REQUIREMENTS FOR THE SFI 2010-2014 PROGRAM

Standards, Rules for Label Use, Procedures and Guidance

JANUARY 2010

REQUIREMENTS FOR THE SFI 2010-2014 PROGRAM

STANDARDS, RULES FOR LABEL USE, PROCEDURES AND GUIDANCE

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SECTION 1.
INTRODUCTION

SUSTAINABLE
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JANUARY 2010

INTRODUCTION[1]

Sustainably managed forests make a vital contribution to society by providing economic, environmental and social benefits indispensable to the quality of life. A commitment to sustainable forest management means protecting water quality, soil, *wildlife*[2] and unique resources; promoting human health and safety; providing employee training and education; and communicating the benefits of the practice of *sustainable forestry* to the general public. The *SFI 2010-2014 Standard* reflects this commitment to social responsibility through its *principles, objectives, performance measures* and *indicators.*

The *SFI* program is based on the premise that responsible environmental behavior and sound business decisions can coexist to the benefit of communities, landowners, manufacturers, shareholders, customers and the environment, today and for future generations. It was launched in 1994 as one of the forest sector's contributions to the vision of sustainable development established by the 1992 United Nations Conference on Environment and Development (UNCED). The *SFI* program was developed with multi-stakeholder input, including environmental non-government organizations, industry, scientists, academics, government agencies and professional organizations.

Following UNCED, many nations began to consider how they would measure and track their progress toward the goal of sustainability. In 1993, a United Nations committee convened an international seminar in Montréal, Quebec, on the sustainable development of temperate and boreal forests. This conference led to the formation of the Working Group on Criteria and Indicators for the Conservation and Sustainable Management of Temperate and Boreal Forest, also known as the Montréal Process. The Canadian and U.S. governments are signatories to the Montréal Process, along with Argentina, Australia, Chile, China, Japan, Korea, Mexico, New Zealand, Russia and Uruguay. These 12 countries represent 90 percent of the world's temperate and boreal forests, and 60 percent of the world's total forests.

By endorsing and working with the Montréal Process criteria and indicators, participating countries have made a national commitment to work towards the sustainable management of their forests. Montréal Process criteria and indicators are intended to track progress at a national level and provide an international reference for policy-makers. Many can be reinforced and supported at a local level and are, therefore, reflected in the *SFI 2010-2014 Standard's principles, objectives, performance measures, and indicators.*

The Montréal Process criteria are:

1. Conservation of biological diversity.
2. Maintenance of productive capacity of forest ecosystems.
3. Maintenance of forest ecosystem health and vitality.
4. Conservation and maintenance of soil and water resources.
5. Maintenance of forest contribution to global carbon cycles.
6. Maintenance and enhancement of long-term multiple socio-economic benefits to meet the needs of societies.
7. Legal, institutional and policy framework for forest conservation and sustainable management.

GLOBAL RECOGNITION

The *SFI* program has progressed steadily to become an independent, globally recognized North American (United States and Canada) standard composed of *principles, objectives, performance measures* and *indicators.* The *SFI Standard* is recognized by governments, corporations, and social and environmental groups across North America and globally. The *SFI Standard* setting process, certification and accreditation of *certification bodies* requirements are consistent with guidelines published by the International Organization of Standardization (ISO), a worldwide federation of national standards bodies.

In 2005, the international Programme for the Endorsement of Forest Certification schemes (PEFC)[3] endorsed the SFI 2005-2009 Standard, and appointed the Sustainable Forestry Board to be the PEFC-US governing body. PEFC sets minimum benchmarks that national forest certification programs must meet or exceed to be endorsed. PEFC endorsement increases international recognition and enhances marketing opportunities for *SFI Program Participants* around the world.

The *SFI Standard* is applied to larger forest operations, and *SFI Inc.* recognizes the *American Tree Farm System*® (ATFS)[4] as the non-industrial landowner certification program in the U.S., encompassing thousands of family forest owners. ATFS has also been endorsed by the PEFC.

SFI GOVERNANCE AND STAKEHOLDER INVOLVEMENT

The *SFI* program is operated by *SFI Inc.*, a fully independent non-profit charitable 501(c) (3) organization. *SFI Inc.* is governed by an 18-member board of directors made up of three chambers with equal membership: environmental, social and economic. The diversity of the board members

[1] This introduction is informative, and as such, is not an auditable element.
[2] Note: Words in italics throughout all sections of the SFI requirements document are listed in Section 13 - Definitions
[3] www.pefc.org
[4] www.treefarmsystem.org

reflects the variety of interests in the *forestry* community. This multi-stakeholder board of directors is the sole governing body over all aspects of the *SFI* program, including the *SFI 2010-2014 Standard*, chain-of-custody, labeling and claims, marketing and promotion.

The SFI External Review Panel, comprising environmental, *conservation* and *forestry* experts, annually reviews the program's progress, and releases a report publicly. In 1997, the panel adopted an independent charter under which it selects its own members and develops its own agenda to represent the public interest as an outside observer of the *SFI* program.

Thirty-seven *SFI Implementation Committees* across North America operate at the regional, state and provincial level to help promote the *SFI Standard* through targeted local actions. They involve public agencies, universities, local *forestry* associations, landowners, loggers, partnerships with *conservation* groups, and other community-based organizations. As part of the *SFI* program, *SFI Implementation Committees* promote forester and logger training *programs* to reach the thousands of independent contractors that are the key to the quality of forest management and harvesting operations.

CONSERVATION SUPPORT

The *SFI* program has the support of *conservation* groups who recognize that *SFI certification* helps to protect and create *wildlife habitat, biological diversity* and other important forest values. Many of these *conservation* groups partner with *SFI Inc.* and *SFI Program Participants* on research to advance understanding of *forestry*-specific issues, achieving mutual *conservation* goals and providing tangible, on-the-ground benefits for forests in North America.

PUBLIC INVOLVEMENT

Public involvement, communication and public reporting in the *SFI* program is welcomed and reflected in the *SFI 2010-2014 Standard* under *Objectives* 17, 18 and 19. *Program Participants* are required to support and promote mechanisms for public outreach, education and involvement related to forest management. In addition, on *public lands, Program Participants* are required to participate in *public land* planning and management processes with appropriate governments and the public. On these *public lands, Program Participants* are required to confer with affected indigenous peoples.

The *SFI* program requires an *SFI Certified Program Participant* to provide a report prepared by the *certification body* to *SFI Inc.* after the successful completion of a certification, recertification or surveillance audit to the *SFI Standard.* These reports are publicly available on the *SFI Inc.* website (www.sfiprogram.org).

The public also has avenues to voice concerns related to the *SFI* program and its participants and have them addressed through an open, transparent complaint process.

REQUIREMENTS FOR *PROGRAM PARTICIPANTS*

The *SFI 2010-2014 Standard* applies to management of forests throughout North America where management intensities range from managed natural forests and plantation *forestry*, regardless of the forest products derived from management of such forests. Short rotation woody crop operations and other high-intensity *forestry* operations, while they may serve a role in the production of *bioenergy feedstocks,* are beyond the scope of the *SFI 2010-2014 Standard.*

SFI Program Participants must comply with all portions of the *SFI 2010-2014 Standard* relevant to their operations, taking into account their local conditions and circumstances and the scope and scale of their operations. In addition, the *SFI 2010-2014 Standard* requires *Program Participants* to take their commitment to responsible stewardship beyond the bounds of their own lands and operations by encouraging others to adopt the *principles* and *objectives* of the *SFI 2010-2014 Standard*. *Program Participants* are required to work with their suppliers to make sure they are meeting program goals for *best management practices.* They are also required to invest in research to enhance the practice of *sustainable forestry*, add to scientific knowledge, improve *forestry* practices, and increase the overall *productivity* of forests.

SFI: THE NORTH AMERICAN STANDARD WITH A GLOBAL REACH

SFI is the only single North American standard and is one of the largest and fastest-growing certification standards in the world. The hundreds of *Program Participants* across North America include private landowners, public landowners and managers, *conservation* groups and universities.

There is one *SFI Standard* that applies to the United States and Canada. *Program Participants* must comply with federal, provincial, state and local laws that cover a broad range of

issues, and protect the environment, workers and people who live in the communities where they operate. They include federal, state, provincial or local *forestry*-related environmental laws and regulations found in the United States and Canada such as The Clean Water Act, The Endangered Species Act, The Species at Risk Act, and state or provincial forest practice laws. The social laws of the United States and Canada cover civil rights, equal employment opportunities, anti-discrimination and anti-harassment measures, workers' compensation, measures to protect indigenous peoples' rights, workers' and communities' right to know, wages and working hours, and occupational health and safety. Antitrust, business competition and other laws in the United States and Canada outline business procedures that must be followed.

The *SFI* program does not try to duplicate the comprehensive *sustainable forestry* laws and processes already mandatory in the United States and Canada. Both countries have mature legal systems that consistently discourage and punish illegal behavior. Given the wide range of due process and compliance mechanisms that ensure conformance with applicable laws, the *SFI Standard* purposefully focuses on continual improvement of the practice of *sustainable forestry,* forest *productivity*, environmental performance processes and community outreach that complements the existing legal framework.

When an *SFI Program Participant* procures wood offshore (beyond North America), the *SFI 2010-2014 Standard* stipulates the need to avoid *controversial sources* of supply, including *illegal logging* and *fiber sourced from countries without effective social laws.*

RESPONSIBLE *FIBER SOURCING*

Through its *fiber sourcing* requirements, the *SFI* program stands apart from other forest certification programs by supporting and promoting sustainable forest management practices on these lands.

Today, 10 percent of the world's forests are certified. In North America, while large tracts of public and industrial forest lands are certified, the majority of family forest land is not certified. *SFI Inc.* encourages certification of lands owned by small family forest owners but it is a fact that many family forest owners do not have the resources, nor do they perceive the need to incur the annual cost associated with maintaining a certified forest — especially those who own small acreages.

