that are applicable to the property.”</i></p> <p>State or County level Best Management Practices in USA, when available, address water protection measures e.g. in the use of chemicals. Fiber Sourcing standard requires that BMPs are applied.</p> <p>WHO 1A and 1B chemicals are regulated under federal legislation in both countries. US and Canada are signatories to the Stockholm Convention banning the use of persistent organic pesticides (POPs).</p> <p><i>In USA EPA's FIFRA enforcement program is to ensure pesticides applied in USA meet FIFRA requirements. EPA and the states verify FIFRA compliance through a comprehensive FIFRA compliance monitoring program</i></p> <p>In Canada before a pesticide can be used for any specific purpose, it has to be registered and labeled for that purpose. For a definitive list of pesticides registered for use in Canada the active ingredient would have to be searched in the product label database and then checked for approved forestry use.</p> <p>Conclusion: Complies</p>



Question	YES / NO*	Reference to scheme documentation
5.2.10 Pesticides, such as chlorinated hydrocarbons whose derivate remain biologically active and accumulate in the food chain beyond their intended use, and any pesticides banned by international agreement, shall be prohibited.	YES	<p>SFI Small Lands Group Certification Module 4.3.3, 4,3,4</p> <p>See above PEFC question 5.2.9</p> <p>Conclusion: Complies</p>
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	<p>SFI Small Lands Group Certification Module, 4.3.4 requires that authorities' regulations are applied in pesticide use.</p> <p><i>4.3.4.2 Pesticides used shall be approved by the Environmental Protection Agency (EPA) in the United States or the Pest Management Regulatory Agency (PMRA) of Health Canada, and applied, stored and disposed of in accordance with EPA or PMRA approved labels and by persons appropriately trained, licensed and supervised".</i></p> <p>Conclusion: Complies</p>
5.2.12 Where fertilizers are used, they shall be applied in a controlled manner and with due consideration for the environment.	YES	<p>SFI Small Lands Group Certification Module 4.3.3</p> <p><i>"4.3.3.1 Landowner shall implement specific state or provincial forestry BMPs that are applicable to the property".</i></p> <p>State or County level Best Management Practices in USA, when available, address water protection measures e.g. in the use of chemicals. Fiber Sourcing standard and the Module require that they are applied.</p> <p>Conclusion: Complies</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	YES	<p>SFI Small Lands Group Certification Module 4.1.2, 4.1.6, 4.2.1 require consideration of selected environmental aspects in wood harvesting:</p>

Question	YES / NO*	Reference to scheme documentation
<p>a range of wood and non-wood forest products and services on a sustainable basis.</p>		<p><i>“Fiber supply area plan shall</i></p> <p><i>4.1.2 Promote the maintenance and enhancement of the quantity of forest resources,....”.</i></p> <p><i>4.1.6 Include a review of non-timber activities and opportunities (e.g., conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics); and sustainable management and use of those non-timber forest products that are affected by forest management practices.</i></p> <p><i>4.1.1 ... include or be based on analysis of social, environmental and economic impacts of forest operations on forest resources”.</i></p> <p>Sustainability of non-wood forest use is addressed</p> <p>Sustainable forestry principles are also promoted by the SFI 2015-2019 Fiber Sourcing Standard.</p> <p>Conclusion: Complies</p>
<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>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.1.5 emphasize the need to respect the set management objectives</p> <p><i>Fiber Supply Area Plan shall</i></p> <p><i>“4.1.5 Include analysis and determination of long-term sustainable harvest levels by monitoring growth and drain trends across the wood and fiber supply area. The monitoring system shall identify trends and develop forest management activities, on the certified area, to promote sustainable harvesting levels on the wood and fiber supply area</i></p> <p><i>4.1.10 Include description of appropriate silviculture and regeneration methods to achieve forest management objectives identified in 4.1 and 4.3.</i></p> <p><i>4.1.13 Identify landowner goals and strategies and silviculture for achieving those goals to be applied to each individual landowner appropriate to the size, scale and intensity of small lands certified via the module. 4</i></p> <p>“Optional Group member’s</p>



Question	YES / NO*	Reference to scheme documentation
		<p>4.2.1 <i>Management plan shall be active, adaptive and embody the landowner’s current objectives, remain appropriate for the land certified and reflect the current state of knowledge about natural resources and sustainable forest management.”</i></p> <p>Use and promotion of economically responsible sustainable forestry practices is stated in Principle 6 of the SFI 2015-2019 Fiber Sourcing Standard.</p> <p>Conclusion: Complies</p> <p>A regional sourcing plan is based on economic analysis of harvesting on forest resources. It shall cover a long-term perspective (a rotation cycle).</p>
<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.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.1.1, 4.1.3, 4.1.4, 4.1.6, 4.2.2 require that supply area plans are in line with long term development of forest resources (timber and non-timber) as well as ecological and social objectives as stated e.g. in legislation in force or applicable landscape plans.</p> <p><i>“The wood and fiber supply area plan shall:</i></p> <p><i>4.1.1 Be based on a long-term resource analysis including periodic or ongoing forest inventory, mapping and monitoring of forest resources; and include or be based on analysis of social, environmental and economic impacts of forest operations on forest resources;</i></p> <p><i>4.1.3 Be consistent with applicable legislation and land-use plans;</i></p> <p><i>4.1.4 Include a description of forest resources, their different uses and functions, and objectives for their management” both wood and non-wood.</i></p> <p><i>4.1.6 Include a review of non-timber activities and opportunities (e.g., conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics); and sustainable management and use of those non-timber forest products that are affected by forest management practices”</i></p> <p>Optional Group member’s <i>management plan shall:</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p><i>4.2.2 b. Demonstrate consideration of the following resource elements: forest health, soil, water, wood and fiber production, threatened or endangered species, special sites, invasive species and Forests of Recognized Importance¹² (in the United States) or Forests with Exceptional Conservation Value (in Canada). Where present and relevant to the property, the plan shall describe management activities related to these resource elements.”</i></p> <p>Conclusion: Complies</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>SFI Small Lands Group Certification Module 4.1.2, 4.1.1, 4.1.4 - 4.1.6 require analysis of forest resources and functions as well as their promotion. FMU level plans, if drafted shall respect forest owners’ objectives taking into consideration natural conditions.</p> <p>Wood and fiber supply area plan shall:</p> <p><i>“4.1.2 Promote the maintenance and enhancement of the quantity of forest resources...”</i></p> <p>4.1.1 require that a wood and fiber supply area plan is based on a long-term analysis. The plan shall include different forest uses and functions (4.1.4) – both for production of wood (4.1.5) and non-wood forest products and services (4.1.6).</p> <p>Optional group member’s management plan shall:</p> <p><i>4.2.1 ...be active, adaptive and embody the landowner’s current objectives, remain appropriate for the land certified and reflect the current state of knowledge about natural resources and sustainable forest management.</i></p> <p><i>4.2.2 a. Describe current forest conditions, landowner’s objectives, management activities aimed at achieving landowner’s objectives, document a feasible strategy for activity implementation and include a map accurately depicting significant forest-related resources.</i></p> <p><i>c. Where present, relevant to the property and consistent with landowner’s objectives, the plan preparer should consider, describe and evaluate the following resource elements: fire, wetlands, desired species, recreation, forest aesthetics, biomass and carbon.“</i></p>

Question	YES / NO*	Reference to scheme documentation
		<p>SFI 2015-2019 Fiber Sourcing Standard makes a reference to Best Management Practices which are aimed at improving forest resources and encouraging diversified functions of forests.</p> <p>Conclusion: Complies</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>SFI Small Lands Group Certification Module 4.3.2, 4.3.3 require regeneration, tending and harvesting operations to be carried out in time and to minimize potential damages.</p> <p><i>4.3.2 Reforestation or afforestation shall be achieved by a suitable process that ensures adequate stocking levels.</i></p> <p><i>4.3.2.1 Harvested forest land shall achieve adequate stocking of desired species reflecting the landowner's objectives, within five years after harvest, or within a time interval as specified by applicable regulation.</i></p> <p><i>4.3.3 Landowner shall meet or exceed practices prescribed by state or provincial forestry best management practices that are applicable to the property.</i></p> <p><i>4.3.3.1 Landowner shall implement specific state or provincial forestry BMPs that are applicable to the property.</i></p> <p><i>4.3.3.2 Landowner shall minimize road construction and other disturbances within riparian zones and wetlands."</i></p> <p>Conclusion: Complies</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>SFI Small Lands Group Certification Module, 4.1.5 requires a wood and fiber supply area plan to determine long-term sustainable harvest levels. Indicator 4.1.6 address non-timber forest products and services:</p> <p><i>"The wood and fiber supply area plan shall:</i></p> <p><i>4.1.5 Include analysis and determination of long-term sustainable harvest levels by monitoring growth and drain trends across the wood and fiber supply area. The monitoring system shall identify trends and develop forest management activities, on the certified area, to promote sustainable harvesting levels on the wood and fiber supply area.</i></p>

Question	YES / NO*	Reference to scheme documentation
		<p>4.1.6 Include a review of non-timber activities and opportunities (e.g., conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics); and sustainable management and use of those non-timber forest products that are affected by forest management practices.”</p> <p>Conclusion: Complies</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 products, including hunting and fishing, shall be regulated, monitored and controlled.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 4.1.6, 4.2.2 require review of non-timber forest products and services as well as description of management activities when relevant</p> <p>Exploitation of non-timber forest products is within the scope of wood and fiber supply area plans. The plan shall be based on review of such activities and opportunities and determine their use and management.</p> <p><i>“The wood and fiber supply area plan shall:</i></p> <p>4.1.6 Include a review of non-timber activities and opportunities (e.g., conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics); and sustainable management and use of those non-timber forest products that are affected by forest management practices</p> <p><i>Optional group member’s management plan shall</i></p> <p>4.2.2.... a. Describe current forest conditions, landowner’s objectives, management activities aimed at achieving landowner’s objectives, document a feasible strategy for activity implementation and include a map accurately depicting significant forest-related resources.</p> <p>b. Demonstrate consideration of the following resource elements: forest health, soil, water, wood and fiber production, threatened or endangered species, special sites, invasive species and Forests of Recognized Importance¹² (in the United States) or Forests with Exceptional Conservation Value (in Canada). Where present and relevant to the property, the plan shall describe management activities related to these resource elements.</p> <p>c. Where present, relevant to the property and consistent with landowner’s objectives, the plan preparer should consider, describe and evaluate the following resource elements: fire, wetlands, desired species, recreation, forest aesthetics, biomass and carbon.”.</p>



Question	YES / NO*	Reference to scheme documentation
		Conclusion: Complies
<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 minimizing negative impacts on the environment.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.3.3 requires compliance with regulations and state level Best Management Practices (BMPs). BMPs usually set requirements for infrastructure development in forests.</p> <p><i>“4.3.3 Landowner shall meet or exceed practices prescribed by state or provincial forestry best management practices that are applicable to the property.</i></p> <p><i>4.3.3.1 Landowner shall implement specific state or provincial forestry BMPs that are applicable to the property.</i></p> <p><i>4.3.3.2 Landowner shall minimize road construction and other disturbances within riparian zones and wetlands</i></p> <p><i>Forest management practices require that</i></p> <p><i>4.3.12 Landowner should use qualified natural resource professionals and qualified contractors when contracting for services”.</i></p> <p>Fiber Sourcing Standard Objective 6 requires the use of trained staff in logging operations, Objective 2 adherence to Best Management Practices in water protection.</p> <p>Conclusion: Complies</p>
Criterion 4: Maintenance, conservation and appropriate enhancement of biological diversity in forest ecosystems		
<p>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.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.1.6, 4.1.8-9 , 4.2.2 require consideration of non-timber values in planning at supply area and FMU levels.</p> <p>It is required that wood and fiber supply area plans include maps of areas with high biodiversity values and that forest management practices minimize damages to biodiversity. In regeneration of harvested stands, methods promoting diversity of forests are preferred.</p> <p><i>“The wood and fiber supply area plan shall:</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p>4.1.6 Include a review of non-timber activities and opportunities (e.g., conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics); and sustainable management and use of those non-timber forest products that are affected by forest management practices;</p> <p>4.1.8 Include identification and mapping of sensitive sites and areas with high biodiversity values on the certified area and the wood and fiber supply area.</p> <p>4.1.9 Include identification and mapping of areas with specific water and soil protection functions, including steps to ensure their protection, maintenance and enhancement of their protective functions:.”</p> <p><i>The optional group member’s plan shall:</i></p> <p>4.2.2 Management plan shall: b. Demonstrate consideration of the following resource elements: forest health, soil, water, wood and fiber production, threatened or endangered species, special sites, invasive species and Forests of Recognized Importance (in the United States) or Forests with Exceptional Conservation Value (in Canada). Where present and relevant to the property, the plan shall describe management activities related to these resource elements.</p> <p>c. Where present, relevant to the property and consistent with landowner’s objectives, the plan preparer should consider, describe and evaluate the following resource elements: fire, wetlands, desired species, recreation, forest aesthetics, biomass and carbon.</p> <p>Biodiversity conservation is directly addressed by objectives 1 and 11 (and respective performance measures and objectives) of SFI 2015-2019 Fiber Sourcing Standard:</p> <p><i>“Objective 1. Biodiversity in Fiber Sourcing: To address the practice of sustainable forestry by conserving biological diversity...</i></p> <p><i>Objective 11. Promote Conservation of Biological Diversity, Biodiversity Hotspots and High-Biodiversity Wilderness Areas To promote the conservation of biological diversity, biodiversity hotspots and high-biodiversity wilderness areas in fiber sourcing programs.”</i></p> <p>Conclusion: Complies</p>