In the United States, more than 10 million family forest owners account for 60 percent of the forest land and more than 60 percent of the raw material used by *SFI Program Participants.* In Canada, family forest owners in many regions provide a significant share of the raw materials used by *SFI Program Participants.*

In North America, *SFI Program Participants* who source fiber from uncertified lands must engage in private landowner outreach and logger training. They must have a *program* for the purchase of fiber from *certified logging professionals* and *qualified logging professionals*, and *programs* and provisions for the application of *best management practices* that protect water quality on those uncertified lands.

In addition, SFI *fiber sourcing* requirements promote the identification and *protection* of important *habitat* elements for *wildlife*, including *critically imperiled* and *imperiled* species and communities, and foster prompt *reforestation* of harvested sites. For SFI *Certified Program Participants,* these *fiber sourcing* requirements are audited by a *third-party* independent accredited *certification body,* which samples for evidence of logger training, landowner outreach, *reforestation*, conformance with applicable laws and adherence to *best management practices* on uncertified lands, as well as the other requirements set out in the SFI *fiber sourcing objectives.*

Fiber sourcing labels do not make claims about certified forest content but they do make claims about certified *fiber sourcing* practices for procured wood fiber. SFI *fiber sourcing* supports family forest owners and their efforts to keep forests as forests, while providing the marketplace with forest products from responsible sources.

FROM THE FORESTS TO THE MARKET

Forest certification is often complemented with a chain of custody certification, which is a mechanism used to track wood from a certified forest, providing a link between the certified forest and the certified product.

The *SFI* program offers a suite of product and promotional labels that allow appropriately certified organizations to make claims about the content in the product they sell that comes from certified forests. So whether it is a paper, packaging or construction materials, a claim can be made regarding the certified forest content, similar to recycled content claims and labels seen on products. This helps

customers and consumers of forest products identify and give preference to products from well-managed forests.

In this age of increased corporate social responsibility and consumer awareness, the *SFI* program provides the market with a valuable tool to buy responsibly — with labels for certified content as well as for *fiber sourcing*. See Sections 3 and 4 of the SFI requirements document.[5]

THIRD-PARTY INDEPENDENT CERTIFICATION

The *SFI 2010-2014 Standard* requires *third-party* independent certification audits by competent and accredited certification bodies for all certifications: forest land certification, *fiber sourcing* certification and chain of custody certification. All certification bodies must be accredited by a North American member of the International Accreditation Forum, i.e. ANSI-ASQ National Accreditation Board (ANAB), American National Standards Institute (ANSI) or the Standards Council of Canada (SCC).

EMERGING THEMES: BIOENERGY AND CARBON

The *SFI 2010-2014 Standard* is a research and science-based standard that takes careful consideration of social, economic and environmental issues related to forest management as well as the interests in the marketplace. Through the *SFI* program's continual improvement process, new requirements are often built into the standard that reflect new information and science as it becomes available. The *SFI 2010-2014 Standard* includes new language to address the issues of climate change and *bioenergy feedstock* harvesting.

Bioenergy feedstocks are not new products from managed forests; however, there is growing interest in such products given government policies and positions to promote renewable energy. The *SFI 2010-2014 Standard* requires the same performance measures, objectives, and indicators related to forest management regardless of the final product, whether it is solid wood building products, paper products or *bioenergy feedstock.* The requirements for forest management and *fiber sourcing* are the same regardless of whether the end-user is a traditional forest or paper product company or emerging bioenergy production company.

Additionally, *sustainable forestry* makes an important contribution to mitigating climate change and adapting to changing ecosystems. Notwithstanding the fact that *policy* solutions have not been solidified regarding the role of managed forests in a regulatory framework, the process of carbon sequestration is a natural byproduct of tree growth and therefore an important component of climate change mitigation. In addition, *Program Participants* have an opportunity to monitor information generated from regional climate models and consider how well-managed forests contribute to resilient ecosystems as an adaptation to a changing climate.

[5] SFI Chain-of-Custody Standard (Section 3)
Rules for Use of SFI On-Product Labels (Section 4)

SECTION 2.
SFI 2010-2014 STANDARD

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JANUARY 2010

SUSTAINABLE FORESTRY INITIATIVE® 2010-2014 STANDARD

PRINCIPLES OF SUSTAINABLE FORESTRY [NORMATIVE] 3

1. Sustainable Forestry
2. Forest Productivity and Health
3. Protection of Water Resources
4. Protection of Biological Diversity
5. Aesthetics and Recreation
6. Protection of Special Sites
7. Responsible Fiber Sourcing Practices in North America
8. Avoidance of Controversial Sources including Illegal Logging in Offshore Fiber Sourcing
9. Legal Compliance
10. Research
11. Training and Education
12. Public Involvement
13. Transparency
14. Continual Improvement

OBJECTIVES OF SUSTAINABLE FORESTRY [NORMATIVE] 4

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Forest Land Management Objectives 5

Objective 1 – Forest Management Planning
Objective 2 – Forest Productivity
Objective 3 – Protection and Maintenance of Water Resources
Objective 4 – Conservation of Biological Diversity including Forests with Exceptional Conservation Value
Objective 5 – Management of Visual Quality and Recreational Benefits
Objective 6 – Protection of Special Sites
Objective 7 – Efficient Use of Forest Resources

Fiber Sourcing Objectives 9

Objective 8 – Landowner Outreach
Objective 9 – Use of Qualified Resource and Qualified Logging Professionals
Objective 10 – Adherence to Best Management Practices
Objective 11 – Promote Conservation of Biological Diversity, Biodiversity Hotspots and High-Biodiversity Wilderness Areas
Objective 12 – Avoidance of Controversial Sources including Illegal Logging
Objective 13 – Avoidance of Controversial Sources including Fiber Sourced From Areas Without Effective Social Laws

Forest Land Management and Fiber Sourcing Objectives 11

Objective 14 – Legal and Regulatory Compliance
Objective 15 – Forestry Research, Science, and Technology
Objective 16 – Training and Education
Objective 17 – Community Involvement in the Practice of Sustainable Forestry
Objective 18 – Public Land Management Responsibilities
Objective 19 – Communications and Public Reporting
Objective 20 – Management Review and Continual Improvement

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PRINCIPLES FOR *SUSTAINABLE FORESTRY*

SFI Program Participants believe forest landowners have an important stewardship responsibility and a commitment to society, and they recognize the importance of maintaining viable commercial, family forest, and *conservation* forest land bases. They support *sustainable forestry* practices on forestland they manage, and promote it on other lands. They support efforts to protect private property rights, and to help all private landowners manage their forestland sustainably. In keeping with this responsibility, *SFI Program Participants* shall have a written *policy* (or *policies*) to implement and achieve the following *principles:*

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.

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.*

3. *Protection* of Water Resources

To protect water bodies and *riparian* zones, and to conform with *best management practices* to protect water quality.

4. *Protection* of *Biological Diversity*

To manage forests in ways that protect and promote *biological diversity,* including animal and plant species, *wildlife habitats,* and ecological or natural community types.

5. Aesthetics and Recreation

To manage the visual impacts of forest operations, and to provide recreational opportunities for the public.

6. *Protection* of *Special Sites*

To manage forests and lands of special significance (ecologically, geologically or *culturally important*) in a manner that *protects* their integrity and takes into account their unique qualities.

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.

8. Avoidance of *Controversial Sources* including *Illegal Logging* in Offshore *Fiber Sourcing*

To avoid wood fiber from illegally logged forests when procuring fiber outside of North America, and to avoid *sourcing fiber from countries without effective social laws.*

9. Legal Compliance

To comply with applicable federal, provincial, state, and local *forestry* and related environmental laws, statutes, and regulations.

10. Research

To support advances in sustainable forest management through *forestry* research, science and technology.

11. Training and Education

To improve the practice of *sustainable forestry* through training and education *programs.*

12. Public Involvement

To broaden the practice of *sustainable forestry* on *public lands* through community involvement.

13. Transparency

To broaden the understanding of forest certification to the *SFI 2010-2014 Standard* by documenting certification audits and making the findings publicly available.

14. Continual Improvement

To continually improve the practice of forest management, and to monitor, measure and report performance in achieving the commitment to *sustainable forestry.*

These *SFI principles* are further refined in *objectives* 1-20.

OBJECTIVES FOR *SUSTAINABLE FORESTRY*

SUMMARY

Some *Program Participants* own forest land, others own forest land and manufacturing facilities, and others own manufacturing facilities only. As such:

- *SFI Standard* land management *objectives* 1-7 provide measures for evaluating *Program Participants'* conformance with the *SFI 2010-2014 Standard* on forest lands they own or control through *long-term* leases. Through these *objectives,* addressed in forest management plans, *Program Participants* are implementing *sustainable forestry principles* by employing an array of economically, environmentally and socially sound practices in the *conservation* of forests — including appropriate *protection,* growth, harvest and use of those forests — using the *best scientific information available.*

- *SFI Standard fiber sourcing objective*s 8-10 provide measures for evaluating *Program Participants'* conformance with the *SFI 2010-2014 Standard* through their *fiber sourcing programs* within the United States and Canada.

- *SFI Standard fiber sourcing objectives* 11-13 provide measures for evaluating *Program Participants'* conformance with the *SFI 2010-2014 Standard* through their *fiber sourcing programs* outside the United States and Canada.

- *SFI Standard* land management and *fiber sourcing objectives* 14-20 provide measures for evaluating all *Program Participants'* conformance with the *SFI 2010-2014 Standard* for research, training, legal compliance, public and landowner involvement, management review, and continual improvement.

A summary of *SFI 2010-2014 Standard objectives* follows:

Objective 1. Forest Management Planning
To broaden the implementation of *sustainable forestry* by ensuring *long-term* forest *productivity* and yield based on the use of the *best scientific information* available.