Question	YES / NO*	Reference to scheme documentation
<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 recognized reference lists</p> <p>c) endangered or protected genetic <i>in situ</i> 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>SFI Small Lands Group Certification Module 4.1.6, 4.1.8-9, 4.2.2, 4.3.6-2 require identification and protection of biologically important sites</p> <p>Wood and fiber supply area plans shall include maps of sensitive sites and areas with high biodiversity values:</p> <p><i>“The wood and fiber supply area plan shall:</i></p> <p><i>4.1.6 Include a review of non-timber activities and opportunities (e.g., conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics); and sustainable management and use of those non-timber forest products that are affected by forest management practices</i></p> <p><i>4.1.8 Include identification and mapping of sensitive sites and areas with high biodiversity values on the certified area and the wood and fiber supply area.</i></p> <p><i>4.1.9 Include identification and mapping of areas with specific water and soil protection functions, including steps to ensure their protection, maintenance and enhancement of their protective functions.</i></p> <p><i>The optional group member’s forest management plan shall:</i></p> <p><i>4.2.2 b. Demonstrate consideration of the following resource elements: forest health, soil, water, wood and fiber production, threatened or endangered species, special sites, invasive species and Forests of Recognized Importance¹² (in the United States) or Forests with Exceptional Conservation Value (in Canada). Where present and relevant to the property, the plan shall describe management activities related to these resource elements.</i></p> <p><i>4.3.6 Forest management activities shall protect habitats and communities occupied by threatened or endangered species as required by law.</i></p> <p><i>4.3.6.1 Landowner shall confer with natural resource agencies, state or provincial natural resource heritage programs (i.e. Nature Serve databases), qualified natural resource professionals or review other sources of information to determine occurrences of threatened or endangered species on the property and their habitat requirements.</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p><i>4.3.6.2 Forest management activities shall incorporate measures to protect identified threatened or endangered species on the property. 4</i></p> <p>Group Manager shall have a wood and fiber supply are plan and it will be applied at the level of FMU as agreed with each group member. Optionally a separate plan can be made for a FMU that is a member in group certification.</p> <p>In addition, protection of biodiversity areas is required in SFI 2015-2019 Fiber Sourcing Standard, Objective 1 on Biodiversity in Fiber Sourcing that requires development of a program that promotes biodiversity, conducts local, regional landscape level assessments, involve conservation efforts and tap relevant information on biodiversity from credible sources.</p> <p>BMPs focus on protection of water ecosystems and require restrictions on forest management on riparian zones.</p> <p>Conclusion: Complies</p> <p>General Comment: The standard is quite generic compared to sometimes detailed PEFC requirements and there is a risk that certificate holder and landowners also take a very generic approach to biodiversity protection. This problem is a structural weakness of the Small Lands Group certification approach. Fiber Sourcing certification demand programs to assess and promote biological diversity and to address forests with exceptional conservation value</p> <p>The valuable sites can be limited to formal protection areas or also include other areas potentially affected by forestry operations. There is a great variation in State/Province level environmental legislation, therefore it would be necessary that a certification program establishes a common performance level for biodiversity protection.</p> <p>From management system viewpoint, it is good that SFI requires assessment of biodiversity values, a program for their conservation to the degree desired by landowner/Group Manager and monitoring of the management results.</p>

Question	YES / NO*	Reference to scheme documentation
		<p>The Module requires that Group Managers have a biodiversity protection program (FS standard) and a supply area plan that ensure enhancement of forest resources and identification/protection of high biodiversity values. The plan will be applied at the level of FMU as agreed with each group member.</p> <p>These are good measures to protect biodiversity, but especially in the conditions where legislation varies between states (US) and provinces (Canada) there is no guarantee that the specific PEFC requirements e.g. on endangered/endemic species, landscape areas will be taken into account in all certified FMUs/ groups.</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>	<p>YES</p>	<p>Commercial exploitation of endangered species is illegal as per the Environmental Protection Act (US) and the Species at Risk Act (Canada).</p> <p>Group Manager shall ensure that</p> <p><i>“4.3.1 Landowner shall comply with all relevant federal, state, provincial, county and municipal laws, regulations and ordinances governing forest management activities.</i></p> <p><i>4.3.1.1 Landowner shall comply with all relevant laws, regulations and ordinances and will correct conditions that led to adverse regulatory actions, if any.</i></p> <p><i>4.3.1.2 Landowner should obtain advice from appropriate qualified natural resource professionals or qualified contractors who are trained in, and familiar with, relevant laws, regulations and ordinances.”</i></p> <p>SFI 2015-2019 Fiber Sourcing Standard Objective 4 requires Legal and Regulatory Compliance. In USA, conservation of protected and endangered plant and animal species is addressed in the U.S. Endangered Species Act, while in Canada they are stipulated in the Canadian Species at Risk Act (Appendix 26 to the application).</p> <p>The Small Lands Module 4.1.3 require consistence with applicable legislation and land-use plans.</p> <p>Conclusion: Complies through federal legislation and FS standard requirements supported with the Module requirements.</p>

Question	YES / NO*	Reference to scheme documentation
<p>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.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.3.2 requires prompt regeneration of harvested sites.</p> <p><i>“4.3.2 Reforestation or afforestation shall be achieved by a suitable process that ensures adequate stocking levels.</i></p> <p><i>4.3.2.1 Harvested forest land shall achieve adequate stocking of desired species reflecting the landowner’s objectives, within five years after harvest, or within a time interval as specified by applicable regulation.”</i></p> <p>SFI 2015-2019 Fiber Sourcing Standard also contains a regeneration requirement:</p> <p><i>“2. Forest Productivity and Health: To provide for regeneration after harvest and maintain the productive capacity of the forest land base, and to protect and maintain long-term forest and soil productivity.”</i></p> <p>Conclusion: complies</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 minimized.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.3.2</p> <p><i>“4.3.7 Landowner should address the desired species and/or desired forest communities when conducting forest management activities, if consistent with landowner’s objectives.</i></p> <p><i>4.3.7.1 Landowner should consult available and accessible information on management of the forest for desired species and/or forest communities and integrate it into forest management.”</i></p> <p>Registered nurseries shall obey the rules.</p> <p>Conclusion: Complies</p> <p>The standard does not set requirement for species selection or origin of plants. However, managers shall obey all statutory requirements related to production and use of seedling material. The standard requires prevention of spreading of invasive species. Any thresholds for testing of exotic species prior to their larger scale use is not given.</p>
<p>5.4.6 Afforestation and reforestation activities that contribute to the improvement and</p>	<p>NO</p>	<p>Fiber supply plan shall</p>



Question	YES / NO*	Reference to scheme documentation
<p>restoration of ecological connectivity shall be promoted.</p>		<p>4.1.3 Be consistent with applicable legislation and land-use plans</p> <p>Forest management requirements:</p> <p>4.3.2 Reforestation or afforestation shall be achieved by a suitable process that ensures adequate stocking levels.</p> <p>Conclusion: Minor non-conformity</p> <p>Although the Fiber Sourcing plan is regional, it does not set regional requirements to promote ecological connectivity if applicable landscape level plans do not require such approach in forest management.</p>
<p>5.4.7 Genetically-modified trees shall not be used.</p> <p>Editorial updates to Chain of Custody Standard (PEFC ST 2002:2013):</p> <p>“The editorial update concerns the extension of PEFC’s exclusion of GMO material from the PEFC-certified supply chain to 31 December 2022, assuring customers and consumers that PEFC-certified material continues to be free of GMOs.“</p> <p>https://pefc.org/news-a-media/general-sfm-news/2007-editorial-updates-to-chain-of-custody-standard-pefc-st-2002-2013</p>	<p>YES</p>	<p>SFI 2015-2019– Section 7 SFI Policies</p> <p>“C. SFI Inc. realizes that much research is still being conducted to study the ecological cost benefits of genetically engineered trees and regulations concerning forest biotechnology continue to evolve. As such research and regulations develop; SFI Inc. will review to understand the impacts of genetically engineered trees from an ecological perspective.</p> <p>D. SFI Inc. is endorsed by the Program for the Endorsement of Forest Certification (www.pefc.org), which has restrictions on the use of genetically engineered trees until December 31, 2022: Genetically-modified trees shall not be used.”</p> <p>“PM 5.1. Program Participants shall ...involving SFI Implementation Committees, ...provide in-kind support or funding for forest ...</p> <p>12. Research on genetically engineered trees via forest tree biotechnology shall adhere to all applicable federal, state, and provincial regulations and international protocols ratified by the United States and/or Canada depending on jurisdiction of management.”</p> <p>Legal compliance Objective 4, PM 4.1 is naturally the bottom line.</p>

Question	YES / NO*	Reference to scheme documentation
		<p>SFI is committed to comply with PEFC rules on the use of GMO trees, the rules prohibit their use by certified entity. The US legislation strictly controls the research, testing and commercial cultivation of GMO trees. SFI does not prohibit research on the sector.</p> <p>Conclusion: Complies</p>
<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.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.1.8-10, 4.3.10-11 do not explicitly require that forest management shall aim at diversity of stand structure. Enhancement of structural diversity is required through appropriate management of special sites in the FMU.</p> <p>Wood and fiber supply area plan shall:</p> <p><i>“4.1.8 Include identification and mapping of sensitive sites and areas with high biodiversity values on the certified area and the wood and fiber supply area</i></p> <p><i>4.1.9 Include identification and mapping of areas with specific water and soil protection functions, including steps to ensure their protection, maintenance and enhancement of their protective functions</i></p> <p><i>4.1.10 Include description of appropriate silviculture and regeneration methods to achieve forest management objectives identified in 4.1 and 4.3.</i></p> <p><i>4.3.9 Where present, forest management activities should maintain or enhance Forests of Recognized Importance (in the United States) or Forests with Exceptional Conservation Value (in Canada).</i></p> <p><i>4.3.10 Landowner should manage the visual impacts of forest management activities consistent with the size of the forest, the scale and intensity of forest management activities and the location of the property.</i></p> <p><i>4.3.10.1 Forest management activities should apply visual quality measures compatible with appropriate silvicultural practices.</i></p> <p><i>4.3.11 Forest management activities shall consider and maintain any special sites relevant on the property.</i></p> <p><i>4.3.11.1 Landowner shall make a reasonable effort to locate and protect special sites appropriate for the size of the forest and the scale and intensity of forest management activities.”</i></p>

Question	YES / NO*	Reference to scheme documentation
		<p>Regeneration and other management requirements are equally applied to natural and planted forests.</p> <p>Conclusion: Complies</p> <p>The standard does not address directly the requirement of structural diversity but it requires appropriate management of special sites when identified. This in practice often includes measures for structural diversity.</p>
<p>5.4.9 Traditional management systems that have created valuable ecosystems, such as coppice, on appropriate sites shall be supported, when economically feasible.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.1.8 and 4.3.11</p> <p>The standard does not single out habitats produced by traditional management systems but it requires efforts to protect special sites in a FMU and at landscape level map areas with high biodiversity values.</p> <p><i>“The wood and fiber supply area plan shall:</i></p> <p><i>4.1.8 Include identification and mapping of sensitive sites and areas with high biodiversity values on the certified area and the wood and fiber supply area.</i></p> <p><i>4.3.11 Forest management activities shall consider and maintain any special sites relevant on the property.</i></p> <p><i>4.3.11.1 Landowner shall make a reasonable effort to locate and protect special sites appropriate for the size of the forest and the scale and intensity of forest management activities.</i></p> <p>Biodiversity conservation is directly addressed by objectives 1 and 11 (and respective performance measures and objectives) of SFI 2015-2019 Fiber Sourcing Standard:</p> <p><i>“Objective 1. Biodiversity in Fiber Sourcing: To address the practice of sustainable forestry by conserving biological diversity...</i></p> <p><i>Objective 11. Promote Conservation of Biological Diversity, Biodiversity Hotspots and High-Biodiversity Wilderness Areas To promote the conservation of biological diversity, biodiversity hotspots and high-biodiversity wilderness areas in fiber sourcing programs.”</i></p> <p>The Fiber Sourcing standard also requires consulting with a wide range of stakeholders which promote traditional management systems, e.g. indigenous peoples:</p> <p><i>“Performance Measure 7.1. Program Participants shall support and promote efforts by consulting foresters, state, provincial and federal agencies, state or local groups, professional societies, conservation</i></p>

Question	YES / NO*	Reference to scheme documentation
		<p><i>organizations, Indigenous Peoples and governments, community groups, sporting organizations, labor, universities, extension agencies, the American Tree Farm System® and/or other landowner cooperative programs to apply principles of sustainable forest management.”</i></p> <p>Conclusion: Complies</p> <p>The Fiber Sourcing Standard sets more requirements for stakeholder consultation and recognition of valuable sites than the Small Lands Module.</p>
<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>SFI Small Lands Group Certification Module 4.3.3, 4.3.12 - 13.</p> <p>Standard assumes compliance with BMPs and avoidance of road construction on sensitive areas as well as monitoring of impacts of operations</p> <p><i>4.3.3 Landowner shall meet or exceed practices prescribed by state or provincial forestry <u>best management practices</u> that are applicable to the property.</i></p> <p><i>4.3.3.1 Landowner shall implement specific state or provincial forestry BMPs that are applicable to the property.</i></p> <p><i>4.3.3.2 Landowner shall minimize road construction and other disturbances within riparian zones and wetlands.</i></p> <p><i>4.3.12 Landowner should use qualified natural resource professionals and qualified contractors when contracting for services.</i></p> <p><i>4.3.12.1 Landowner should seek qualified natural resource professionals and qualified contractors.</i></p> <p><i>4.3.13 Landowner shall monitor forest product harvests and other management activities to ensure they conform to their objectives.</i></p> <p><i>4.3.13.1 Harvest, utilization, removal and other management activities shall be conducted in compliance with the landowner’s objectives and to maintain the potential of the property to produce forest products and other benefits sustainably</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p>SFI 2015-2019 Fiber Sourcing Standard also aims at minimizing damages in the course of tending and harvesting by requiring adherence to BMPs, use of qualified resource and qualified logging professionals and promotion of training and education programs.</p> <p><i>“Objective 2. Adherence to Best Management Practices: To broaden the practice of sustainable forestry through the use of best management practices to protect water quality.</i></p> <p><i>Objective 3. Use of Qualified Resource and Qualified Logging Professionals: To encourage forest landowners to utilize the services of qualified logging professionals, certified logging professionals (where available) and qualified resource professionals.</i></p> <p><i>Objective 6. Training and Education: To improve the implementation of sustainable forestry practices through appropriate training and education programs.”</i></p> <p>Conclusion: Complies</p>
<p>5.4.11 Infrastructure shall be planned and constructed in a way that minimizes 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>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.3.3, 4.3.6, 4.3.11, 4.1.8</p> <p><i>“4.3.3.1 Landowner shall implement specific state or provincial forestry BMPs that are applicable to the property.</i></p> <p><i>4.3.3.2 Landowner shall minimize road construction and other disturbances within riparian zones and wetlands.</i></p> <p><i>4.3.6.2 Forest management activities shall incorporate measures to protect identified threatened or endangered species on the property.</i></p> <p><i>4.3.11 Forest management activities shall consider and maintain any special sites relevant on the property.</i></p> <p><i>4.3.11.1 Landowner shall make a reasonable effort to locate and protect special sites appropriate for the size of the forest and the scale and intensity of forest management activities”</i></p> <p>Sensitive sites and areas with high biodiversity values are to be mapped in wood and fiber supply area plans:</p> <p><i>“The wood and fiber supply area plan shall:</i></p> <p><i>4.1.8 Include identification and mapping of sensitive sites and areas with high biodiversity values on the certified area and the wood and fiber supply area”.</i></p>