Objective 2. Forest *Productivity*
To ensure *long-term* forest *productivity*, carbon storage and *conservation* of forest resources through prompt *reforestation*, soil *conservation, afforestation* and other measures.

Objective 3. *Protection* and Maintenance of Water Resources
To protect water quality in streams, lakes and other water bodies.

Objective 4. *Conservation* of *Biological Diversity* including *Forests with Exceptional Conservation Value*
To manage the quality and distribution of *wildlife habitats* and contribute to the *conservation* of *biological diversity* by developing and implementing *stand-* and *landscape*-level measures that promote *habitat* diversity and the *conservation* of forest plants and animals, including *aquatic species.*

Objective 5. Management of *Visual Quality* and Recreational Benefits
To manage the visual impact of forest operations and provide recreational opportunities for the public.

Objective 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.

Objective 7. Efficient Use of Forest Resources
To promote the efficient use of forest resources.

Objective 8. Landowner Outreach
To broaden the practice of *sustainable forestry* by forest landowners through *fiber sourcing programs.*

Objective 9. Use of *Qualified Resource* and *Qualified Logging Professionals*
To broaden the practice of *sustainable forestry* by encouraging forest landowners to utilize the services of forest management and harvesting professionals.

Objective 10. Adherence to Best Management Practices
To broaden the practice of *sustainable forestry* through the use of *best management practices* to protect water quality.

Objective 11. Promote *Conservation* of *Biological Diversity, Biodiversity Hotspots* and *High-Biodiversity Wilderness Areas*
To broaden the practice of *sustainable forestry* by conserving *biological diversity*, *biodiversity hotspots* and *high-biodiversity wilderness areas.*

Objective 12. Avoidance of *Controversial Sources* including *Illegal Logging*
To broaden the practice of *sustainable forestry* by avoidance of *illegal logging.*

Objective 13. Avoidance of *Controversial Sources* including *Fiber Sourced from Areas without Effective Social Laws*
To broaden the practice of *sustainable forestry* by avoiding *controversial sources.*

Objective 14. Legal and Regulatory Compliance
Compliance with applicable federal, provincial, state and local laws and regulations.

Objective 15. *Forestry* Research, Science, and Technology
To support *forestry* research, science, and technology, upon which sustainable forest management decisions are based.

Objective 16. Training and Education
To improve the implementation of *sustainable forestry* practices through appropriate training and education *programs.*

Objective 17. Community Involvement in the Practice of *Sustainable Forestry*
To broaden the practice of *sustainable forestry* by encouraging the public and *forestry* community to participate in the commitment to *sustainable forestry*, and publicly report progress.

Objective 18: *Public Land* Management Responsibilities
To support and implement sustainable forest management on *public lands.*

Objective 19. Communications and Public Reporting
To broaden the practice of *sustainable forestry* by documenting progress and opportunities for improvement.

Objective 20. Management Review and Continual Improvement
To promote continual improvement in the practice of *sustainable forestry*, and to monitor, measure, and report performance in achieving the commitment to *sustainable forestry*.

SFI 2010-2014 STANDARD OBJECTIVES 1-7 FOR FOREST LAND MANAGEMENT

Objective 1. Forest Management Planning. To broaden the implementation of *sustainable forestry* by ensuring *long-term* forest *productivity* and yield based on the use of the *best scientific information* available.

Performance Measure 1.1. *Program Participants* shall ensure that forest management plans include *long-term* harvest levels that are sustainable and consistent with appropriate *growth-and-yield models.*

Indicators:
1. Forest management planning at a level appropriate to the size and scale of the operation, including:
   a. a *long-term* resources analysis;
   b. a periodic or ongoing *forest inventory*;
   c. a *land classification* system;
   d. soils inventory and maps, where available;
   e. access to *growth-and-yield modeling* capabilities;
   f. up-to-date maps or a *geographic information system (GIS);*
   g. recommended sustainable harvest levels for areas available for harvest; and
   h. a review of non-timber issues (e.g. recreation, tourism, pilot projects and economic incentive *programs* to promote water *protection,* carbon storage, *bioenergy feedstock* production, or *biological diversity conservation*, or to address climate-induced ecosystem change).
2. Documentation of annual harvest trends in relation to the sustainable forest management plan in a manner appropriate to document past and future activities.
3. A *forest inventory* system and a method to calculate growth and yield.
4. Periodic updates of *forest inventory* and recalculation of planned harvests to account for changes in growth due to *productivity* increases or decreases (e.g. improved data, *long-term* drought, fertilization, climate change, forest land ownership changes, etc.).
5. Documentation of forest practices (e.g., *planting*, fertilization, and thinning) consistent with assumptions in harvest plans.

Objective 2. Forest *Productivity.* To ensure *long-term* forest *productivity*, carbon storage, and *conservation* of forest resources through prompt *reforestation*, soil *conservation*, *afforestation* and other measures.

Performance Measure 2.1. *Program Participants* shall promptly reforest after final harvest.

Indicators:
1. Designation of all harvest areas for either *natural regeneration* or by *planting.*
2. *Reforestation,* unless delayed for site-specific environmental or *forest health* considerations or legal requirements, through *planting* within two years or two *planting* seasons, or by planned *natural regeneration* methods within five years.

3. Clear criteria to judge adequate regeneration and appropriate actions to correct understocked areas and achieve acceptable species composition and stocking rates for both *planting* and *natural regeneration.*

4. *Minimized plantings* of *exotic tree species*, and research documentation that *exotic tree species*, planted operationally, pose minimal risk.

5. *Protection* of desirable or planned advanced natural regeneration during harvest.

6. *Planting programs* that consider potential ecological impacts of a different species or species mix from that which was harvested.

7. *Afforestation programs* that consider potential ecological impacts of the selection and *planting* of tree species in non-forested *landscapes.*

Performance Measure 2.2. *Program Participants* shall *minimize* chemical use required to achieve management *objectives* while protecting employees, neighbors, the public and the environment, including *wildlife* and *aquatic habitats.*

Indicators:
1. *Minimized* chemical use required to achieve management *objectives*.

2. Use of *least-toxic and narrowest-spectrum pesticides* necessary to achieve management *objectives*.

3. Use of pesticides registered for the intended use and applied in accordance with label requirements.

4. Use of *integrated pest management* where feasible.

5. Supervision of forest chemical applications by state- or provincial-trained or certified applicators.

6. Use of management practices appropriate to the situation, for example:
   a. notification of adjoining landowners or nearby residents concerning applications and chemicals used;
   b. appropriate multilingual signs or oral warnings;
   c. control of public road access during and immediately after applications;
   d. designation of streamside and other needed buffer strips;
   e. use of positive shutoff and minimal-drift spray valves;
   f. aerial application of forest chemicals parallel to buffer zones to *minimize* drift;
   g. monitoring of water quality or safeguards to ensure proper equipment use and *protection* of streams, lakes and other water bodies;
   h. appropriate storage of chemicals;
   i. filing of required state or provincial reports; and/or
   j. use of methods to ensure *protection* of *threatened and endangered* species.

Performance Measure 2.3. *Program Participants* shall implement forest management practices to protect and maintain forest and soil *productivity*.

Indicators:
1. Use of soils maps where available.

2. Process to identify soils vulnerable to compaction, and use of appropriate methods to avoid excessive soil disturbance.

3. Use of erosion control measures to *minimize* the loss of soil and site *productivity*.

4. Post-harvest conditions conducive to maintaining site *productivity* (e.g. limited rutting, retained down woody debris, *minimized skid trails*).

5. Retention of vigorous trees during partial harvesting, consistent with scientific silvicultural standards for the area.

6. Criteria that address harvesting and site preparation to protect soil *productivity*.

7. Road construction and skidding layout to *minimize* impacts to soil *productivity* and water quality.

Performance Measure 2.4. *Program Participants* shall manage so as to protect forests from damaging agents, such as environmentally or economically undesirable wildfire, pests, diseases and *invasive exotic plants and animals*, to maintain and improve *long-term forest health*, *productivity* and *economic viability.*

Indicators:
1. *Program* to protect forests from damaging agents.

2. Management to promote healthy and productive forest conditions to *minimize* susceptibility to damaging agents.

3. Participation in, and support of, fire and pest prevention and control *programs.*

Performance Measure 2.5. *Program Participants* that deploy *improved planting stock*, including *varietal seedlings*, shall use sound scientific methods.

Indicator:
1. *Program* for appropriate research, testing, evaluation and deployment of *improved planting stock,* including *varietal seedlings.*

Objective 3. *Protection* and Maintenance of Water Resources. To protect water quality in rivers, streams, lakes, and other water bodies.

Performance Measure 3.1. *Program Participants* shall meet or exceed all applicable federal, provincial, state and local water quality laws, and meet or exceed *best management practices* developed under Canadian or U.S. Environmental Protection Agency–approved water quality *programs.*

Indicators:
1. *Program* to implement state or provincial *best management practices* during all phases of management activities.

2. Contract provisions that specify conformance to *best management practices.*

3. Plans that address wet-weather events (e.g. *forest inventory* systems, wet-weather tracts, definitions of acceptable operating conditions).

4. Monitoring of overall *best management practices* implementation.

Performance Measure 3.2. *Program Participants* shall have or develop, implement and document *riparian protection* measures based on soil type, terrain, vegetation, ecological function, harvesting system and other applicable factors.

Indicators:
1. *Program* addressing management and *protection* of rivers, streams, lakes, and other water bodies and *riparian* zones.

2. Mapping of rivers, streams, lakes, and other water bodies as specified in state or provincial *best management practices* and, where appropriate, identification on the ground.

3. Implementation of plans to manage or protect rivers, streams, lakes, and other water bodies.

4. Identification and *protection* of *non-forested wetlands*, including bogs, fens and marshes, and vernal pools of ecological significance.