Question	YES / NO*	Reference to scheme documentation
		<p>SFI 2015-2019 Fiber Sourcing Standard requires compliance with Best Management Practices that set detailed provisions to the quality of infrastructure development in view of soil, water protection and biodiversity conservation.</p> <p>Conclusion: Complies</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>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.3.8 require active measures to protect forest health which may also cover damages caused by animal population.</p> <p><i>4.3.8 Landowner should make practical efforts to promote forest health.</i></p> <p><i>4.3.8.1 Landowner should make practical efforts to promote forest health, including prevention, control or response to disturbances such as wildland fire, invasive species and other pests, pathogens or unwanted vegetation, to achieve specific management objectives.</i></p> <p>SFI 2015-2019 Fiber Sourcing Standard requires protection of forests from damaging agents:</p> <p><i>“2. Forest Productivity and Health: ...to protect forests from... damaging agents and thus maintain and improve long-term forest health and productivity”.</i></p> <p>In US & Canada grazing of domestic animals is only allowed on public forest lands and if relevant it is included in forest management plans for public forests. Program Participants with forest management responsibilities on public lands are required to take part in public land planning and management activities.</p> <p>Conclusion: Complies</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>	<p>YES</p>	<p>SFI Small Lands Group Certification Module:</p> <p>4.3.6 Forest management activities shall protect habitats and communities occupied by threatened or endangered species as required by law.</p> <p>4.3.6.2 Forest management activities shall incorporate measures to protect identified threatened or endangered species on the property.</p>



Question	YES / NO*	Reference to scheme documentation
		<p>4.3.7 Landowner should address the desired species and/or desired forest communities when conducting forest management activities, if consistent with landowner’s objectives. 4.3.7.1 Landowner should consult available and accessible information on management of the forest for desired species and/or forest communities and integrate it into forest management.</p> <p>4.3.11 Forest management activities shall consider and maintain any special sites relevant on the property.</p> <p>Adherence to BMPs and use of qualified professionals as required by SFI 2015-2019 Fiber Sourcing Standard should also ensure retention of standing and fallen dead wood, hollow trees, old groves and special rare tree species.</p> <p>Conclusion: Complies</p> <p>Safeguarding of the habitats of threatened species and other special sites, forest owners increase the critical resources that enhance biodiversity in the region.</p>
Criterion 5: Maintenance and appropriate enhancement of protective functions in forest management		
<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>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 4.1.4, 4.1.6 – 7, the supply area plan shall take into consideration protective functions of forests.</p> <p><i>“The wood and fiber supply area plan shall:</i></p> <p><i>4.1.4 Include a description of forest resources, their different uses and functions, and objectives for their management.</i></p> <p><i>4.1.6 Include a review of non-timber activities and opportunities (e.g., conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics); and sustainable management and use of those non-timber forest products that are affected by forest management practices.</i></p> <p><i>4.1.7 Review results of monitoring of harmful agents, such as environmentally or economically undesirable wildfire, pests, diseases, invasive exotic plants and animals and list or provide information on measures to</i></p>

Question	YES / NO*	Reference to scheme documentation
		<p><i>protect forests from those agents to maintain and improve long-term forest health, productivity and economic viability.”</i></p> <p>Adherence to BMPs as required by SFI 2015-2019 Fiber Sourcing Standard shall also enhances the maintenance of protective functions of forests.</p> <p>Conclusion: Complies</p>
<p>5.5.2 Areas that fulfil specific and recognized protective functions for society shall be registered and mapped, and forest management plans or their equivalents shall consider these areas.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 4.1.6 and 4.1.9</p> <p>It is required that wood and fiber supply area plans contain a review of non-timber activities and opportunities, e.g. protective functions of forests. In addition, they should contain a map of areas with water and soil protection functions:</p> <p><i>“The wood and fiber supply area plan shall:</i></p> <p><i>4.1.6 Include a review of non-timber activities and opportunities (e.g., conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics); and sustainable management and use of those non-timber forest products that are affected by forest management practices.</i></p> <p><i>4.1.9 Include identification and mapping of areas with specific water and soil protection functions, including steps to ensure their protection, maintenance and enhancement of their protective functions”.</i></p> <p>Conclusion: Complies</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</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module, 4.1.8, 4.1.9 – 10, 4.3.3</p> <p>Sensitive sites and areas with soil protection functions shall be identified and mapped. Harvesting and other operations aim at minimizing damages to soil resources. Compliance with state level BMPs require water and soil protection measures.</p> <p><i>“The wood and fiber supply area plan shall:</i></p>

Question	YES / NO*	Reference to scheme documentation
<p>to minimize the pressure of animal populations.</p>		<p>4.1.8 Include identification and mapping of sensitive sites and areas with high biodiversity values on the certified area and the wood and fiber supply area;</p> <p>4.1.9 Include identification and mapping of areas with specific water and soil protection functions, including steps to ensure their protection, maintenance and enhancement of their protective functions.</p> <p>4.1.10 Include description of appropriate silviculture and regeneration methods to achieve forest management objectives identified in 4.1 and 4.3.”</p> <p>4.3.3 Landowner shall meet or exceed practices prescribed by state or provincial forestry best management practices that are applicable to the property.</p> <p>Adherence to BMPs and use of qualified professionals as required by SFI 2015-2019 Fiber Sourcing Standard shall also ensure that special attention is paid to soil conditions in silvicultural operations and only appropriate techniques and machinery are used.</p> <p>Conclusion: Complies</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>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>SFI Small Lands Group Certification Module, 4.1.8, 4.1.9 - 10, 4.2.2 and 4.3.4</p> <p>Sensitive sites and areas with water protection functions shall be identified and mapped. Forest managers shall look for alternatives for pesticide use and if chemical protection is applied, only products approved by authorities may be used in line with BMPs, if available.</p> <p>“The wood and fiber supply area plan shall:</p> <p>4.1.8 Include identification and mapping of sensitive sites and areas with high biodiversity values on the certified area and the wood and fiber supply area.</p> <p>4.1.9 Include identification and mapping of areas with specific water and soil protection functions, including steps to ensure their protection, maintenance and enhancement of their protective functions.</p> <p>4.1.10 Include description of appropriate silviculture and regeneration methods to achieve forest management objectives identified in 4.1 and 4.3.</p>



Question	YES / NO*	Reference to scheme documentation
		<p><i>Optional Group member's management plan shall:</i></p> <p><i>4.2.2 b. Demonstrate consideration of the following resource elements: forest health, soil, water, wood and fiber production, threatened or endangered species, special sites, invasive species and Forests of Recognized Importance¹² (in the United States) or Forests with Exceptional Conservation Value (in Canada). Where present and relevant to the property, the plan shall describe management activities related to these resource elements.</i></p> <p><i>4.3.4.1 Landowner should evaluate alternatives to pesticides for the prevention or control of pests, pathogens and unwanted vegetation to achieve specific management objectives.</i></p> <p><i>4.3.4.2 Pesticides used shall be approved by the Environmental Protection Agency (EPA) in the United States or the Pest Management Regulatory Agency (PMRA) of Health Canada, and applied, stored and disposed of in accordance with EPA or PMRA approved labels and by persons appropriately trained, licensed and supervised."</i></p> <p>SFI 2015-2019 Fiber Sourcing Standard also sets requirements to protect water. Performance level in protection and use of chemicals is defined by legislation and best management practices.</p> <p><i>Objective 2. Adherence to Best Management Practices: To broaden the practice of sustainable forestry through the use of best management practices to protect water quality.</i></p> <p><i>Objective 6. Training and Education. PM 6.1 Program participants (i.e. Group Managers) shall require appropriate training of personnel and contractors so that they are competent to fulfil their responsibilities under the Fiber Sourcing Standard.</i></p> <p>Conclusion: Complies</p>
5.5.5 Construction of roads, bridges and other infrastructure shall be carried out in a manner that minimizes bare soil exposure, avoids the introduction of soil into watercourses and preserves the natural level and function of	YES	<p>SFI Small Lands Group Certification Module 4.3.3</p> <p>The standard requirements on infrastructure construction are very general. They refer to state level regulations and BMPs for more practical requirements.</p>

Question	YES / NO*	Reference to scheme documentation
<p>watercourses and riverbeds. Proper road drainage facilities shall be installed and maintained.</p>		<p><i>“4.3.3 Landowner shall meet or exceed practices prescribed by state or provincial forestry best management practices that are applicable to the property</i></p> <p><i>4.3.3.2 Landowner shall minimize road construction and other disturbances within riparian zones and wetlands.”</i></p> <p>Soil conservation is also addressed in SFI 2015-2019 Fiber Sourcing Standard:</p> <p><i>1. Sustainable Forestry: To practice sustainable forestry to meet the needs of the present without compromising the ability of future generations to meet their own needs by practicing a land stewardship ethic that integrates reforestation and the managing, growing, nurturing and harvesting of trees for useful products and ecosystem services such as the conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics”.</i></p> <p>Adherence to BMPs and use of qualified professionals as required by SFI 2015-2019 Fiber Sourcing Standard (Objective 6) and Module criterion 4.3.12, shall also ensure construction of infrastructure does not cause soil and water damages.</p> <p>Legislation – e.g. Clean Water Act prohibits runoff of any sediments to water bodies. It applies to all parties operating in forests in USA.</p> <p>Conclusion: Complies - SFI Fiber Sourcing standard sets relevant requirements that contribute to the Module’s conformity.</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>NO</p>	<p>SFI Small Lands Group Certification Module 4.1.3, 4.1.6, 4.2.2 set general socio-economic objectives for fiber supply plan. Such requirements are not imposed to the optional FMU level plans, which emphasize the respect of forest owner’s objectives in forest use.</p> <p><i>The wood and fiber supply area plan shall:</i></p> <p><i>4.1.3 Be consistent with applicable legislation and land-use plans;</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p>4.1.6 Include a review of non-timber activities and opportunities (e.g. conservation of soil, air and water quality, carbon and biological diversity, wildlife and aquatic habitats, recreation and aesthetics)....</p> <p>4.1.4 Include a description of forest resources, their different uses and functions, and objectives for their management.</p> <p>Optional Group member's management plan shall:</p> <p>4.2.2 c. Where present, relevant to the property and consistent with landowner's objectives, the plan preparer should consider, describe and evaluate the following resource elements: fire, wetlands, desired species, recreation, forest aesthetics, biomass and carbon.</p> <p>Forest ecosystem services and other different forest functions are also addressed in the SFI 2015-2019 Fiber Sourcing Standard</p> <p><i>Sustainable Forestry: To practice sustainable forestry to meet the needs of the present without compromising the ability of future generations to meet their own needs by practicing a land stewardship ethic that integrates reforestation and the managing, growing, nurturing and harvesting of trees for useful products and ecosystem services such as the conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics”.</i></p> <p>The standard requires use of economically, environmentally and socially responsible forestry practices:</p> <p><i>Responsible Fiber Sourcing Practices in North America: To use and promote among other forest landowner's sustainable forestry practices that are both scientifically credible and economically, environmentally and socially responsible.</i></p> <p>SFI Fiber Sourcing Standard sets relevant requirements that amend the gaps in the Module's own standard.</p> <p>Conclusion: Minor non-conformity In written standards there is a disharmony between the performance requirements of the Module and Fiber Sourcing Standard. Fiber Sourcing Standard sets requirements for consultation/community outreach, but the Module does not. Group Manager shall make social assessment, but the Module does not require any dialogue with interested parties.</p>

Question	YES / NO*	Reference to scheme documentation
		<p>Forest owners complying with the forest management requirements of the Module may sell certified fiber to third parties that are not holders of a FS certificate. There is no evidence how the social commitments and processes agreed on in the Group Manager's fiber supply area plan is respected by the uncertified industry buying wood from a group member. Due to the lack of testing there is no evidence how well internal audits could address the social engagements of non-certified third parties that are not group members.</p> <p>Industry that is FS certificate holder is responsible for the communication with society. Landowners need not to be active in communication, which is a feasible approach in small lands certification.</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>SFI Small Lands Group Certification Module 4.1.6, 4.1.7</p> <p>Module alone addresses only recreation and aesthetic values in supply area plan. Protection of forest health through prevention of wildfires, pests and diseases etc. (4.1.7) also contribute to the forest related socio-economic benefits. Fiber Sourcing Standard assume that Group Managers actively support dialogue between different interest groups.</p> <p><i>The wood and fiber supply area plan shall:</i></p> <p><i>4.1.6 Include a review of non-timber activities and opportunities (e.g. conservation of soil, air and water quality, carbon and biological diversity, wildlife and aquatic habitats, recreation and aesthetics)....</i></p> <p>SFI 2015-2019 Fiber Sourcing Standard</p> <p>Local groups shall be supported, and their efforts promoted as part of the community involvement and landowner outreach:</p> <p><i>"Performance Measure 7.1. Program Participants shall support and promote efforts by consulting foresters, state, provincial and federal agencies, state or local groups, professional societies, conservation organizations, Indigenous Peoples and governments, community groups, sporting organizations, labor, universities, extension agencies, the American Tree Farm System® and/or other landowner cooperative programs to apply principles of sustainable forest management.</i></p> <p><i>Performance Measure 7.2. Program Participants shall support and promote, at the state, provincial or other appropriate levels, mechanisms for public outreach, education and involvement related to sustainable forest management."</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p>Program Participants with forest management responsibilities on public lands shall consult local stakeholders in regard to forest management issues:</p> <p><i>“2. Appropriate contact with local stakeholders over forest management issues through state, provincial, federal or independent collaboration.”</i></p> <p>Conclusion: Complies Comment: SLGC Module alone does not address well-being of communities, but SFI Fiber Sourcing standard sets relevant requirements that contribute to the Module’s conformity.</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 forestland shall be clarified, recognized and respected.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.1.3, 4.3.1</p> <p><i>“The wood and fiber supply area plan shall:</i></p> <p><i>4.1.3 Be consistent with applicable legislation and land-use plans.</i></p> <p><i>4.3.1 Landowner shall comply with all relevant federal, state, provincial, county and municipal laws, regulations and ordinances governing forest management activities.</i></p> <p><i>4.3.1.1 Landowner shall comply with all relevant laws, regulations and ordinances and will correct conditions that led to adverse regulatory actions, if any.</i></p> <p>Legal compliance is also required by SFI 2015-2019 Fiber Sourcing Standard.</p> <p><i>8. Legal Compliance: To comply with applicable federal, provincial, state, and local forestry and related environmental laws, statutes, and regulations.</i></p> <p><i>Objective 4. Legal and Regulatory Compliance: To comply with applicable federal, provincial, state and local laws and regulations.</i></p> <p>Areas with violation of property, tenure and use rights of Indigenous Peoples makes forest products sourcing controversial and require a due diligence system to avoid:</p> <p><i>6.1 Definition of Controversial Sources:</i></p> <p><i>a. Forest-based products that are not in compliance with applicable state, provincial or federal laws, particularly as they may relate to:</i></p> <ul style="list-style-type: none"> • <i>Indigenous Peoples’ property, tenure and use rights”</i>

Question	YES / NO*	Reference to scheme documentation
		<p>Program participants support protection of private property rights as per the Fiber Sourcing standard principles: <i>1.4 SFI 2015-2019 Fiber Sourcing Standard Principles: ...They support efforts to protect private property rights...</i></p> <p>Conclusion: Complies – SFI Fiber Sourcing standard sets relevant requirements that contribute to the Module’s conformity. Comment: The Module fully relies on legislation in the consideration of the views of indigenous communities and assumes the any issue listed in PEFC requirement (FPIC, compensations, definition of rights etc.) are clearly and fairly stipulated by laws. It could be more specific on these requirements.</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>YES</p>	<p>SFI Small Lands Group Certification Module 4.1.3</p> <p><i>“The wood and fiber supply area plan shall:</i></p> <p><i>4.1.3 Be consistent with applicable legislation and land-use plans”.</i></p> <p>Legal compliance is also required by SFI 2015-2019 Fiber Sourcing Standard.</p> <p>One of the principles of SFI 2015-2019 Fiber Sourcing Standard is to recognize and respect “<i>Indigenous Peoples’ rights and traditional forest-related knowledge</i>”.</p> <p>As per the Standard, a risk assessment is needed if forest-based products are sourced from areas where Indigenous Peoples’ rights are not properly addressed or might not be complied with (6.3). Program Participant is also obliged to have a written policy for commitment to comply with the Indigenous Peoples’ rights under PM 4.2. PM 7.1 also requires program participants to support and promote Indigenous Peoples by consulting them in principles of sustainable forest management.</p> <p>In USA and Canada legislation protects the rights of indigenous people. By law public forestry at a state/provincial level is mostly responsible for ensuring that the interests of indigenous communities are taken into consideration in forest management. The principle of Free Prior Informed Consent (FPIC) is respected as appropriate through legislation. The Module does not require any further consultations with indigenous groups or local communities on issues related to forest management.</p>

Question	YES / NO*	Reference to scheme documentation
		<p>SFI standards specify the responsibilities at an FMU level.</p> <p>Canada and USA have ratified the UN Declaration on the Rights of Indigenous People (UNDRIP 2007) that, however, is not legally binding nor it is subject to supervisory or regular monitoring. ILO 169 Convention, that would be legally binding and subject to annual monitoring is not ratified. On the other hand, the scope of Declaration is broad and has relevance to ILO instruments beyond the Convention 169.</p> <p>http://www.ilo.org/wcmsp5/groups/public/@ed_norm/@normes/documents/publication/wcms_100792.pdf</p> <p>Conclusion: Complies - SFI Fiber Sourcing standard sets relevant requirements that contribute to the Module's conformity.</p> <p>The indigenous rights are strongly addressed through legislation in USA and Canada and compliance with laws is required by the Module requirement 4.1.3</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>SFI Small Lands Group Certification Module, 4.1.6</p> <p>Review of the recreational function of forests along with other non-timber activities shall be included into wood and fiber supply area plans.</p> <p><i>"The wood and fiber supply area plan shall:</i></p> <p><i>4.1.6 Include a review of non-timber activities and opportunities (e.g., conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics); and sustainable management and use of those non-timber forest products that are affected by forest management practices".</i></p> <p>Recreation and aesthetics are also one of the key principles of fiber sourcing under SFI 2015-2019 Fiber Sourcing Standard</p> <p><i>5. Aesthetics and Recreation: To manage the visual impacts of forest operations, and to provide recreational opportunities for the public.</i></p> <p><i>1. Sustainable Forestry: To practice sustainable forestry to meet the needs of the present without compromising the ability of future generations to meet their own needs by practicing a land stewardship ethic</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p><i>that integrates reforestation and the managing, growing, nurturing and harvesting of trees for useful products and ecosystem services such as the conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics.</i></p> <p><i>7. Community Involvement and Landowner Outreach</i></p> <p><i>Performance Measure 7.2 PM shall support and promote ... efforts to public outreach, education, involvement</i></p> <ul style="list-style-type: none"> - <i>educational opportunities , field tours etc.</i> <p>In the Fiber Sourcing Program landowners are incentivised to offer recreational activities, often based on fee.</p> <p>Conclusion: Complies - SFI Fiber Sourcing standard sets relevant requirements that contribute to the Module's conformity.</p> <p>Comment: In Canada and USA customary rights to use forests for any purpose are always defined in regulations. In general, people have access only to public forests and access to private forests requires separate contract and is often subject to financial compensation.</p> <p>Traditional rights for indigenous communities are also defined by laws.</p> <p>The standard requires that the sourcing plan includes review of recreational uses, it does not oblige forest owners to commit to ensure adequate public access forests. Review may guide allocation of harvesting operations but not necessarily increase recreation opportunities in countries where property rights restrict access.</p>
<p>5.6.6 Sites with recognized 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>SFI Small Lands Group Certification Module 4.1.3, 4.1.8, 4.3.1, 4.3.11 require identification and maintenance of special sites. These, along with the requirements of Fiber Sourcing standard refer, in the first hand, to biologically important sites, but can also include culturally important sites (see comment on SFI definition of special site). Respect of normative stipulations is the main driver for protection of cultural sites in the Module's requirements.</p> <p><i>"The wood and fiber supply area plan shall:</i></p> <p><i>4.1.3 Be consistent with applicable legislation and land-use plans</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p>4.1.8 Include identification and mapping of sensitive sites and areas with high biodiversity values on the certified area and the wood and fiber supply area.</p> <p>4.3.1 Landowner shall comply with all relevant federal, state, provincial, county and municipal laws, regulations and ordinances governing forest management activities.</p> <p>4.3.11 Forest management activities shall consider and maintain any special sites relevant on the property. 4.3.11.1 Landowner shall make a reasonable effort to locate and protect special sites appropriate for the size of the forest and the scale and intensity of forest management activities.</p> <p>The principle of protection of special sites is also covered by the SFI 2015-2019 Fiber Sourcing Standard: <i>“6. Protection of Special Sites: To manage lands that are ecologically, geologically or culturally important in a manner that takes into account their unique qualities.”</i></p> <p>Program participants are also required to participate or support courses and education on, among other, special sites: <i>“Performance Measure 6.2:</i> <i>Indicators: 1. Participation in or support of SFI Implementation Committees to establish criteria and identify delivery mechanisms for wood producer training courses and periodic continuing education that address:</i> <i>c. reforestation, invasive exotic plants and animals, forest resource conservation, aesthetics and special sites”.</i></p> <p>Conclusion: Complies <i>SFI Definition for Special Site (Section 13): Sites that include geologically unique or culturally important features.</i></p> <p>Comment: It should be specified that SFI definition on special sites (that includes cultural values) is applied also at FMU level where ATFS based requirements are implemented.</p>

Question	YES / NO*	Reference to scheme documentation
<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 colors, 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 forestland.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.1.6, 4.3.10</p> <p>Review of the recreational and aesthetic functions of forests along with other non-timber activities shall be included into wood and fiber supply area plans. Forest management shall respect visual quality of operations.</p> <p><i>“The wood and fiber supply area plan shall:</i></p> <p><i>4.1.6 Include a review of non-timber activities and opportunities (e.g., conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics); and sustainable management and use of those non-timber forest products that are affected by forest management practices.”</i></p> <p><i>“4.3.10 Landowner should manage the visual impacts of forest management activities consistent with the size of the forest, the scale and intensity of forest management activities and the location of the property.</i></p> <p><i>4.3.10.1 Forest management activities should apply visual quality measures compatible with appropriate silvicultural practices.”</i></p> <p>Recreation and aesthetics are also one of the key principles of fiber sourcing under SFI 2015-2019 Fiber Sourcing Standard</p> <p><i>“5. Aesthetics and Recreation: To manage the visual impacts of forest operations, and to provide recreational opportunities for the public.”</i></p> <p><i>1. Sustainable Forestry: To practice sustainable forestry to meet the needs of the present without compromising the ability of future generations to meet their own needs by practicing a land stewardship ethic that integrates reforestation and the managing, growing, nurturing and harvesting of trees for useful products and ecosystem services such as the conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics.</i></p> <p>Conclusion: Complies</p>
<p>5.6.8 Forest managers, contractors, employees and forest owners shall be provided with sufficient information and</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 3.1.8, 4.3.6, 4.3.12</p>

Question	YES / NO*	Reference to scheme documentation
<p>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><i>“Responsibilities of the Group Manager:</i></p> <p><i>3.1.8 To provide all Group Members with information and guidance needed for effective implementation and maintenance of practices and procedures in accordance with the requirements of this SFI Small Lands Group Certification Module.</i></p> <p><i>4.3.12 Landowner should use qualified natural resource professionals and qualified contractors when contracting for services.</i></p> <p><i>4.3.6.1 Landowner shall confer with natural resource agencies, state or provincial natural resource heritage programs (i.e. NatureServe databases), qualified natural resource professionals or review other sources of information to determine occurrences of threatened or endangered species on the property and their habitat requirements”</i></p> <p>Appropriate training and education programs are also addressed in Objective 6 and respective performance measures of SFI 2015-2019 Fiber Sourcing Standard:</p> <p><i>Objective 6. Training and Education: To improve the implementation of sustainable forestry practices through appropriate training and education programs.</i></p> <p><i>Performance Measure 6.1. Program Participants shall require appropriate training of personnel and contractors so that they are competent to fulfil their responsibilities under the SFI 2015-2019 Fiber Sourcing Standard.</i></p> <p><i>Performance Measure 6.2. Program Participants shall work individually and/or with SFI Implementation Committees, logging or forestry associations, or appropriate agencies or others in the forestry community to foster improvement in the professionalism of wood producers.</i></p> <p>Conclusion – Complies – Fiber Sourcing standard contribute significantly to the conformance.</p> <p>SFI Sustainable implementation committees and AFF provide continuous training at a local level.</p>
<p>5.6.9 Forest management practices shall make the best use of local forest-related experience and knowledge, such as those of</p>	<p>YES</p>	<p>SFI 2015-2019 Fiber Sourcing Standard – Objective 7 Community Involvement and Landowner Outreach</p>



Question	YES / NO*	Reference to scheme documentation
<p>local communities, forest owners, NGOs and local people.</p>		<p>Group Manager – i.e. certificate holder is responsible for consulting relevant parties on trends and new approaches in forest management and in ensuring adequate training of forest owners and managers.</p> <p><i>PM 7.1. Program Participants shall support and promote efforts by consulting foresters, state, provincial and federal agencies, state or local groups, professional societies, conservation organizations, Indigenous Peoples and governments, community groups, sporting organizations, labor, universities, extension agencies, the American Tree Farm System® and/or other landowner cooperative programs to apply principles of sustainable forest management.</i></p> <p><i>I2. Support, individually or collaboratively, education and outreach to forest landowners describing the importance and providing implementation guidance on:</i></p> <ul style="list-style-type: none"> <i>a. best management practices</i> <i>b. reforestation and afforestation</i> <i>c. visual quality management</i> <i>d. conservation objectives, such as critical wildlife habitat elements, biodiversity, threatened and endangered species, and Forests with Exceptional Conservation Value</i> <i>e. management of harvest residue (e.g., slash, limbs, tops) considers economic, social, environmental factors (e.g., organic and nutrient value to future forests) and other utilization needs</i> <i>f. control of invasive exotic plants and animals</i> <i>g. characteristics of special sites</i> <i>h. reduction of wildfire risk.</i> <p><i>PM 5.2. Program Participants shall individually and/or through cooperative efforts involving SFI Implementation Committees, associations or other partners develop or use state, provincial or regional analyses in support of their sustainable forestry programs.</i></p> <p><i>1. Participation, individually and/or through cooperative efforts involving SFI Implementation Committees and/or associations at the national, state, provincial or regional level, in the development or use of some of the following:</i></p> <ul style="list-style-type: none"> <i>a. regeneration assessments</i> <i>b. growth and drain assessments</i> <i>c. best management practices implementation and conformance</i>