5. Where regulations or *best management practices* do not currently exist to protect *riparian* areas, use of experts to identify appropriate *protection* measures.

Objective 4. *Conservation* of *Biological Diversity* including *Forests with Exceptional Conservation Value.* To manage the quality and distribution of *wildlife habitats* and contribute to the *conservation* of *biological diversity* by developing and implementing *stand*- and *landscape*-level measures that promote a diversity of types of *habitat* and successional stages, and *conservation* of forest plants and animals, including *aquatic species.*

Performance Measure 4.1. *Program Participants* shall have *programs* to promote *biological diversity* at *stand*- and *landscape*-levels.

Indicators:
1. *Program* to promote the *conservation* of native *biological diversity*, including species, wildlife habitats and ecological community types.

2. *Program* to protect threatened and endangered species.

3. *Program* to locate and protect known sites associated with viable occurrences of critically imperiled and imperiled species and communities also known as *Forests with Exceptional Conservation Value*. Plans for protection may be developed independently or collaboratively, and may include *Program Participant* management, cooperation with other stakeholders, or use of easements, *conservation* land sales, exchanges, or other *conservation* strategies.

4. Development and implementation of criteria, as guided by regionally appropriate *best scientific information*, to retain *stand*-level *wildlife habitat* elements such as snags, stumps, mast trees, down woody debris, den trees and nest trees.

5. *Program* for assessment, conducted either individually or collaboratively, of forest cover types, age or size classes, and *habitats* at the individual ownership level and,

where credible data are available, across the *landscape*, and take into account findings in planning and management activities.

6. Support of and participation in plans or *programs* for the *conservation* of *old-growth forests* in the region of ownership.

7. Participation in *programs* and demonstration of activities as appropriate to limit the introduction, impact and spread of *invasive exotic plants and animals* that directly threaten or are likely to threaten *native* plant and animal communities.

8. *Program* to incorporate the role of prescribed or natural fire where appropriate.

Performance Measure 4.2. *Program Participants* shall apply knowledge gained through research, science, technology and field experience to manage *wildlife habitat* and contribute to the *conservation* of *biological diversity*.

Indicators:
1. Collection of information on *Forests with Exceptional Conservation Value* and other *biodiversity*-related data through *forest inventory* processes, mapping or participation in external *programs*, such as NatureServe, state or provincial heritage *programs*, or other credible systems. Such participation may include providing non-proprietary scientific information, time and assistance by staff, or in-kind or direct financial support.

2. A methodology to incorporate research results and field applications of *biodiversity* and ecosystem research into forest management decisions.

Objective 5. Management of *Visual Quality* and Recreational Benefits. To manage the visual impact of forest operations and provide recreational opportunities for the public.

Performance Measure 5.1. *Program Participants* shall manage the impact of harvesting on *visual quality.*

Indicators:
1. *Program* to address *visual quality management.*

2. Incorporation of aesthetic considerations in harvesting, road, landing design and management, and other management activities where visual impacts are a concern.

Performance Measure 5.2. *Program Participants* shall manage the size, shape and placement of clearcut harvests.

Indicators:
1. Average size of clearcut harvest areas does not exceed 120 acres (50 hectares), except when necessary to meet regulatory requirements or to respond to *forest health* emergencies or other natural catastrophes.

2. Documentation through internal records of clearcut size and the process for calculating average size.

Performance Measure 5.3. *Program Participants* shall adopt a *green-up requirement* or alternative methods that provide for *visual quality.*

Indicators:
1. *Program* implementing the *green-up requirement* or alternative methods.

2. Harvest area tracking system to demonstrate conformance with the *green-up requirement* or alternative methods.

3. Trees in clearcut harvest areas are at least 3 years old or 5 feet (1.5 meters) high at the desired level of stocking before adjacent areas are clearcut, or as appropriate to address operational and economic considerations, alternative methods to reach the *performance measure* are utilized by the *Program Participant*.

Performance Measure 5.4. *Program Participants* shall support and promote recreational opportunities for the public.

Indicator:
1. Provide recreational opportunities for the public, where consistent with forest management *objectives*.

Objective 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.

Performance Measure 6.1. *Program Participants* shall identify *special sites* and manage them in a manner appropriate for their unique features.

Indicators:
1. Use of information such as existing natural heritage data, expert advice or stakeholder consultation in identifying or selecting *special sites* for *protection.*

2. Appropriate mapping, cataloging and management of identified *special sites.*

Objective 7. Efficient Use of Forest Resources. To promote the efficient use of forest resources.

Performance Measure 7.1. *Program Participants* shall employ appropriate forest harvesting technology and in-woods manufacturing processes and practices to *minimize* waste and ensure efficient utilization of harvested trees, where consistent with other *SFI Standard objectives*.

Indicator:
1. *Program* or monitoring system to ensure efficient utilization, which may include provisions to ensure:
   a. management of harvest residue (e.g. slash, limbs, tops) considers economic, social and environmental factors (e.g. organic and nutrient value to future forests) and other utilization needs;
   b. training or incentives to encourage loggers to enhance utilization;
   c. cooperation with mill managers for better utilization of species and low-grade material;
   d. exploration of markets for underutilized species and low-grade wood and alternative markets (e.g. bioenergy markets); or
   e. periodic inspections and reports noting utilization and product separation.

SFI 2010-2014 STANDARD OBJECTIVES 8-13 FOR *FIBER SOURCING*

Fiber sourcing within the United States and Canada (*Objectives* 8-10 apply).

Objective 8. Landowner Outreach. To broaden the practice of *sustainable forestry* by forest landowners through *fiber sourcing programs*.

Performance Measure 8.1. *Program Participants* shall provide information to landowners for *reforestation* following harvest, for the use of *best management practices,* and for identification and *protection* of important *habitat* elements for *wildlife and biodiversity*, including *Forests with Exceptional Conservation Value.*

Indicators:
1. *Program Participants* shall supply regionally appropriate information or services (e.g. information packets, websites, newsletters, workshops, tours, etc.) to forest landowners, describing the importance and providing implementation guidance on:
   a. *best management practices;*
   b. *reforestation* and *afforestation;*
   c. *visual quality management;*
   d. *conservation* of critical *wildlife habitat* elements, *biodiversity, threatened and endangered* species, and *Forests with Exceptional Conservation Value;*
   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;
   f. control of *invasive exotic plants and animals*; and
   g. characteristics of *special sites.*

2. *Program* to address *Forests with Exceptional Conservation Value* in harvests of *purchased stumpage.*

3. Encourage forest landowners to participate in forest management certification *programs*.

Objective 9. Use of *Qualified Resource* and *Qualified Logging Professionals.* To broaden the practice of *sustainable forestry* by encouraging forest landowners to utilize the services of forest management and harvesting professionals.

Performance Measure 9.1. *Program Participants* shall encourage landowners to utilize the services of *certified logging professionals* (where available), *qualified resource professionals* and *qualified logging professionals* in applying *principles* of sustainable forest management on their lands.

Indicators:
1. *Program* to promote the use of *certified logging professionals* (where available), *qualified resource professionals* and *qualified logging professionals.*

2. List of *certified logging professionals* and *qualified logging professionals* maintained by *Program Participant*, state or provincial agency, loggers' association or other organization.

Objective 10. Adherence to *Best Management Practices*. To broaden the practice of *sustainable forestry* through the use of *best management practices* to protect water quality.

Performance Measure 10.1. *Program Participants* shall clearly define and implement *policies* to ensure that facility inventories and *fiber sourcing* activities do not compromise adherence to the *principles* of *sustainable forestry*.

Indicators:
1. *Program* for the purchase of raw material from *certified logging professionals* (where available) and from *wood producers* that have completed training *programs* and are recognized as *qualified logging professionals.*

2. *Program* to require that harvests of *purchased stumpage* comply with *best management practices.*

3. Contracts for the purchase of raw material include provisions requiring the use of *best management practices.*

4. *Program* to address adverse weather conditions.

5. *Program Participants* shall clearly define their *fiber sourcing policies* in writing and make them available to *wood producers.*

Performance Measure 10.2. *Program Participants* shall monitor the use of *best management practices.*

Indicators:
1. A *verifiable monitoring system* to:
   a. monitor the use of *best management practices* by wood producers supplying the *Program Participant*; and
   b. evaluate use of *best management practices* across the *wood and fiber supply area.*

2. Use of information from the *verifiable monitoring system* to maintain rates of conformance to *best management practices* and to identify areas for improved performance.

Fiber sourcing by facilities enrolled in the *SFI* program from sources outside the United States and Canada (*Objectives* 11-13 apply).

Objective 11. Promote *Conservation* of *Biological Diversity, Biodiversity Hotspots* and *High-Biodiversity Wilderness Areas.* To broaden the practice of *sustainable forestry* by conserving *biological diversity*, *biodiversity hotspots* and *high-biodiversity wilderness areas.*

Performance Measure 11.1. *Program Participants* shall ensure that their *fiber sourcing programs* support the *principles* of *sustainable forestry,* including efforts to promote *conservation* of *biological diversity*.

Indicators:
1. *Fiber sourcing* from areas outside the United States and Canada promotes *conservation* of:
   a. *biodiversity hotspots* and *high-biodiversity wilderness areas* utilizing information from Conservation International; and
   b. *biological diversity* utilizing information from organizations such as the *Alliance for Zero Extinction*, World Wildlife Fund, World Resources Institute and International Union for Conservation of Nature.

2. *Program* with *direct suppliers* to promote the *principles* of *sustainable forestry*.

3. Documented information that includes knowledge about *direct suppliers'* application of the *principles* of *sustainable forestry*.

Objective 12. Avoidance of *Controversial Sources* including *Illegal Logging*. To broaden the practice of *sustainable forestry* by avoidance of illegal logging.