Question	YES / NO*	Reference to scheme documentation
		<p><i>d. biodiversity conservation information for family forest owners</i> <i>e. social, cultural or economic benefit assessments.</i></p> <p><i>PM 5.3. Program Participants shall individually and/or through cooperative efforts involving SFI Implementation Committees, associations or other partners broaden the awareness of climate change impacts on forests, wildlife and biological diversity.</i></p> <p><i>I1. Where available, monitor information generated from regional climate models on long-term forest health, productivity and economic viability.</i></p> <p><i>I2. Program Participants are knowledgeable about climate change impacts on wildlife, wildlife habitats and conservation of biological diversity through international, national, regional or local programs.</i></p> <p>Conclusion: Complies - Fiber Sourcing standard contribute significantly to the conformance</p> <p>The SLGC Module does not state any training requirements. The Group Manager is responsible for capacity building through compliance with the Fiber Sourcing Standard. The task for a primary industry company is challenging, especially if fiber sourcing areas are large and scattered.</p>
<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.</p>	<p>NO</p>	<p>SFI 2015-2019 Fiber Sourcing Standard – Objective 7 Community Involvement and Landowner Outreach</p> <p>PM 7.1. see PEFC Checklist question 5.6.9</p> <p>SFI 2015-2019 Fiber Sourcing Standard</p> <p><i>PM 7.3. Program Participants shall establish, ...procedures to address concerns raised by loggers, consulting foresters, employees, unions, the public or other Program Participants regarding practices that appear inconsistent with SFI 2015-2019 Fiber Sourcing Standard principles and objectives.</i></p> <p><i>I1. Support for SFI Implementation Committees (e.g., toll-free numbers and other efforts) to address concerns about apparent nonconforming practices.</i></p>



Question	YES / NO*	Reference to scheme documentation
		<p><i>I2. Process to receive and respond to public inquiries. SFI Implementation Committees shall submit data annually to SFI Inc. regarding concerns received and responses.</i></p> <p><i>I2. Appropriate contact with local stakeholders over forest management issues through state, provincial, federal or independent collaboration</i></p> <p><i>SFI 2015-2019 Section 11 - Public Inquiries and Official Complaints</i></p> <p>Any party is entitled to inform on non-conforming practices first to the Program participant that shall respond within 45 days and also send a copy of the response to its certification body.</p> <p>If complainant believes that the issue has not been satisfactorily resolved, he may provide the original documentation and the response from the Program participant to the appropriate SFI Implementation Committee that holds an Inconsistent Practices Program and it will address the issue together with the certification body.</p> <p>Complaints related to inconsistent practices and ILO Conventions 87, 98 and 111 shall be first addressed to the Program participant and the certification body. If the given response is unsatisfactory the complainant shall contact the SFI ILO Task Force. The SFI Task Force will inform SFI Board on the issue raised.</p> <p>Labour law related issues that are addressed through formal grievance processes or before any of the agencies established by the US National Labor Relations Act, provincial Labor Code or Act or the courts will not be subject to review, consideration or recommendations by the SFI ILO Task Force or the SFI Board of Directors.</p> <p>For complaint procedures the Small Lands Group Certification Module refers to Section 11 – Public Inquiries and Official Complaints as informative reference.</p> <p>Conclusion: Minor non-conformity</p> <p>The applicable SFI complaints procedures address non-complying practices in Fiber Sourcing certification, but the complaints procedures are not updated to cover the Module.</p>



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Question	YES / NO*	Reference to scheme documentation
		<p>The Section 11 on complaints does not provide procedures to address complaints within a group, e.g. between Group Manager and member or between different group members.</p> <p>The Module is implemented as ATFS certification in USA. The ATFS system does not have any special complaints procedures designed for this Module, the ones applied in ATFS certification apply. No reference is made to them in the Module.</p> <p>ILO 87 – Freedom of Association and Protection of Right to Organize ILO 98 – Right to Organize and Collective Bargaining ILO 111 – Discrimination (Employment and Occupation)</p>
<p>5.6.11 Forestry work shall be planned, organized 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.</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.3.12</p> <p><i>“4.3.12.2 Landowner should engage qualified contractors who carry appropriate insurance and comply with appropriate federal, state, provincial and local safety and fair labor rules, regulations and standard practices.”</i></p> <p>SFI 2015-2019 Fiber Sourcing Standard: <i>“PM 4.2. Program Participants shall take appropriate steps to comply with all applicable social laws at the federal, provincial, state and local levels in the country in which the Program Participant operates.</i></p> <p><i>11. Written policy demonstrating commitment to comply with social laws, such as those covering civil rights, equal employment opportunities, anti-discrimination and anti-harassment measures, workers’ compensation, Indigenous Peoples’ rights, workers’ and communities’ right to know, prevailing wages, workers’ right to organize, and occupational health and safety.”</i></p> <p>The Federal law US Occupational Safety and Health Administration (OSHA) and Canadian Center for Occupational Health and Safety stipulate the detailed requirements for work safety and health. State / Provincial legislation sets more specific requirements, e.g. on safety and monitoring.</p> <p>SFI requires contractor screening that includes compliance with e.g. OSHA.</p> <p>Objective 6 requires training competence certification on work safety issues.</p>

Question	YES / NO*	Reference to scheme documentation
		<p>Legislation defines the detailed performance requirements.</p> <p>Conclusion: Complies - Fiber Sourcing standard contributes significantly to the conformity</p> <p>The Module requires that forest owner/manager ensures that contractors respect statutory rules on work safety. Registered and trained logging companies are committed to respect statutory safety measures. The Module does not set own baseline for these requirements. Also, Fiber Sourcing standard addresses work safety and workers' rights.</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>SFI Small Lands Group Certification Module 4.3.12</p> <p><i>“4.3.12.2 Landowner should engage qualified contractors who carry appropriate insurance and comply with appropriate federal, state, provincial and local safety and fair labor rules, regulations and standard practices.”</i></p> <p>SFI 2015-2019 Fiber Sourcing Standard <i>PM 6.2. Program Participants shall work individually and/or with SFI Implementation Committees, logging or forestry associations, or appropriate agencies or others in the forestry community to foster improvement in the professionalism of wood producers.</i></p> <p><i>1. Participation in or support of SFI Implementation Committees to establish criteria and identify delivery mechanisms for wood producer training courses and periodic continuing education that address:</i></p> <p><i>f. logging safety</i></p> <p><i>g. U.S. Occupational Safety and Health Administration (OSHA) and Canadian Centre for Occupational Health and Safety (CCOHS) regulations, wage and hour rules, and other provincial, state and local employment laws</i></p> <p><i>2. The SIC-approved wood producer training programs shall have a continuing education component with coursework that supports the current training programs, safety and the principles of sustainable forestry.</i></p>

Question	YES / NO*	Reference to scheme documentation
		<p>3. <i>Participation in or support of SFI Implementation Committees to establish criteria for recognition of logger certification programs, where they exist, that include:</i></p> <p><i>e. logging safety</i></p> <p><i>PM 4.1 Program Participants shall comply with applicable federal, provincial, state and local forestry and related social and environmental laws and regulations.</i></p> <p><i>1. Access to relevant laws and regulations in appropriate locations.</i> <i>2. System to achieve compliance with applicable federal, provincial, state, or local laws and regulations.</i> <i>3. Demonstration of commitment to legal compliance through available regulatory action information.</i></p> <p>The training requirements oblige development and conduct of courses on work safety. Provincial, state and local employment laws set the performance requirements. In areas/organizations with loggers, certification programs the performance requirements may go beyond regulative standards.</p> <p>Conclusion: Complies - Fiber Sourcing standard contributes significantly to the conformity</p>
<p>5.6.13 Forest management shall comply with fundamental ILO conventions.</p>	<p>YES</p>	<p>SFI 2015-2019 Fiber Sourcing Standard</p> <p>Objective 4 of SFI 2015-2019 Fiber Sourcing Standard Performance measure 4.1 requires, among other, compliance with social laws:</p> <p><i>“Performance Measure 4.2. Program Participants shall take appropriate steps to comply with all applicable social laws at the federal, provincial, state and local levels in the country in which the Program Participant operates.</i></p> <p><i>Indicator: 1. Written policy demonstrating commitment to comply with social laws, such as those covering civil rights, equal employment opportunities, anti-discrimination and anti-harassment measures, workers’ compensation, Indigenous Peoples’ rights, workers’ and communities’ right to know, prevailing wages, workers’ right to organize, and occupational health and safety.”</i></p> <p>In addition, the standard requires that fiber sourced from areas without effective social laws is avoided:</p>



Question	YES / NO*	Reference to scheme documentation
		<p><i>“Performance Measure 13.1. Program Participants shall avoid controversial sources and encourage socially sound practices. Indicators: 1. Process to assess the risk that the Program Participant’s fiber sourcing could take place in countries without effective laws addressing the following: a. workers’ health and safety b. fair labor practices c. Indigenous Peoples’ rights d. anti-discrimination and anti-harassment measures e. prevailing wages f. workers’ right to organize”.</i></p> <p>The ILO Conventions 87, 98, 111 that are among the Conventions not ratified by the US. Canada has ratified all fundamental ILO Conventions. The US has ratified only ILO C 105, Abolition of Forced Labor (1957) and ILO C 182 Worst Forms of Child Labor Convention (1999).</p> <p>In 2005 an independent US lawyer conducted an analysis on the consideration of the core elements of the following ILO Conventions in the US legislation: ILO Conventions 29, 105 on forced labor, 87 and 98 on right to organize, 100 on equal remuneration, 111 on discrimination and 138 on minimum age of employment. The conclusion was that the US federal level legislation prohibits forced and child labor, guarantees freedom of association, a right to organize, collective bargaining (with some limitations) and equal remuneration.</p> <p>PEFC also refers to ILO Convention on Occupational Safety and Health Convention (1981) and 169 Indigenous and Tribal People’s Convention (1989) that are covered by US and Canadian legislation to a variable degree.</p> <p><i>Section 6 - Guidance to SFI 2015–2019 Standards and Rules, Ch 13 ILO Core Conventions</i></p> <p>Certification bodies shall actively audit the compliance of the ILO Conventions 87, 98, 111 that are not fully covered by the US legislation.</p> <p>Note that landowners in Alabama, North Carolina and Virginia were not by law allowed to bargain with public employees. Any case they shall provide information on compliance with core ILO Conventions and be part of the complaint procedures as defined in Section 11 of the SFI Standards and Rules.</p>

Question	YES / NO*	Reference to scheme documentation
		<p>Conclusion: Complies - Fiber Sourcing standard contributes to significantly to the conformity</p> <p>Comment: SFI should provide updated information on the compliance of the federal and relevant state legislation with the listed and non-ratified ILO Conventions.</p> <p>Small Lands Group Certification Module requires only compliance with legislation in force.</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 organizations, as appropriate.</p>	<p>YES</p>	<p>Objective 5 of SFI 2015-2019 Fiber Sourcing Standard address forestry research, science and technology and requires program participant to support them, as well as “<i>develop or use state, provincial or regional analyses in support of their sustainable forestry programs.</i>” In addition, the standard requires that applied forestry practices are scientifically credible.</p> <p><i>“Principle 7. Responsible Fiber Sourcing Practices in North America: To use and promote among other forest landowners’ sustainable forestry practices that are both scientifically credible and economically, environmentally and socially responsible</i></p> <p><i>Objective 5. Forestry Research, Science and Technology: To invest in forestry research, science and technology, upon which sustainable forest management decisions are based and broaden the awareness of climate change impacts on forests, wildlife and biological diversity”.</i></p> <p>Conclusion: Complies - Fiber Sourcing standard contributes to significantly to the conformity</p>
<p>Criterion 7: Legal Compliance</p>		
<p>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</p>	<p>YES</p>	<p>SFI Small Lands Group Certification Module 4.1.3, 4.3.1 require compliance with applicable laws and regulations. The Module does not specify the scope of legislation to cover all the fields listed in the PEFC requirement 5.7.1.</p> <p><i>“The wood and fiber supply area plan shall:</i></p>



Question	YES / NO*	Reference to scheme documentation
<p>species; property, tenure and land-use rights for indigenous people; health, labor and safety issues; and the payment of royalties and taxes.</p>		<p>4.1.3 <i>Be consistent with applicable legislation and land-use plans.</i></p> <p>4.3.1 <i>Landowner shall comply with all relevant federal, state, provincial, county and municipal laws, regulations and ordinances governing forest management activities.</i></p> <p>4.3.1.1 <i>Landowner shall comply with all relevant laws, regulations and ordinances and will correct conditions that led to adverse regulatory actions, if any.</i></p> <p>4.3.1.2 <i>Landowner should obtain advice from appropriate qualified natural resource professionals or qualified contractors who are trained in, and familiar with, relevant laws, regulations and ordinances.”</i></p> <p>Compliance with relevant legislation (applicable federal, provincial, state or local laws and regulations) is also one of the main objectives of SFI 2015-2019 Fiber Sourcing Standard:</p> <p><i>“Objective 4. Legal and Regulatory Compliance: To comply with applicable federal, provincial, state and local laws and regulations”.</i></p> <p>Performance Measure 4.1. <i>Program Participants shall comply with applicable federal, provincial, state and local forestry and related social and environmental laws and regulations and take steps to avoid illegal logging and</i></p> <p>Performance Measure 4.2. <i>Program Participants shall take appropriate steps to comply with all applicable social laws at the federal, provincial, state and local levels in the country in which the Program Participant operates.</i></p> <p>Conclusion: Complies</p> <p>Comment: FS standard specifies the range of legislation certified forest management shall respect.</p> <p>In any case it would be good to communicate this range (forestry, environmental, social laws) clearly to group members. The current standard does not do it explicitly.</p>

Question	YES / NO*	Reference to scheme documentation
<p>5.7.2 Forest management shall provide for adequate protection of the forest from unauthorized activities such as illegal logging, illegal land use, illegally initiated fires, and other illegal activities.</p>	<p>YES</p>	<p>Avoiding illegal logging and other illegal/unauthorised activities is required through compliance with applicable legislation (federal, provincial, state or local laws and regulations). See Module, 4.1.3 and PM 4.1 of SFI 2015-2019 Fiber Sourcing Standard.</p> <p>Illegal logging is also separately addressed in objective 12 of SFI 2015-2019 Fiber Sourcing Standard in the light of avoiding controversial sources of forest products:</p> <p><i>“Objective 12. Avoidance of Controversial Sources including Illegal Logging: To avoid illegal logging in fiber sourcing programs.”</i></p> <p>Conclusion: Complies</p>



Part IV: Standard and System Requirement Checklist for Certification and Accreditation Procedures (Annex 6)

Compliance of the SFI forest certification and accreditation procedures with PEFC Technical Documentation Annex 6 is assessed in the 2016 conformity assessment. PEFC has endorsed the procedures as part of the SFI 2015-2019 Program endorsement. The procedures are not reassessed in this assessment.

Based on the discussions SFI has had with certification and accreditation bodies, it is possible to extend the accreditation to SFI Fiber Sourcing certification to cover also Small Lands Group Certification (SLGC).

The integration of SLGC with ATFS certification in USA raises questions on related to accreditation and certification that SFI and AFF should explain to PEFC.

Part V: Standard and System Requirement Checklist for system specific Chain of custody standards

Chain of custody certification is not covered by this assessment.

Part VI: Standard and System Requirement Checklist for scheme administration requirements

Scheme administration including PEFC Notification of certification bodies, PEFC Logo usage licensing and complaints and dispute procedures, are not covered by this assessment.

Note accreditation or certification procedures were not within the scope of this assessment



Appendix 2

Summary of Stakeholder Replies from the International Public Consultation (to the first version of the SLGC Module)

PEFC Council organized the international consultation in connection of the SFI's first submission of the Small Lands Group Certification Module for PEFC endorsement. Since then SFI started a new standard setting process in cooperation with AFF. The revised version of the Module was published in March 2019, but it was submitted only to national consultation by Indufor. Thus, many of the comments issued here mostly by US and Canadian stakeholders are already taken into consideration in the Module development.

Theme	Stakeholder comment	Consideration in the assessment by Indufor
<p>1. Lack of long-term commitment to sustainable forest management</p>	<p>We are very concerned that the certification model proposed by SFI where mill contractors do the certification work and move on, will not provide the long-term relationships...</p>	<p>Long- term commitment to SFM, beyond harvesting operation over the following forest rotation cycle is a challenge in the Module implementation.</p>
	<p>The proposal...offers no means to engage landowners beyond the harvest, offer them tools for stewardship...The proposal doesn't authentically involve the landowner in certification, nor is there a mechanism for landowners to make a long-term sustainability commitment...</p>	<p>Long-term commitment is built partly through Module's planning and regeneration obligation as well as obligation to use trained workers in forests.</p>
	<p>This proposal encourages short term thinking and forestry that is governed by making money</p>	<p>Through Fiber Sourcing certificate, Group Manager is committed to longer term sustainable sourcing which has implications in operational forest management.</p>
	<p>It does not authentically involve the landowner in certification and there is no mechanism for them to have a long-term sustainability commitment</p>	
	<p>Once it's certified, there are no mechanisms in place to ensure a long-term commitment to the quality of management past the harvest.</p>	<p>In the absence of pilot testing there is not much evidence how the long-term commitment is built through contractual and other frameworks.</p>
	<p>Assurance of Performance, Long-Term Management and Monitoring is lacking</p>	
<p>SFI's plan offers no means to engage landowners beyond the harvest...</p> <p>SFI plan offers no means to engage landowners beyond a one-time harvest, failing to instil in those landowners a long-term commitment to meeting international expectations of quality management...</p> <p>The SFI plan also shifts decision making on whether land should be certified to entities that are likely motivated by onetime, short-term financial interests...</p>	<p>SFI's plan offers no means to engage landowners beyond the harvest...</p>	<p>Indufor did not consider that the uncertainties related to long-term commitment result in major non-conformities in the assessment.</p>
	<p>SFI plan offers no means to engage landowners beyond a one-time harvest, failing to instil in those landowners a long-term commitment to meeting international expectations of quality management...</p>	
	<p>The SFI plan also shifts decision making on whether land should be certified to entities that are likely motivated by onetime, short-term financial interests...</p>	
<p>2. Lack of forest owner's awareness/commitment to certification</p>	<p>Landowner probably will not know they are even certified because the logger can just use their contracts. They also choose when the wood will count as certified</p>	<p>Landowners sign a written contract with Group Manager on joining to group certification. Examples of the contracts were not yet available to disclose details related to the commitment and e.g. timing of application of a group certificate after the contract is signed.</p>
	<p>Landowners are not involved in decisions whether the land is certified or not...</p>	

Theme	Stakeholder comment	Consideration in the assessment by Indufor
	<p>The landowner probably will not know they are even certified because the logger can just use their contracts</p> <p>This module enables landowners to be certified without authentic engagement or even consent, as the loggers' commitment to SFI and the existence of a contract between parties constitutes consent. Because the module focuses only on harvest operations, there is no establishment of a long-term relationship or a program and community...</p>	<p>Forest owners make separate sales contract on timber sales, which may further specify the conditions for sustainable harvesting and management.</p> <p>Further forest owners usually contract logging teams. The contracts may require that the teams are certified/trained etc, and in such case they are committed to apply best management practices and respect health and safety rules.</p>
	<p>Doesn't authentically involve the landowner in certification – loggers can make it on their behalf, nor is there a mechanism for them to make a long-term sustainability commitment.</p> <ul style="list-style-type: none"> • Gives loggers and mills the power to be making the decisions on whether land should be certified, not the landowner <p>It does not require or expect landowners to take the necessary steps to protect their forestland long-term. Mills and loggers have the strongest influence in the SFI module. Instead it allows a logger to certify woods on the spot without a landowner even knowing! There is no plan here for follow-up, no ongoing support for the landowner and no means to improve the woods for the long-term.</p> <p>The SFI proposal does not consider the social, environmental and economic impacts of forest management operations for small landowners, the purposed audience for this module.</p>	<p>The contractual chain in certified forestry was not available for review.</p> <p>In summary landowner decides if his/her forests will become certified.</p> <p>Module is weak on social and environmental requirements. Fiber Sourcing standard oblige Group Manager to take them into consideration to some degree.</p> <p>Because Fiber sourcing standard is very much a management system standard, the performance targets related to consideration of these aspects is not specified in detail. This is understandable in the broad geographic implementation area where the Module is implemented.</p> <p>The Module expects directly very little on social or environmental aspects from landowners.</p>
3. Forest owners' own objectives and interest in the	Under the Module, procurement organizations acting as Group Managers can aggregate targeted small forest landowners actively harvesting trees at the time of harvesting. It is apparent that these aggregates, which can be as large as 20,000 ac, can be set up under the organization's sole initiative and	The landowners' contract to join group certification, FMU level adaptation of the Fiber Sourcing plan outline the principles of forest management in view of landowner.

Theme	Stakeholder comment	Consideration in the assessment by Indufor
<p>management of forests are not respected</p>	<p>control...Under the Module, procurement organizations fulfil the SFI Certified Sourcing Label or Claim requirement effectively bypassing the landowner's goals, values or vision for the land and forest management certification...</p>	<p>In addition to the above-mentioned documents, landowner can safeguard his/her own values in conditions of sales contract.</p> <p>It is true that Group Manager is not likely to support landowner in a very active manner, but landowner has the possibilities to implement his/her own goals.</p>
	<p>Under the SFI small lands group certification module, it is not clear to me who will be making the decision to become certified, the landowner or the log buyer or logger. There does not appear to be a strategy to continue providing forest management expertise to the landowner after the logging (and initial certification) is done... Besides a management standard for harvest, are there additional standards post-harvest in 5, 10, 15 years?</p>	<p>Group Manager (primary industry) applies for a certificate on company's own decision. Forest owner joins a group with already a valid certificate or planning to apply for a certificate.</p> <p>Group Manager shall draft written procedures for group management. SFI has defined responsibilities for both parties. Examples of the procedures were not available for the assessment.</p>
	<p>The definition of agent would allow loggers and contractors to provide consent to participate in certification and the certification group on behalf of the landowner without their knowledge or understanding...A company making a sustainability commitment in their policy, via the supplier agreement under SFI Fiber Sourcing, serves as a commitment from the landowner...It would be inappropriate to suggest that these commitments are interchangeable or that a company's policy is equivalent to the landowner's commitment... This enables a logger, via their SFI Fiber Sourcing agreement with a mill, to include any landowner they have ever worked with in the group, without the landowner's knowledge, because they had a contract, even decades ago...These factors, in aggregate, place a landowner at a significant disadvantage and expose them not only to potential financial loss but also mismanagement of their woodlands...This module raises questions regarding conformance with US antitrust laws applying to competitive conditions in the marketplace...competing companies have overlapping supply basins, which raises questions about coordination in sourcing that can impact pricing...</p>	<p>Group member shall have legal authority to manage the land. If landowner allocates the right to land agents, it can make contracts on behalf of forest owner.</p> <p>Fiber Sourcing agreement with landowner is not the agreement to join group certification. SFI defines it as a separate agreement. However, examples of the agreement were not available for the assessment.</p> <p>SFI should review any possible risks to compliance with the US Antitrust and other legislation.</p>
	<p>It appears to be primarily focused upon improving prospective timber harvest and supply efficiencies for timber buyers and mills....</p>	<p>It is true that the ultimate incentive of the Module is to increase the availability of certified fiber in a</p>

Theme	Stakeholder comment	Consideration in the assessment by Indufor
	<p>The SFI proposal gives only peripheral attention to this fact, and therefore is unlikely to truly serve the needs of these landowners. It places the incentive to certify and the authority for certification decisions primarily in the hands of loggers and timber industrialists...</p>	<p>supply chain. Group Manager is the primary decision maker.</p> <p>Internal group procedures, when available, could give more information on the issue.</p>
	<p>On-the-spot certification and a packet that gets handed out to a landowner by a logger during harvest, as SFI Fiber Sourcing and this module set forth, is not a replacement for a long-term relationship with a forester...</p>	<p>see earlier comments</p>
	<p>This approach lets the company, or the logger decide when the wood is certified or not. So, if there is any economic benefit for being certified, we would not see it or even know... This SFI standard would allow the loggers to decide what the management should be, not the landowner</p>	<p>Indufor interpretation is that when landowner signs a contract with a Group Manager who has or applies a group certificate, landowner's land will be part of certified entity.</p>
	<p>It appears to be duplicative of the existing dominant certification system in Oregon - OTFS /ATFS... it seems that some landowners could participate without being aware they are participating, or having a poor understanding of what they are a participant of... It removes management planning from the landowner.</p>	<p>Only signing of specific contract on joining to group certification commit forest owners to certification.</p>
<p>4. Lack of support to forest owners to manage forests in a sustainable manner, confusion with certification requirements</p>	<p>Nothing outlined in Module section 4.1 (FM planning), which lists requirements of the supply basin plan, is specific or appropriate for family or small landowners or the management of their lands... The practices identified in section 4.2 of SFI's proposal generally align with industrial operations and do not reflect or embody specific considerations and practices associated with family and small ownerships in the US... There is no ongoing assistance to smallholders to help them undertake sustainable forest management.</p>	<p>The Module criteria and indicators are quite general and leave room for Group Manager and members to define how the targeted performance will be achieved.</p>
	<p>I want to know how SFI is going to help me to understand buffer zones, riparian issues, how to treat noxious weeds, what trees to plant in wet soils, threatened and endangered species, chemical usage, burning etc. on my land</p>	<p>Through internal monitoring and Group Manager's commitment to Fiber Sourcing standard there is a connection between Group Manager and members. SFI Implementation Committees also operate closer to forest owners. However, the Module does not require ongoing assistance, which is not either the condition of PEFCC.</p>
	<p>What are the standards that a landowner supposed to manage to? I cannot tell.</p> <ul style="list-style-type: none"> • They have a list of things that are said to be important, but they are not tied to any comprehensive plan (i.e. written plan) and are vague. • How are the landowners going to be independently inspected to make sure that the logger and mill aren't in collusion? • What happens to the rest of the landowner's land? • What is the lasting mechanism to help landowners, if there is one at all? 	<p>See comment above</p> <p>Internal and external audits are based on sampling among group members. Certification bodies are in a key role to verify that the audits are representative and impartial.</p>

Theme	Stakeholder comment	Consideration in the assessment by Indufor
	<p>There is no assurance that a person with appropriate training and expertise would be implementing the certification or management on the ground under this module</p>	<p>Fiber Sourcing certificate requires that certified workers harvest the sourced material. In this case certified means, that the workers have passed special training and apply best management practices.</p> <p>This condition can and should be reflected in contracts to join group certification and in sales contracts. Indufor could not verify if this was or will be the practice, because the Module has not been implemented in practice.</p>
<p>5. Scheme is an ad hoc measure to upgrade Fiber Sourcing standard into an SFM standard</p>	<p>It poses serious threats to the credibility of PEFC certification and puts landowners in a position where they might be taken advantage of.</p> <p>At the highest level I think that if approved this proposal will actually decrease sustainability in the USA and certainly puts PEFC's reputation at risk</p> <p>This module appears to have been developed specifically to elevate the SFI Fiber Sourcing Standard and make it equivalent to forest management certification without the needed forest management elements... The module is creating both an ad hoc forest management standard and a group certification standard...</p> <p>To have a valid certification program it needs to be developed with due diligence, seeking landowner input, partner consultation, and public review by all players</p> <p>The proposed module does not use the established SFI forest management standard... SFI's Small Lands Group proposal creates a framework where a Group Manager (mill) can procure wood from a landowner through the logger (agent) without the landowner's knowledge – or without adequate landowner involvement or understanding of the SFI Small Lands Group</p> <p>As an overarching comment, it is unclear what is being certified via this module. Although the module describes a "certified area," there is no established forest management standard to which those lands would be certified or managed to over the long-term... In the module, "certified area" is defined as that which is covered by the certificate, representing the lands owned or, more likely, "managed" by the Group Members (loggers or suppliers).</p>	<p>The Module introduces a new path for production of certified fiber. The planned certification would be based on two standards, that are not endorsed by PEFC. Standard and Module development was not done in line with PEFC or SFI standard setting requirements, but in line with SFI's own principles applied in development of Program amendments. The Module and its implementation is not discussed among stakeholders and not tested.</p> <p>Endorsement of the Module and PEFC labelling of fiber certified with the Module will challenge the credibility of PEFC</p> <p>Landowners sign a written contract on joining group certification.</p> <p>Certified area in group certification is the area forest owners allocate with written contract to certification. Owners need not give all forest area for certification and they may or may not apply different type of forest management on the non-certified area.</p>