Performance Measure 12.1. *Program Participants* shall ensure that their *fiber sourcing programs* support the *principles* of *sustainable forestry*, including efforts to thwart *illegal logging.*

Indicators:
1. Process to assess the risk that the *Program Participant*'s *fiber sourcing program* could acquire material from *illegal logging.*

2. *Program* to address any significant risk identified under 12.1.1.

3. *Program* with *direct suppliers* to promote the *principles* of *sustainable forestry*.

4. Documented information that includes knowledge about *direct suppliers'* application of the *principles* of *sustainable forestry*.

Objective 13. Avoidance of *Controversial Sources* including *Fiber Sourced from Areas without Effective Social Laws*. To broaden the practice of *sustainable forestry* by avoiding controversial sources.

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; and
   f. workers' right to organize.

2. *Program* to address any significant risk identified under 13.1.1.

SFI 2010-2014 STANDARD OBJECTIVES 14-20 FOR FOREST LAND MANAGEMENT AND *FIBER SOURCING*

Objective 14. Legal and Regulatory Compliance. Compliance with applicable federal, provincial, state and local laws and regulations.

Performance Measure 14.1. *Program Participants* shall take appropriate steps to comply with applicable federal, provincial, state and local *forestry* and related social and environmental laws and regulations.

Indicators:

1. Access to relevant laws and regulations in appropriate locations.

2. System to achieve compliance with applicable federal, provincial, state or local laws and regulations.

3. Demonstration of commitment to legal compliance through *available regulatory action information.*

Performance Measure 14.2. *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.

Indicators:

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.

2. *Forestry enterprises* will respect the rights of workers and labor representatives in a manner that encompasses the intent of the International Labor Organization (ILO) core conventions.

Objective 15. *Forestry* Research, Science, and Technology. To support *forestry* research, science, and technology, upon which sustainable forest management decisions are based.

Performance Measure 15.1. *Program Participants* shall individually and/or through cooperative efforts involving *SFI Implementation Committees*, associations or other partners provide in-kind support or funding for forest research to improve *forest health*, *productivity*, and sustainable management of forest resources, and the environmental benefits and performance of forest products.

Indicators:

1. Financial or in-kind support of research to address questions of relevance in the region of operations. The research shall include some of the following issues:
   a. *forest health*, *productivity*, and ecosystem functions;
   b. chemical efficiency, use rate and *integrated pest management;*
   c. water quality and/or effectiveness of *best management practices* including effectiveness of water quality and *best management practices* for protecting the *quality, diversity* and distributions of fish and *wildlife habitats;*
   d. *wildlife* management at *stand*- and *landscape*-levels;
   e. *conservation* of *biological diversity*;
   f. ecological impacts of *bioenergy feedstock* removals on *productivity*, *wildlife habitat*, water quality and other ecosystem functions;
   g. climate change research for both adaptation and mitigation;
   h. social issues;
   i. forest operations efficiencies and economics;
   j. energy efficiency;
   k. life cycle assessment;
   l. avoidance of *illegal logging*; and
   m. avoidance of *controversial sources.*

2. Research on genetically engineered trees via *forest tree biotechnology* shall adhere to all applicable federal, state, and provincial regulations and international protocols.

Performance Measure 15.2. *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*.

Indicator:

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:
   a. regeneration assessments;
   b. *growth and drain* assessments;
   c. *best management practices* implementation and conformance;
   d. *biodiversity conservation* information for family forest owners; and
   e. social, cultural or economic benefit assessments.

Performance Measure 15.3. *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.*

2. *Program Participants* are knowledgeable about climate change impacts on *wildlife, wildlife habitats* and *conservation* of *biological diversity* through international, national, regional or local *programs*.

Objective 16. Training and Education. To improve the implementation of *sustainable forestry* practices through appropriate training and education *programs.*

Performance Measure 16.1. *Program Participants* shall require appropriate training of personnel and contractors so that they are competent to fulfill their responsibilities under the *SFI 2010-2014 Standard.*

Indicators:

1. Written statement of commitment to the *SFI 2010-2014 Standard* communicated throughout the organization, particularly to facility and woodland managers, *fiber sourcing* staff and field foresters.

2. Assignment and understanding of roles and responsibilities for achieving *SFI 2010-2014 Standard objectives*.

3. Staff education and training sufficient to their roles and responsibilities.

4. Contractor education and training sufficient to their roles and responsibilities.

5. *Forestry enterprises* shall have a *program* for the use of *certified logging professionals* (where available) and *qualified logging professionals.*

Performance Measure 16.2. *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.*

Indicators:

1. Participation in or support of *SFI Implementation Committees* to establish criteria and identify delivery mechanisms for *wood producers*' training courses that address:
   a. awareness of *sustainable forestry principles* and the *SFI* program;
   b. *best management practices*, including streamside management and road construction, maintenance and retirement;
   c. *reforestation, invasive exotic plants and animals*, forest resource *conservation*, *aesthetics, and special sites;*
   d. awareness of responsibilities under the U.S. Endangered Species Act, the Canadian Species at Risk Act, and other measures to protect *wildlife habitat* (e.g. *Forests with Exceptional Conservation Value*);
   e. logging safety;
   f. U.S. Occupational Safety and Health Administration (OSHA) and Canadian Centre for Occupational Health and Safety (COHS) regulations, wage and hour rules, and other provincial, state and local employment laws;
   g. transportation issues;
   h. business management;
   i. public *policy* and outreach; and
   j. awareness of emerging technologies.

2. Participation in or support of *SFI Implementation Committees* to establish criteria for recognition of logger certification *programs*, where they exist, that include:
   a. completion of *SFI Implementation Committee* recognized logger training *programs* and meeting continuing education requirements of the training *program*;
   b. independent in-the-forest verification of conformance with the logger certification *program* standards;

c. compliance with all applicable laws and regulations including responsibilities under the U.S. Endangered Species Act, the Canadian Species at Risk Act and other measures to protect *wildlife habitat;*
d. use of *best management practices* to protect water quality;
e. logging safety;
f. compliance with acceptable *silviculture* and utilization standards;
g. aesthetic management techniques employed where applicable; and
h. adherence to a management or harvest plan that is site specific and agreed to by the forest landowner.

Objective 17. Community Involvement in the Practice of *Sustainable Forestry.* To broaden the practice of *sustainable forestry* by encouraging the public and *forestry* community to participate in the commitment to *sustainable forestry*, and publicly report progress.

Performance Measure 17.1. *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.

Indicators:
1. Support, including financial, for efforts of *SFI Implementation Committees.*

2. Support for the development of educational materials for use with forest landowners (e.g. information packets, websites, newsletters, workshops, tours, etc.).

3. Support for the development of regional, state or provincial information materials that provide forest landowners with practical approaches for addressing *special sites* and *biological diversity* issues, such as *invasive exotic plants and animals,* specific *wildlife habitat, Forests with Exceptional Conservation Value*, and *threatened and endangered* species.

4. Participation in efforts to support or promote *conservation* of managed forests through voluntary market-based incentive *programs* such as current-use taxation *programs,* Forest Legacy Program[1] or *conservation* easements.

5. *Program Participants* are knowledgeable about credible regional *conservation* planning and priority-setting efforts that include a broad range of stakeholders and have a *program* to take into account the results of these efforts in planning.

Performance Measure 17.2. *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.

Indicator:
1. Periodic educational opportunities promoting *sustainable forestry*, such as
   a. field tours, seminars, websites, webinars or workshops;
   b. educational trips;
   c. self-guided forest management trails;
   d. publication of articles, educational pamphlets or newsletters; or
   e. support for state, provincial, and local *forestry* organizations and soil and water *conservation* districts.

Performance Measure 17.3. *Program Participants* shall establish, at the state, provincial, or other appropriate levels, procedures to address concerns raised by loggers, consulting foresters, employees, unions, the public or other *Program Participants* regarding practices that appear inconsistent with the *SFI Standard principles* and *objectives*.

Indicators:
1. Support for *SFI Implementation Committees* (e.g. toll-free numbers and other efforts) to address concerns about apparent nonconforming practices.

2. Process to receive and respond to public inquiries. *SFI Implementation Committees* shall submit data annually to *SFI Inc.* regarding concerns received and responses.

Objective 18: *Public Land* Management Responsibilities. To promote and implement sustainable forest management on *public lands*.

Performance Measure 18.1. *Program Participants* with forest *management responsibilities on public lands* shall participate in the development of *public land* planning and management processes.

[1] The Forest Legacy Program, a voluntary U.S. government program in partnership with the states, supports state efforts to protect environmentally sensitive forest lands that are privately owned.

Indicators:

1. Involvement in *public land* planning and management activities with appropriate governmental entities and the public.

2. Appropriate contact with local stakeholders over forest management issues through state, provincial, federal or independent collaboration.

Performance Measure 18.2. *Program Participants* with forest *management responsibilities on public lands* shall confer with affected indigenous peoples.

Indicator:

1. *Program* that includes communicating with affected indigenous peoples to enable *Program Participants* to:
   a. understand and respect *traditional forest-related knowledge;*
   b. identify and protect spiritually, historically, or *culturally important* sites; and
   c. address the use of non-timber forest products of value to indigenous peoples in areas where *Program Participants* have *management responsibilities on public lands.*

Objective 19. Communications and Public Reporting. To broaden the practice of *sustainable forestry* by documenting progress and opportunities for improvement.

Performance Measure 19.1. A *Certified Program Participant* shall provide a summary audit report, prepared by the *certification body*, to *SFI Inc.* after the successful completion of a certification, recertification or surveillance audit to the *SFI 2010-2014 Standard.*

Indicator:

1. The summary audit report submitted by the *Program Participant* (one copy must be in English), shall include, at a minimum,
   a. a description of the audit process, *objectives* and scope;
   b. a description of substitute *indicators,* if any, used in the audit and a rationale for each;
   c. the name of *Program Participant* that was audited, including its SFI representative;
   d. a general description of the *Program Participant*'s forestland and manufacturing operations included in the audit;
   e. the name of the *certification body* and *lead auditor* (names of the *audit team* members, including *technical experts* may be included at the discretion of the *audit team* and *Program Participant*);
   f. the dates the certification was conducted and completed;
   g. a summary of the findings, including general descriptions of evidence of conformity and any non-conformities and corrective action plans to address them, opportunities for improvement, and exceptional practices; and
   h. the certification decision.