Theme	Stakeholder comment	Consideration in the assessment by Indufor
		<p>In the absence of group certification contract Indufor could not get evidence that forest owners what would be the minimum requirements forest owners should respect in all management.</p> <p>The certified area may extend to several sites across state borders, if Group Manager so decides.</p> <p>It is also a bit unclear if the fiber sourcing plan should cover the all sourcing area of Group Manager or only the area of group certification.</p> <p>Fiber Sourcing Certificate covers all sourcing activities that extend to an area different from group certification. Geographic sourcing area is also likely to change continuously.</p>
	<p>This Module is Not Auditable. Because this module blends elements but does not fully encompass several standards, there is not a clear definition of its scope.</p>	<p>The assessment requests several definitions and pilot testing in order to better understand how it functions and how the standards are applied in practice.</p>
	<p>I disagree with the concept that a part of a chain of custody standard can be endorsed but not the whole entire standard... 2. The crosswalk between what the SFI fiber sourcing standard completes and what this additional add on module completes is not clear.</p>	<p>The fact that the Module blends elements two different types of certifications creates uncertainty on the credibility of the Module.</p>
<p>6. SFI has not applied PEFC rules for standard setting in the Module development</p>	<p>Also, to date, I have seen no public communications or the invitation to participate or provide input into the development of the SFI Small Lands Module...</p>	<p>The Module is not developed in line with SFI or PEFC standard setting/revision rules.</p>
	<p>Stakeholders with specific interests in small lands could not have been sufficiently engaged in this process, either as members of the standard setting body or via access those members</p>	<p>The SFI 2015-2019 Section 12 on Optional Modules outlines the applied development process. It states that SFI has the right to develop addition modules to the Program and board approves them.</p> <p>This issue is raised as major non-conformity in the assessment.</p>
	<p>This module never went through a public process.; It lacks adequate input and transparency from a range of stakeholders</p>	
	<p>There was no public comment process for the SFI proposal before being submitted to PEFC, so the proposal has not been fully vetted with stakeholders</p>	
	<p>The module seemed to be developed with little or no public comment or input from important stakeholders, including state forestry agencies.</p>	

Theme	Stakeholder comment	Consideration in the assessment by Indufor
	<p>It appears this SFI module did not go through that [standard revision] process.</p> <p>This "Module" has not undergone any Public review and comment; it is clearly targeted at loggers and log buyers, not small forest landowners; there are no provisions for developing long-term management plans in conjunction with landowners; there are no provisions for developing any long-term information and assistance with small landowners</p> <p>SFI's program should go through rigorous standards approval to ensure the following: a) long-term commitment to sustainable management and monitoring ... b) assurances that participants manage for multiple benefits other than simply sustainable wood fiber production.</p> <p>Processes, Transparency and Engagement Do Not Meet Basic PEFC Requirements. Overall, there is a lack of transparency and use of processes that are inconsistent with both SFI's and PEFC's procedures for the development of a new standard, including notification and meaningful engagement of all categories of stakeholders... There was no public engagement in the formulation of this Small Lands Module whatsoever. No description of the stages of this standard's development and related timeline was ever developed or announced... Drafts of these new standards were never published and made available to the public or materially affected stakeholders for input...critical stakeholder processes, in fact, did not happen...The application outlines SFI's standard setting procedures and the processes that it implemented to develop its 2015-2019 FM, CoC and Fiber Sourcing Standards. However, the Small Lands Module, which encompasses the creation of a new group standard and a new forest management standard, were not included in this process... The new "module" and the standards it is creating, were not developed using the SFI standard setting procedures or undergo the required public engagement and consultation processes...The Small Lands Module was developed in a separate process more than a year later. The Small Lands Module was clearly developed without public consultation or in a transparent process as PEFC requires</p> <p>...The individuals included in the Task Group email exchanges in Appendix 29 differ from those individuals listed in the roster in Appendix 27 and include almost exclusively industry representatives.</p> <p>I am certain the forest landowners, natural resource professionals, conservation groups, and public entities in my state have not engaged the proposal in a meaningful way. I would welcome additional transparency, time (including an</p>	<p>The Module was developed when PEFC ST 1001:2010 standard applied. This standard does not recognize minor standard revisions and requires a full participatory process for all standards.</p> <p>Indufor requests that PEFC should always require such process when new Modules/standards open new paths for production of certified fiber from new suppliers. This would require additional guidance on how to define small/ major revision under the new PEFC ST 1001:2017.</p> <p>The composition of Small Lands Task Group (11 members) evolved in the beginning of the development process. As such the Task Group consisted of materially affected stakeholder groups, but it was fairly small taking into consideration the</p>

Theme	Stakeholder comment	Consideration in the assessment by Indufor
	<p>advertised 60-day comment period), and engagement between SFI and stakeholders about the proposal.</p> <p>The stakeholder mapping exercise did not include family landowners as a stakeholder group or interest sector.</p> <p>No invitation for landowners to have any type of input for consideration by SFI...</p>	<p>vast geographic area where the Module would be implemented.</p> <p>In the absence of public consultation, this fact becomes more prominent.</p>
	<p>SFI has done no outreach to the small landowner community in Wisconsin... our state would be majorly affected</p> <p>Lack of documentation of feedback received on the Small Lands Module during the two comment periods (June 5 – August 6, 2013 and January 6- March 7, 2014)</p>	<p>The earlier SFI 2010-2014 Program revision to SFI 2015-2019 Program was endorsed by PEFC in 2016. That process had recorded the stakeholder feedback.</p> <p>However, the Module was developed later outside of that process.</p> <p>Indufor did not take into account the consultations of the earlier revision in this assessment.</p>
<p>7. No clear forest management standard</p>	<p>On the surface it appears if this module is adopted in its current form that there will be two separate standards for small holders to get certified...It appears that the proposed SFI module has instead pulled parts from various standards and repackaged them into a module without going through the full certification creation process...It is equally unclear as to how the Module plans to address social and labour standards...If there is an ILO core labour standard violation by a module land manager who is held accountable? And what standards are applied in the first place. The same concerns could also be applied for First Nations and other Indigenous People's</p> <p>I far as I can see this proposal requires no landowner commitment to sustainability. Where is the forest management standard?</p> <p>The SFI proposal does not clearly outline the forest management standards that it will or will not accept for certification.</p> <p>This module did not include an overall forest management standard for foresters and auditors--the foundation of any Certification program.</p> <p>What is actually being certified? It is unclear how it could be the land because there is no forest management standard in this module. It includes a set of "practices" during harvests, not long-term forest management</p>	<p>The structure is complex and untested. Module sections 4.1 and 4.2 and relevant parts of Fiber Sourcing Standard build the forest management requirements. It will be challenging to communicate the targeted performance levels to landowners. The levels can also be different between Group Managers.</p> <p>The assessment report lists a number of issues that SFI should further specify in its requirements and it also requests pilot testing before an informed decision on compliance with PEFC requirements could be made.</p> <p>Module Sections 4.1 and 4.2 set the forest management requirements. these are weak in environmental and social requirements. In addition, Fiber Sourcing standard requires measures from</p>

Theme	Stakeholder comment	Consideration in the assessment by Indufor
		Group Manager to protect biodiversity and address health and safety which also have implications on FMU level management.
8. Primary industry will not take the required effort to carry out inventories and monitoring in an appropriate scale	Having an industry group that purchases logs from small land owners effectively having the ability to certify their customers, in my humble opinion, borders on a conflict of interest ... Log buyers will not take the time to adequately inspect properties for good management practices...Apparently there would be no future inspections once an SFI company certifies a property.	<p>Fiber Sourcing certificate requires that Group Managers have programs and plans in place to consider biodiversity and other relevant issues in sourcing. The measures shall include FMU level planning and monitoring. The Module sets sampling requirements for internal monitoring. Fiber sourcing plan should record objectives and restrictions for management, and those principles are adapted to FMU level with the consent of landowner.</p> <p>There is an evident risk that the plans are very generic and rely only on public information that may not be adequate for FMU level management. However, the planning principles shall be respected in harvesting and other FMU level plans.</p> <p>Examples of the sourcing plans were not available for the assessment.</p> <p>Regarding further monitoring the long-term credibility of certification relies on auditor's requirements of Fiber Sourcing and Module certification. SFI does not specify them in detail.</p>
9. Claims – confusion on claims – it may be a risk for PEFC claims that loggers/service providers are certificate holders	The concept that a logger or service provider holds the certification and not the forest owner may be a risk to PEFC certified content claims.	<p>Chain of custody certification was not part of this assessment.</p> <p>Group Manager shall have PEFC chain of custody certificate if it desires to use PEFC claims on products.</p>

Theme	Stakeholder comment	Consideration in the assessment by Indufor
		Without PEFC endorsement the fiber originating from certified groups should not be counted as certified. If endorsed the situation it will be counted as such. The challenge is how well the fiber sourced under Fiber Sourcing certificate but outside the areas of group certificates is separated from the overall sourced fiber.
10. Pilot testing is missing	<p>PEFC should not endorse this until a more public outcome of the benefits and crosswalk of the standard is delivered to the membership so that all risks can be considered.</p> <p>It is not clear where the pilot studies for this are occurring and who is taking part</p>	Indufor requests that the Module is tested before PEFC considers its endorsement.
11. Establishes a competing scheme for small lands certification	<p>I'm at a loss as to why SFI is proposing to make this unilateral proposal, especially without consultation or coordination with others in the sector...This proposal doesn't put the onus for making thoughtful decisions on the landowner...</p> <p>SFI should not be devolving into the small parcel certification. Let's not create a new wheel that stands to do nothing more than confuse private landowners about certification and potentially damages participation in both systems.</p> <p>Having another small land certification program is duplicative and will only make things more confusing for landowners and folks in the forestry community</p> <p>It is hard to communicate how much confusion the entry of this module will create...</p> <p>The module is comprised of various parts, some newly developed, others established but unendorsed by PEFC</p> <p>The SFI model was developed without any engagement or collaboration with ATFS that might lead to a unified system of better service to small-forestland owners</p>	<p>The Module will introduce more or less parallel certification system to ATFS. Thus, PEFC would have two endorsed certification systems targeting same forest owner groups and operating largely in the same geographic areas.</p> <p>Note that ATFS is not applicable in Canada but SFI is.</p>



Appendix 3

Summary of Stakeholder Replies to Indufor Questionnaire



Summary of Replies to Indufor Stakeholder Questionnaire on SFI Small Lands Group Certification Standard Development

Indufor sent the questionnaire to stakeholders who had previously commented on the SFI Small Lands Group Certification Module through the PEFC's Online Consultation Tool. The questionnaire was sent on May 19, 2019 to 14 stakeholders and on May 29, 2019 to seven further stakeholders so that they could be given an opportunity to provide any additional comments they deem necessary. Four respondents were SFI or AFF staff members. Nine replies were received (reply rate 43%); two replies (18%) represented forest owners/managers, two (18%) forest and timber industry, three (27%) environmental NGOs, two (18%) industry association/lobby organization and two (18%) other parties. Two respondents selected more than one suitable description for themselves and their organization.

Many of the interested parties who replied were part of or well informed of the American Tree Farm forest certification system.

The summary of the replies is presented below:

Aggregated results	
Did you participate in the standard development? <i>SFI Small Lands Group Certification Module (forest management and group certification requirements)</i>	Yes – 9 responses
Would you have been interested to participate?	All respondents had participated in the development process.
Section A – SFI Small Lands Group Certification Module	
By whom and when and how (email, phone call, etc.) were you invited to participate to the development of the SFI Small Lands Group Certification Module?	Responses indicate that SFI had engaged the stakeholders and invited them to participate. Most respondents reported direct personal contact from SFI by phone and email. <i>[I was invited] By SFI representative working on the SFI Small Lands Group Certification. I had previously worked on SFI Standards revision representing a conservation organization. [I was contacted] Initially by telephone [which was] followed up by written invitation.</i>
Do you feel that you received timely and adequate information on the planned Module and that different interest groups had a fair possibility to influence the development?	Yes – 9 responses The overall responses indicate that SFI has been open and transparent with the process. <i>SFI has been transparent about this module since early 2018 and they've even presented on it at their annual conference in Denver (Oct, 2018). Folks who were unaware of its development were simply not paying attention in my opinion.</i>
What was your main interest to consider participation in the SFI Small Lands Group Certification Module standard development?	The main interest for participation was to ensure private landowners' interests and availability of certified raw materials for industry. Responses also indicated concern over possible conflicts between the American Tree Farm System and the SFI Small Lands Group Certification Module, and over conservation of wetlands. <i>Our company has had a 40+ year relationship working with private timberland owners. We are already helping landowners to manage their properties in a sustainable manner. Development of this standard would give landowners a way to demonstrate to downstream purchasers and consumers that they are responsibly managing their lands as part of our SFI certification program. Without this module, certification opportunities are limited and/or could be cost prohibitive.</i>

Aggregated results	
	<p><i>My company is interested in growing the amount of SFI/PEFC certified fiber into our mill. In order to do so, we need to find an innovative and credible solution for small landowners. Time and numerous other approaches have proven that small family forest landowners are not able to absorb the costs and administrative burden of certification on their own. My company has a robust private lands program and strong compliance with the SFI Fiber Sourcing Standard, thus we saw this module as an innovative way of connecting the two in a way that will allow us to streamline the certification requirements for each individual landowner and utilize our foresters' expertise to assist them with the certification elements that are applicable for their property. We are eager to try the module in the coming months and we applaud SFI for thinking outside the box and coming up with an innovative approach that is different from the standard group certification approach.</i></p> <p><i>My main interest was to ensure that the interests of forest landowners were represented regarding certification.</i></p> <p><i>The organization I worked for is a wetlands conservation organization and my interest was to see the conservation of wetlands included in the module.</i></p> <p><i>Ensuring that the Tree Farm program, both nationally and locally, wasn't harmed by the SFI initiative.</i></p>
In your view, have all interested parties relevant to standard development been proactively identified and invited and given the possibility to participate and contribute to the SFI Small Lands Group Certification Module standard development	<p>Yes – 7 responses I don't know – 2 responses</p> <p>Responses indicate that SFI has actively shared information on the process and that relevant stakeholders have been made aware of their possibilities to contribute.</p> <p><i>I am not able to judge whether every group (which is not a realistic expectation anyway) has been proactively identified and invited. I can say that SFI has welcomed all / any comments during the entire 1+ year process and those have been thoroughly vetted and discussed with the task group. Information has been available on the website and at the annual conference. I feel the opportunity has been there but to what extent SFI and AFF have proactively invited "all interested parties" is not for me to judge or determine.</i></p>
Did the organizer provide you with adequate material before the process?	<p>Yes – 9 responses</p> <p>Information sharing and stakeholder engagement appears to have been successful, and shared materials have been adequate based on responses.</p> <p><i>Very transparent with use of track-changes, comment bubbles, advanced materials, etc.</i></p>
Was there a well-defined contact point for enquiries or complaints for standard-setting activities and was the contact point easily available?	<p>Yes – 9 responses</p>
Did the stakeholders in the standard setting working groups represent the different interests in a balanced way?	<p>Yes – 7 responses I don't know – 1 response</p> <p>Responses indicate that no clear gaps were seen in the representation in the standard setting working groups.</p>
Did the development process follow the procedures that were communicated with participants in advance?	<p>Yes – 8 responses I don't know – 1 response</p>

Aggregated results	
Were you aware of any substantive or procedural complaints by any stakeholder on standard development?	No – 9 responses
Are you aware of any dispute settlement procedures in case of conflicting views in standard development?	No – 4 responses I don't know – 5 responses <i>I don't remember a specific procedure, but it was clear that all parties could provide feedback and that SFI and AFF would work together with the task group to resolve.</i>
Section B - General Questions	
Do you believe any aspects of the standard or its development process deserve further consideration?	Yes – 1 response No – 7 responses I don't know – 1 response Respondents in most parts did not recognize any aspects for further consideration. One response however did raise concern over the module being designed for southern forests, and over the module possibly not passing legal scrutiny in some states. <i>The module is pretty clearly designed for southern forests, and for them seems fine. However, for states with forester licensure/registration some of the module language won't pass that state's legal scrutiny, and if SFI wants this to work in those states, it will need to address these issues.</i> <i>I believe the standard itself is clear and sufficient.</i>
Have you been given a meaningful opportunity to contribute to standard formulation and to submit comments for further consideration?	Yes – 9 responses
Were the views and comments submitted by any participant in the Standard Setting Working Groups considered in an open and transparent way?	Yes – 8 responses I don't know – 1 response
Have all comments received in public consultations been discussed and addressed in an objective and transparent way?	Yes – 8 responses I don't know – 1 response
Were the forest management criteria (requirements) in the standard agreed on in consensus?	Yes – 9 responses
Other comments and/or remarks	<i>I retired prior to completion of the module. Questions where I have noted "I don't know" reflect that I was not engaged during the entire process.</i> <i>Private forest landowners are the largest block of stakeholders in this discussion and I believe the vast majority practice sustainable forestry, and to be sure we can continue to do so, we all need markets for our wood products; lacking markets, particular "Low Grade" we will fail.</i> <i>SFI and AFF did a great job working together on this revision.</i>



Appendix 4

Discussions with SFI and AFF



Agenda of the discussions with SFI on the Module

Venue: SFI office Washington DC

Participants:

Hanna Nikinmaa – Assessing Consultant, Indufor Oy

Gregor Macintosh- Senior Director, Standards, SFI Inc.

Jason Metnick – Senior Vice President, Customer Affairs, SFI Inc

Wednesday August 22, 2018:

A - General

1. Purpose and background for the Module development
2. Scope of implementation
3. Current status with implementation and testing

B - Key issues and main concerns

4. Integration of Fiber Sourcing and Module standards and certification arrangements
5. Group certification requirements and certified area
6. Standard setting process (participation, stakeholder involvement)

C - Detailed analysis of non-conformities and insufficient information identified in draft report
- PEFC Checklist on standard setting, group certification and SFM requirements.

Thursday August 23

C - Checklist review continues

D - Review of SFI compliance with revised PEFC ST 1001:2017

E - Gap Analysis of Small-Scale Forest Management Module for Indigenous Peoples, Families and Communities (Canada)

F - Certification arrangements and accreditation options for Module certification
(not in detail part of this assessment)

G - Next steps on Indufor reporting

H - Other open issues

Indufor discussed in detail how the SFI Module elements complied with PEFC requirements in different types of conditions for certification. If available SFI provided additional evidence, not listed in the application, which was taken into consideration.

PEFC International on-line consultation and Indufor questionnaire, gave so clear information on the deficiencies in stakeholder engagement, that there was no need to look for additional stakeholder comments.

In July 1st, 2019, Indufor held a conference call with Sarah Crow (Senior Director) and Rita Hite (Executive Vice President) from American Forest Foundation. The main issues discussed were stakeholder participation in Module development, Module requirements at a FMU level and certification arrangements.



Appendix 5

Consideration of PEFC Council's Comments to the Final Draft Report

Consideration of the PEFC Council's Comments to the Final Draft Report (of 22 July 2019).

Report reference and text	Comment*	Conclusion
<p>1.1 Background p. 5</p> <p>The Module was first submitted to PEFC Council (PEFCC) endorsement in spring 2018 but at that stage it was not fully in compliance with PEFC requirements.</p>	<p>Consider mentioning here the most critical non-conformities identified in the first assessment round.</p>	<p>Added:</p> <p>The first version of the Module was not developed in line with PEFC or SFI requirements for participatory standard setting and the Module was not submitted to pilot testing.</p>
<p>1.2 Objectives and scope of the assessment p. 5</p>	<p>In the previous assessment the SLGCM was supposed to be implemented in the US only, whereas in Canada the <i>SFI Small-scale Forest Management Module for Indigenous Peoples, Families and Communities</i> was meant to be implemented. Can some information be provided how this change came to pass, please?</p> <p>Considering that the scope of the SLGC Module was extended from USA to Canada, how does that influence conformity with standard setting process? Does the standard setting process for the SLGCM sufficiently address Canadian stakeholders from the beginning? Was it clear for Canadian stakeholders that the SLGCM would apply in Canada?</p>	<p>For this PEFC endorsement SFI submitted only the SLGC Module.</p> <p>SFI had identified relevant stakeholders in fall 2018 for the further Module development. The stakeholder list included a number of Canadian stakeholders and SFI contacted all listed parties by emails or personal contacts and informed about the forthcoming consultation and standard setting processes.</p> <p>However, only one Canadian representative participated in the Task Force of 13 independent members and 3 SFI/AFF staff members.</p> <p>The invitation in November 2018 to participate in consultation or Task Force did not define the geographic scope of the Module. SFI SFM and FS certifications apply in Canada, so invitation to Canadian stakeholders to the process gives an indication that the Module would also be applied in the country.</p> <p>SFI views the Module as an amendment to the SFI certifications and in Canada the forest area certified under the Module will be SFI certified.</p> <p>Indufor did not add this information to the section on the scope of the assessment, because the assessment addressed only the submitted scheme.</p>
<p>2. Recommendation p. 8</p>	<p>Indufor has raised two major non-conformities in this assessment (with which PEFCC agrees). According to the PEFC assessment and endorsement procedures, this prevents a system from being endorsed until the major non-conformities are resolved. (PEFC</p>	<p>One non-conformity was raised due to the absence of written description of the standard setting process. The description should be made publicly available.</p> <p>SFI provided information on the process (emails, list of comments etc.) and that information was</p>

Report reference and text	Comment*	Conclusion
	GD 1007:6.2.3). A major non-conformity does not allow endorsement and shall be corrected before the endorsement of the system. The recommendation by Indufor should be clearer about this so that it cannot be misunderstood as being a recommendation to endorse the system on the condition that NCs are resolved afterwards.	shared with the stakeholders identified by SFI and AFF affiliated stakeholders. Due to the availability of the information and its partial publicity, the non-conformity was classified as minor in the final report. The assessment identified one major and eight minor non-conformities. Minor NCs would require better recording of procedures and processes and minor amendments and specifications in the documentation.
3.1 General structure of SLGC Module p 9. ... Indufor gave 15 comments	According to PEFC GD 1007 "comments" are not foreseen. Indufor should be careful not to use these comments as an alternative to "minor non-conformities". If Indufor is of the opinion that a PEFC requirement is not met, either fully or partially, then a non-conformity should be raised, not a "comment". "Comments" have no formal status in the assessment process and will therefore have much less weight with the PEFC Board of Directors and the General Assembly, when decisions about scheme endorsements are made.	Comments give only additional information on the Module and/or raise potential improvement needs. The Module includes elements that establish compliance with PEFC requirements on all issues with comments. Chapters 6 to 8 list all comments and related PEFC requirements.
3.2 Standard setting procedures and process p 9. The standard setting process complies with the PEFC ST 1001:2010 at a minimal level.	Please consider re-phrasing. It is not clear what is meant with "complies at a minimal level"	Re-phrased: The standard setting process included the participatory steps required by PEFC ST 1001:2010, although the stakeholder engagement in the Module's standard development was not in-depth.
3.2 p 10 Comment on standard setting • Public did not have a full information on the planned Module development process at the time of consultation.	Please add something pointing out why this should not be considered a minor non-conformity. If this is difficult, maybe the assessment result should be another one	Comment was deleted because it is covered by the minor NC: The standard-setting procedures (applied) for the Module development were not well defined and communicated in advance PEFC ST 1001:2010 4.2.
3.3. Group certification p 10. Comment • Group Manager shall extend annual internal monitoring also to forestry	Is this "shall" a request for action by Indufor? If so, what happens if this is not met?	Re-phrased: Group managers are required to carry out internal audits to <i>ensure conformance with the requirements of the SFI Small Lands Group Certification Module by the organization and individual</i>

Report reference and text	Comment*	Conclusion
operations which supply timber to third parties (uncertified)		<p><i>Group Members.</i> SFI claims that this responsibility also extends to forest management operations supplying timber for forest industry that is not part of the group and does not have a SFI Fiber Sourcing certificate.</p> <p>SFI should give guidance to the drafting of procedures for the management of the Group Certification Organization and internal monitoring programs to ensure that annual internal monitoring also covers forestry operations which supply timber to third parties that may not be holders of Fiber Sourcing certificate.</p>
<p>3.3. Group certification p 10. Comment</p> <p>Module's SFM standard and Fiber Sourcing standard together establish conformity to PEFC requirements to forest management:</p> <p>... If internal monitoring does not cover the compliance of the third-party industry with Fiber Sourcing standard, there is not a full assurance that timber sold by a Group Member to a non-certified party will fully comply with PEFC requirements</p>	<p>Please add something pointing out why this should not be considered a minor non-conformity. If this is difficult, maybe the assessment result should be another one?</p>	<p>One cannot raise this as a NC, because the Module requires internal audits among all parties that are committed to it</p>
<p>3.4 Forest management requirements p 11.:</p> <p>SFM requirements described in ... of the Module document do not alone comply with the PEFC ST 1003:2010. However, when implemented together with the SFI FS standard the level of compliance increases...</p>	<p>Is the module not based on the AFF FM standard now? Should this not meet ST 1003? Anyway, could you mention the AFF standard here briefly? Otherwise one might wonder how this standard is tied into the SLGC.</p>	<p>Re-phrased:</p> <p>The requirements for forest management, described in Sections 4.1 and 4.2 in the Module document, do not alone comply with the PEFC ST 1003:2010 in the group certification context. The forest management requirements are drawn from ATFS forest management standard that is endorsed by PEFC Council. The Fiber Sourcing standard set complementary requirements especially on social aspects.</p>
<p>3.4 Comments to PEFC requirements of socio-economic functions (criterion 6) p 12-13.:</p>	<p>Are assumptions sufficient to pass? Has the assessor verified that the relevant legislation is sufficient? If it is not demonstrated that legislations meets PEFC requirements, should</p>	<p>In USA and Canada indigenous rights are stipulated by laws and the rights are implemented on public lands. In ATFS, SFI and CSC (?) assessments this approach was accepted. SFI had</p>

Report reference and text	Comment*	Conclusion
<p>The Module fully relies on legislation in the consideration of the views of indigenous communities and assumes the any issue listed in PEFC requirement (FPIC, compensations, definition of rights etc.) are clearly and fairly stipulated by laws. It could be more specific on these requirements (Comment 10 ref PEFC ST 1003:2010 5.6.3).</p>	<p>this not be a non-conformity by default, until evidence is provided?</p>	<p>requested in 2005 an assessment of the conformity of US legislation to ILO conventions which claimed that the two are compatibility to ILO 87, 98, 29, 105, 138, 100, 111. US and Canada are signatories to UNDRIP (2007) (UN declaration of rights to indigenous people); not to ILO 169. There is no possibility to dive into state or province level legislation.</p> <p>In the previous report I pointed out that such assessment should be redone and to ensure that it is fully impartial.</p> <p>No changes were made.</p>
<p>3.7 Certification and accreditation procedures. p 13</p> <p>SFI should provide the evidence that ANAB programs for accreditation also cover SLGC Module, when the testing and first certifications take place. This would demonstrate that SFI procedures for auditor qualification and accreditation (SFI 2015-2019 Section 9) are implemented.</p>	<p>If there is no evidence that the accreditation program also covers SLGC, can this be considered a conformity? The report should be clear on whether PEFC C&A requirements are currently met or not, and not phrase this as a recommendation ("Should provide...").</p>	<p>ANAB has well established accreditation procedures for SFI SFM and ATFS certifications. SFI Sec 9 sets the conforming requirements for certification process. If ANAB has stated that the accreditation can be extended to cover group certification, they certainly have the capacity to do so. Accreditations can be issued only when certifications take place.</p> <p>ANAB has issued short documents on accreditation to SFI and ATFS certifications. Similar document or an amendment of the SFI accreditation document would indicate that SFI implements SLGC as accredited certification as it claims to do.</p> <p>No changes were made.</p>
<p>6. Standard setting in SLGC. P21: Development of the forest management standard under SLGC did not fully conform to the SFI standard setting procedures (Section 8 SFI Program 2015-2019)</p>	<p>Please add what this meant for conformity with PEFC ST 1001</p>	<p>Re-phrased:</p> <p>did not fully conform to the PEFC Council endorsed SFI standard setting procedures (Section 8 SFI Program 2015-2019).</p> <p>Reply: Conclusion on the conformity to PEFC ST 1003 is discussed in section 6.3.</p>

*Editorial comments are not listed.



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