The summary audit report will be posted on the *SFI Inc.* website (www.sfiprogram.org) for public review.

Performance Measure 19.2. *Program Participants* shall report annually to *SFI Inc.* on their conformance with the *SFI 2010-2014 Standard.*

Indicators:

1. Prompt response to the SFI annual progress report.

2. Recordkeeping for all the categories of information needed for SFI annual progress reports.

3. Maintenance of copies of past reports to document progress and improvements to demonstrate conformance to the *SFI 2010-2014 Standard.*

Objective 20. Management Review and Continual Improvement. To promote continual improvement in the practice of *sustainable forestry*, and to monitor, measure and report performance in achieving the commitment to *sustainable forestry*.

Performance Measure 20.1. *Program Participants* shall establish a management review system to examine findings and progress in implementing the *SFI Standard*, to make appropriate improvements in *programs,* and to inform their employees of changes.

Indicators:

1. System to review commitments, *programs* and procedures to evaluate effectiveness.

2. System for collecting, reviewing, and reporting information to management regarding progress in achieving SFI *2010-2014 Standard objectives* and *performance measures.*

3. Annual review of progress by management and determination of changes and improvements necessary to continually improve conformance to the *SFI 2010-2014 Standard.*

SECTION 3.

SFI CHAIN-OF-CUSTODY STANDARD

SUSTAINABLE FORESTRY INITIATIVE

JANUARY 2010

SFI CHAIN-OF-CUSTODY STANDARD

PREFACE

SFI Inc. is an independent, non-profit, charitable organization dedicated to promoting sustainable forest management in North America and supporting responsible procurement globally. The SFI Board is a three chamber Board of Directors representing environmental, social and economic interests equally, and the program addresses local needs through its grassroots network of 37 SFI Implementation Committees across North America. *SFI Inc.* directs all elements of the *SFI* program including the SFI forest standard, chain-of-custody certification, *responsible fiber sourcing* requirements, labeling and marketing.

Consumers in growing numbers want assurance that their buying decisions represent a sound environmental choice. They are asking for proof that wood, paper and packaging products are made with raw materials sourced from *responsible fiber sources.* The SFI Chain-of-Custody Standard and Associated Labels, implemented together with certification to the *SFI 2010-2014 Standard* and the SFI Rules For Use of On-Product Labels, delivers a reliable and credible mechanism so businesses can provide this assurance to customers.

Program Participants practice responsible forestry on the lands they manage and, once they are successfully audited by an independent *SFI certification body,* they can make claims about SFI forest management certification and access SFI-*certified content* labels. They also need to achieve a separate third-party chain of custody certification.

Chain of custody is an accounting system process that tracks wood fiber through the different stages of production. Companies can make claims about how much of their product comes from certified lands, how much contains *post-consumer recycled content*, and how much is responsibly sourced fiber through unique SFI *fiber sourcing* certification. These claims can be made based on either the physical separation or percentage-based methods of tracking *certified forest content* and other *responsible fiber sources.*

The *SFI* program addresses the fact that only 10 percent of the world's forests are certified through procurement requirements in the *SFI 2010-2014 Standard* requiring that *Program Participants* establish adequate measures to ensure all the fiber they source is from legal and responsible sources, regardless of whether it is from certified or uncertified forests. The *SFI* program meets guidelines on environmental claims in product advertising and communication issued by the U.S. Federal Trade Commission and guidelines on environmental labeling and advertising issued by the Competition Bureau of Canada.

Studies have shown that consumers appreciate the value of forest certification in helping them identify wood and paper products from legal, responsible sources. A 2008 survey by GfK Roper Public Affairs & Media and the Yale School of Forestry and Environmental Studies found that North American consumers believe it is important or essential to have eco-labels that describe the environmental impacts caused by the manufacture, use and disposal of products. Of 10 ecolabels tested in the United States, the SFI label had the highest familiarity rating of any forest certification program.

The fact that the *SFI* program can deliver a steady supply of fiber from well-managed forests is especially important at a time when there is increasing demand for green building and responsible paper purchasing, and only 10 percent of the world's forests are certified. The American Consumer Council says it supports the good work of the *SFI* program, and applauds the positive and progressive actions it is taking. A poll by TerraChoice Environmental Marketing found that procurement specialists included the SFI label on a list of the top 10 eco-labels they relied on frequently to make buying decisions.

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SFI CHAIN-OF-CUSTODY STANDARD

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SECTION 1: GENERAL

1.1 Scope

This standard specifies requirements for chain of custody an organization must meet if its claims and or labels referring to the *certified forest content* or the *responsible fiber sources* used in the products it sells or transfers is to be recognized as credible and reliable.

In this standard, the term organization is used to cover any entity harvesting, transporting, handling or processing forest-based products at any stage from a forest to a final consumer.

Organizations shall obtain an independent, third-party certification by an *SFI certification body* to the requirements set out in this standard if they choose to utilize an SFI chain-of-custody label or claim.

This standard specifies two optional approaches for chain of custody, namely physical separation and percentage-based methods.

This standard specifies the minimum management system requirements for the implementation and management of the chain of custody process. An organization's quality (ISO 9001:2008) or environmental management system (ISO 14001:2004) can be used to meet the minimum requirements for the management system defined in section 4 and to accommodate requirements for the certification process defined in sections 2 or 3.

This standard shall be used together with the requirements specifying the *origin*, which is to be verified by the chain of custody. Usage of labels and claims based on the implementation of this standard shall follow ISO 14020:2000.

The conformity assessment carried out by the third party (third-party certification) is considered as product certification and shall follow ISO/IEC Guide 65:1996.

The term "shall" is used throughout this standard to indicate those provisions that are mandatory. The term "should" is used to indicate those provisions which, although not mandatory, are expected to be adopted and implemented.

1.2 References

This standard incorporates, by dated or undated reference, provisions from other publications. These normative and informative references are cited at the appropriate places in the text and the publications are listed hereafter. For dated and undated references, the latest edition of the publication applies.

Normative References

i. ISO/IEC Guide 65:1996 General Requirements for bodies operating product certification systems
ii. ISO/IEC Guide 2:2004 Standardization and related activities – General vocabulary
iii. ISO 14020:2000 Environmental labels and declarations – General principles
iv. Section 2 – *SFI 2010-2014 Standard*
v. Section 4 – Rules for Use of SFI-On-Product Labels
vi. Section 5 – Rules for Use of Off-Product Marks
vii. Section 7 – SFI Legality Requirements and Polices for Avoidance of Illegal Logging Policies
viii. Section 11 – Public Inquiries and Official Complaints

For the purposes of this standard, the relevant definitions given in ISO/IEC Guide 2:2004 and ISO 9000:2005 apply, together with the definitions in the SFI Definitions (Section 13)

Informative References

i. ISO 9000:2005 Quality management systems – Fundamentals and vocabulary
ii. ISO 9001:2008 Quality management systems – Requirements
iii. ISO 14001:2004 Environmental Management Systems – Specification with guidance for use
iv. Program for the Endorsement of Forest Certification schemes (PEFC) Chain of Custody of Forest Based Products Requirements, Normative Document, Annex 4, dated June 17, 2005 including normative amendments of Oct. 27, 2006 and Oct. 5, 2007
v. Section 9 – SFI 2010-2014 Audit Procedures and Auditor Qualifications and Accreditation
vi. Section 13 – SFI Definitions

SECTION 2: REQUIREMENTS FOR CHAIN OF CUSTODY PROCESS – PHYSICAL SEPARATION METHOD

2.1 General Requirements for Physical Separation

2.1.1 The organization applying the physical separation method shall ensure that the *certified forest content* is separated or clearly identifiable at all stages of the production or trading process.

2.1.2 The organization, whose *certified forest content* is not mixed with other raw material and/or where the *certified forest content* can be identified

during the whole process, should use physical separation as the preferred option.

2.2 Identification of the Origin

2.2.1 Identification at Delivery Level

The organization shall identify and verify the category of the *origin* of all procured raw material. Documents associated with the delivery of raw material shall include at least:

a. supplier identification,
b. quantity of delivery,
c. date of delivery / delivery period / accounting period,
d. Category of *origin* – (i.e. percentage from *certified forest content*, from *responsible fiber sources*, and from *post-consumer recycled content*.)
e. The supplier's chain of custody number, if applicable.

This information can be documented in the form of, but not limited to, an invoice, bill of lading, shipping document, letter, or other forms of communications between the organization and the customer.

Note 1: The categories of the *origin* of raw material are specified in the SFI Definitions (Section 13).

Note 2: A company (e.g. printer or lumberyard) that uses the physical separation method and sources products from a suppler that uses the percentage-based method must know the percentage of *certified forest content* if it wants to label products or make claims about them.

2.2.2 Identification at Supplier Level

The organization shall ensure products meet appropriate criteria for *certified forest content*, which means it shall obtain confirmation from suppliers of *certified forest content* that the criteria have been met.

2.3 Separation of the Certified Forest Content

Certified forest content shall remain clearly identifiable throughout the whole production, trading and storage process. This shall be achieved by:

a. physical separation in terms of production and storage space or
b. physical separation in terms of time or
c. permanent identification of the *certified forest content*.

2.4 Sale of Certified Products

2.4.1 At the point of sale or transfer of the certified products to another entity, the organization shall provide the customer with a document verifying conformance with the chain of custody requirements. This can be in the form of, but not limited to, an invoice, bill of lading, shipping document, letter, or other forms of communications between the organization and the customer.

2.4.2 The organization shall ensure that documentation of the certified products clearly states at least the following information

a. organization's identification,
b. quantity of delivery,
c. date of delivery / delivery period / accounting period,
d. Category of *origin* – (i.e. percentage from *certified forest content*, from *responsible fiber sources*, and from *post-consumer recycled content*),
e. The organization's chain of custody number.

Note: The categories of the *origin* of raw material are specified in the SFI Definitions (Section 13).

2.4.3 If the organization uses the logo or label, both on-product and off-product usage shall be carried out according to the terms and conditions of the *Office of Label Use and Licensing* and the Rules For Use of SFI On-Product Labels and SFI Off-Product Marks (Sections 4 and 5) in the SFI requirements document.

SECTION 3: REQUIREMENTS FOR CHAIN OF CUSTODY PROCESS – PERCENTAGE-BASED METHOD

3.1 General Requirements for Percentage-Based Method

3.1.1 Application of Percentage-Based Method

The percentage-based method applies to organizations with facilities where *certified forest content* is mixed with non-*certified forest content* and the *certified forest content* cannot be clearly identified in the output products.

3.1.2 Definition of the Production Batch

3.1.2.1 The organization shall implement the requirements for the chain of custody process of this standard for the specific production batch.

3.1.2.2 The organization shall identify its production batch(es) based on the following criteria:

a. raw material included in the products covered by the production batch,
b. production site at which the products covered by the production batch has been produced,
c. time period over which the products covered by the production batch have been produced or sold/transferred.

3.1.2.3 The production batch shall be associated with (i) a single product or (ii) a group of products, which consist of the same or similar input raw material based on, for example, species, sort or substitutability within products (e.g. SPF lumber contains multiple tree species but may be treated as a single production batch).

3.1.2.4 The organization shall identify an entity within the organization for which the production batch is defined and only products produced or controlled by that entity shall be included within the production batch.

Note: the entity may be a standalone manufacturing facility, a forest contractor with multiple harvest sites, a trader or distributor with multiple suppliers, a remanufacturing facility supplied by multiple primary manufacturers or a centralized sales department within an organization with responsibility for multiple manufacturing units.

3.1.2.5 For credibility purposes of the production batch, the maximum time period is three months.

3.1.2.6 The organization shall use a batch identifier to identify all products included in the production batch covered by the chain of custody so it is possible to determine the production batch to which the products belong. The batch identifier can be a unique number or a name that all products within the production batch belong to.

Note: Physical on-product identification of the production batch is not required if the certification percentage is applied to sold or transferred products as the production batch identification is evident from the sale or delivery documents.

3.2 Identification of the Origin

3.2.1 Identification at Delivery Level

The organization shall identify and verify the category of *origin* of all procured raw material. Associated documents with delivery of raw material shall include at least:

a. supplier identification,
b. quantity of delivery,
c. date of delivery / delivery period / accounting period,
d. Category of *origin* - (i.e. what percentages is from *certified forest content*, from *responsible fiber sources*, and from *post-consumer recycled content*),
e. The supplier's chain of custody number if applicable.

This information can be documented in the form of, but not limited to, an invoice, bill of lading, shipping document, letter, or other forms of communications between the organization and the customer.

Note: The categories of the *origin* of raw material are specified in the SFI Definitions (Section 13) in the SFI requirements document.

3.2.2 Identification at Supplier Level

The organization shall obtain or access confirmation for all suppliers of the *certified forest content* documentation, which proves that the criteria set for the supplier of the *certified forest content* have been met.

3.3 Calculation of the Certified Percentage

3.3.1 The organization shall calculate the certification percentage separately for each production batch according to the following formula:

$$Pc\ [\%] = \frac{Vc}{Vc + Vo} \cdot 100$$

Pc Certification percentage
Vc *Certified content*
Vo Other raw material (non-certified fiber and *responsible fiber source*)

Note: When making claims about *post-consumer recycled content*, the *post-consumer recycled content* can count towards *certified content* and the amount must be disclosed to the customer. However, when making claims about *certified content*, the *post-consumer recycled content* must be counted as a *neutral source. Neutral sources* are not counted towards or against the calculation of the *certified content* percentages in chain of custody tracking.

3.3.2 The organization shall calculate the certification percentage based on a single measurement unit used for all raw material covered by the calculation. The organization shall use only official conversion ratios and methods. If a suitable official conversion ratio does not exist, the organization shall define and use a reasonable and credible internal conversion ratio.

3.3.3 If the procured raw material includes only a proportion of *certified content*, then only the quantity corresponding to the actual certification percentage claimed by the supplier can enter the calculation formula as *certified content*. The rest of that raw material shall enter the calculation as other raw material.

3.3.4 The organization shall calculate the certification percentage either as a simple or rolling average percentage. Refer to Appendix 1 of this document for the definitions of simple and rolling average calculations.

3.3.5 The organization applying the simple certification percentage shall base the calculation of Pc (the certification percentage) for each production batch on the figures for Vc (*certified content*) and Vo (other raw material) for that specific production batch. As a result, it is necessary for the organization applying this method to know the percentage of *certified content* before any product of the production batch is sold or transferred.

The production batch shall not exceed three months of production.

3.3.6 The organization applying the rolling average certification percentage shall base the calculation of Pc (the certification percentage) for each production batch on the figures for Vc (*certified content*) and Vo (other raw material) for a specified number of prior production batches (excluding the current production batch).

The time period covered by the specified number of prior production batches shall not exceed 12 months.

3.4 Transfer of the Calculated Percentage to the Outputs

3.4.1 Average Percentage Method
The organization applying the average percentage method can label the products covered by the production batch. No minimum threshold is set to use the average percentage method, but the actual percentage of *certified forest content* must be communicated to the customer per 3.5.2.d

Note 1: If the certification percentage for the production batch is 54%, then the products covered by this production batch can be sold as a SFI chain-of-custody certified product and carry one of the two SFI on-product labels shown below. The actual percentage of *certified forest content* must be communicated to the customer per 3.5.2.d.

3.4.2 Volume Credit Method

3.4.2.1 The organization applying volume credit shall recognize volume credits in the single measurement unit used for all raw material inputs. Volume credits shall be transferred to a volume credit account based on the amount of certified raw material used in each production batch. The amount of material considered certified can be calculated by using either the simple average or rolling average method.

Note: If the certification percentage for the production batch is 54% then the amount of the output that can be sold as a SFI chain-of-custody certified product is the amount of output that would be produced by 54% of the input raw material. The label used for this method is as follows.

3.4.2.2 The volume credit shall be distributed to the output products from the volume credit account in a way that all products sold as certified are sold as 100% certified. The amount of volume credit required for each output unit shall be based on the specific ratio of input raw material/output product units for that specific product.

3.4.2.3 The organization can cumulate the volume credit by creating a credit account, which can be used for the next production batches.

3.4.2.4 The total quantity of credits cumulated at the credit account cannot exceed the sum of credits entered into the credit account during the last 12 months.

3.5 Sale of Products

3.5.1 When the organization sells or transfers the certified products, the organization shall provide customers with a document verifying conformance with the chain of custody requirements. This can be in the form of, but not limited to, an invoice, bill of lading, shipping document, letter, or other forms of communications between the organization and the customer.

3.5.2 The organization shall ensure that documentation of the certified products clearly states at least the following information:

a. organization's identification,
b. quantity of delivery,
c. date of delivery / delivery period / accounting period
d. Category of *origin* – (i.e. **Average percent users** – percentages from *certified forest content*, from *responsible fiber sources*, and from *post-consumer recycled content*. **Volume credit users** – percentage of transferred *certified forest content* per 3.4.2.2. If 100%, then the claim should be "100% certified as calculated under the volume credit method").
e. The organization's chain of custody number.

3.5.3 If the organization uses the logo, both on-product and off-product usage shall be carried out according to the terms and conditions of the *Office of Label Use and Licensing* and the Rules for Use of SFI On-Product Labels and SFI Off-Product Marks (Sections 4 and 5 in the SFI requirements document).

3.6 Sourcing From Outside the United States and Canada

3.6.1 Process to Avoid *Controversial Sources*
When sourcing from outside the United States and Canada, the organization shall establish adequate measures to ensure that the certified products do not include raw material from *controversial sources.* Use of *controversial sources* is not allowed in SFI-labeled products. The organization shall:

3.6.1.1 Require a signed self-declaration that the supplied raw material does not originate from *controversial sources*. If it has signed contracts with its suppliers, it shall include such a declaration in the contracts.

3.6.1.2 Evaluate the potential risk of procuring raw material from *controversial sources* and establish a program to check a sample of self-declarations by suppliers, using a second- or third-party verification.

Note: The potential risk evaluation carried out by the organization should be based on the regional / country level.

3.6.1.3 Ensure procurement from areas outside the United States and Canada promote the *conservation* of *biodiversity hotspots* and *high-biodiversity wilderness areas.*

3.6.1.4 Develop a process with direct suppliers to promote the principles of sustainable forestry.

3.6.1.5 Ensure it knows whether direct suppliers are applying the principles of sustainable forestry.

3.6.1.6 Have a process in place to assess the risk of fiber from countries without effective social laws addressing the following:

1. workers' health and safety;
2. fair labor practices;
3. indigenous peoples' rights;
4. antidiscrimination and anti-harassment measures;
5. prevailing wages; and
6. workers' right to organize.

3.6.1.7 Program to address any significant risk indentified under 3.6.1.6

3.6.1.8 See Section 7 in the SFI requirements document for SFI's Policy on Illegal Logging.

SECTION 4: MINIMUM MANAGEMENT SYSTEM REQUIREMENTS

4.1 General Requirements

The organization shall operate a management system in accordance with the following elements of this standard, which ensure correct implementation and maintenance of the chain of custody process. The management system shall be appropriate to the type, range and volume of work performed.

Note: An organization's quality (ISO 9001:2008) or environmental (ISO 14001:2004) management system can be used to meet the minimum requirements for the management system defined in this standard.

4.2 Responsibilities and Authorities for Chain of Custody

4.2.1 Management Responsibilities

4.2.1.1 The organization's top management shall define and document its commitment to implement and maintain the chain of custody requirements, and make this available to its personnel, suppliers, customers, and other interested parties.

4.2.1.2 The organization's top management shall appoint a member of the management who, irrespective of other responsibilities, shall have overall responsibility and authority for the chain of custody.

4.2.1.3 The organization's top management shall carry out a regular periodic review of the chain of custody and its compliance with the requirements of this standard.

4.2.2 Responsibilities and Authorities for Chain of Custody

The organization shall identify personnel performing work affecting the implementation and maintenance of the chain of custody, and establish and set responsibilities and authorities relating to the chain of custody process:

a. raw material procurement and identification of the *origin*;
b. product processing covering physical separation or percentage calculation and transfer into output products;

c. product sale and labeling;
d. record keeping; and
e. internal audits and non-conformity control.

Note: The responsibilities and authorities for the chain of custody given above can be cumulated.

4.3 Documented Procedures

The organization's procedures for the chain of custody shall be documented, and include at least the following elements:

a. description of the raw material flow within the production process;
b. organization structure, responsibilities and authorities relating to chain of custody; and
c. procedures for the chain of custody process covering all requirements of this standard.

4.4 Record Keeping

4.4.1 The organization shall establish and maintain records to provide evidence it has conformed to the requirements of this standard and its chain of custody procedures are effective and efficient. The organization shall keep at least the following:

a. records of all suppliers of forest-based raw material, including information to confirm requirements at the supplier level are met;
b. records of all purchased forest-based raw material, including information on its *origin*;
c. records that demonstrate how the certification percentage for each production batch was calculated;
d. records of all forest-based products sold and their claimed *origin*. including, as applicable, records of movements in volume credit accounts;
e. records of internal audits, non-conformities which occurred and corrective actions taken; and
f. records of top management's periodic review of compliance with chain of custody requirements.

4.4.2 The organization shall maintain the records for a minimum period of three years unless stated otherwise by law.

4.5 Resource Management

4.5.1 Human Resources/Personnel

The organization shall ensure that all personnel performing work affecting the implementation and maintenance of the chain of custody shall be competent on the basis of appropriate training, education, skills and experience.

4.5.2 Technical Facilities

The organization shall identify, provide and maintain the infrastructure and technical facilities needed for effective implementation and maintenance of the organization's chain of custody to meet the requirements of this standard.

4.6 Inspection and Control

4.6.1 The organization shall conduct internal audits at intervals of no more than one year covering all requirements of this standard, and establish corrective and preventive measures if required.

4.6.2 The report from the internal audit shall be reviewed by the organization's top management at least annually.

SECTION 5 – OUTSOURCING AGREEMENTS

5.1 Outsourcing Agreements

Chain of custody certificate holders who outsource processing or manufacturing activities on a flexible basis to any one of a number of potential contractors may apply for inclusion of the outsourced process within the scope of their SFI Chain-of-Custody certificate. Organizations shall work with the *SFI certification body* to demonstrate legal ownership of all input material to be included in outsourced processing.

APPENDIX 1: CALCULATION OF THE CERTIFICATION PERCENTAGE

(Informative)

DEFINITION OF THE PRODUCTION BATCH

The organization shall identify production batch(es) for which the certification percentage is calculated. The production batch shall be identified for specific products or groups of products. Only products that consist of the same or similar raw material can be included in one production batch.

Table 1: Example of chain of custody production batch definition

Output products	Input raw material	Chain of custody production batch	Units for credit account
Spruce lumber A	Spruce, Pine, Fir (SPF) sawlogs	Spruce, Pine, Fir (SPF) products	Tons of Spruce, Pine, Fir (SPF) sawlogs
Pine lumber B			
Fir lumber C			
Fir/Spruce/Pine (SPF) chips			
Alder lumber A	Alder sawlogs	Alder products	Tons of Alder sawlogs
Alder lumber B			
Alder lumber C			
Alder chips			
Alder/Pine/Spruce sawdust	Alder/Spruce/Pine sawlogs	Residue products	Tons of Alder/Spruce, Pine Fir (SPF) sawlogs
Alder/Pine/Spruce bark			

CALCULATION OF THE CERTIFICATION PERCENTAGE

The company can use two methods to calculate the certification percentage (simple percentage or rolling average percentage):

Simple Percentage

The certification percentage for the specific production batch is calculated from the material included in that specific production batch. As a result, the organization applying this method must know the percentage of *certified content* before any product from that production batch is sold or transferred.

Rolling Average Percentage

The rolling average percentage is obtained by using the quantity of raw material procured in the specified previous period. As a maximum, the rolling average can be applied over the last 12 months.

EXAMPLE OF A THREE-MONTH ROLLING AVERAGE

The certification percentage for the production batch is calculated from volumes of certified and other raw material procured during the previous three-month period (excluding the current production batch).

Note: When the organization starts the chain of custody and the time period used in rolling average calculation is longer than the time period the chain of custody has been in place, the calculation of the rolling average is carried out from the volumes procured since the chain of custody was established. An example is given in table 2: The first rolling average (month 1) is calculated only from volumes procured in month 1, the second rolling average (month 2) is calculated only from volumes procured in months 1 and 2.

Table 2: Example of a three-month rolling average

1	2	3	4	5	6
No of the 1- month calcul. period	Volume of certified raw material procured (tonnes)*	Volume of other raw material (tonnes)*	Sum of volumes of certified raw material for previous 3 months (tonnes)	Sum of volumes of other raw material for previous 3 months (tonnes)	3-month rolling average percentage
j=i	Vc	Vo	Vc(3)	Vo(3)	Pc(3)
			$Vc(3) = \sum_{j=i}^{i-2} Vc_i$	$Vo(3) = \sum_{j=i}^{i-2} Vo_i$	$Pc = \frac{Vc(3)}{Vc(3)+Vo(3)}$
1	11	90	11	90	10.89%
2	12	90	23	180	11.33%
3	13	90	36	270	11.76%
4	14	90	39	270	12.62%
5	15	90	42	270	13.46%
6	16	90	45	270	14.29%
7	17	90	48	270	15.09%
8	18	90	51	270	15.89%
9	19	90	54	270	16.67%
10	20	90	57	270	17.43%
11	21	90	60	270	18.18%
continues					

* The volume figures given in the table above are only examples

Example of calculation given in table 2:

a. [column 4] Volume of certified raw material is calculated as sum of volumes of certified raw material procured in the previous 3 months.

$Vc(3)_6 = Vc_6 + Vc_5 + Vc_4$; $Vc(3)_6 = 16 + 15 + 14 =$ **45** [tonnes]

b. [column 5] Volume of other raw material is calculated as sum of volumes of other raw material procured in the previous 3 months.

$Vo(3)_6 = Vo_6 + Vo_5 + Vo_4$; $Vo(3)_6 = 90 + 90 + 90 =$ **270** [tonnes]

c. [column 6] The rolling average percentage is calculated according to the formula of chapter 3.3.1: $Pc = Vc / [Vc + Vo]$

$Pc_6 = 100 * Vc(3)_6 / [Vc(3)_6 + Vo(3)_6]$; $Pc_6 = 100 * 45 / [45 + 270] =$ **14.29 %**]

Note: The production batch period does not need to be equal to the calculation period as long as it does not exceed the length of the calculation period.

VOLUME CREDIT ACCUMULATION

The organization can establish a volume credit account for the input raw material used in the specific production batch or for specific products of the production batch if 3.4.2.4 applies.

Table 3: example of volume credit accumulation (in tonnes)

1	2	3	4	5
Number of 1 month's production batch	Credit volume for the production batch	Credit account	Maximum credit account	Used credits
I		$= [3]_{i-1} - [5]_{i-1} + [2]_i$ condition: $[3]_i \leq [4]_i$	$\sum_{i}^{i-11} [2]$	
1	0	0	0	0
2	7.78	7.78	7.78	0
3	8.17	15.95	15.95	0
4	8.56	24.51	24.51	0
5	9.28	33.79	33.79	0
6	9.99	43.78	43.78	0
7	10.70	54.48	54.48	0
8	11.41	65.89	65.89	0
9	12.12	78.01	78.01	0
10	12.83	90.84	90.84	0
11	13.54	104.39	104.39	0
12	14.25	118.64	118.64	0
13	14.96	133.61	133.61	0
14	15.68	141.50	141.50	5
15	16.38	149.72	149.72	10
16	17.09	156.81	158.25	50
17	17.80	124.62	166.78	50
18	18.51	93.13	175.30	100

Example of calculation given in table 3 for the production batch of month 14:

d. [column 2] Includes volume credit calculated for 1 month production batch. (Values for months 1-11 are taken from table 2).

e. [column 3] Credit account is calculated as a result of the credit account in the previous month [column 3, month 14] minus volume credits used in the previous month [column 5, month 14] plus volume credit calculated for the current month [column 2, month 15].

$[3]_{14} - [5]_{14} + [2]_{15} = 141.50 - 5 + 16.38 = 152.88$ **[tonnes]**

Total quantity accumulated in the credit account cannot exceed volume credits entered into the volume credit in the previous twelve months [column 4 = 149.72] (chapter 3.4.2.4)

152.88 > 149.72, therefore credit account is **149.72** [tonnes]

f. [column 4] Maximum credit account is calculated as a sum of volume credits entered into the credit account during the last twelve months [column 2, month 4-15].

$[4] = [2]_4 + [2]_5 + [2]_6 + [2]_7 + [2]_8 + [2]_9 + [2]_{10} + [2]_{11} + [2]_{12} + [2]_{13} + [2]_{14} + [2]_{15} =$
$= 8.56+9.28+9.99+10.70+11.41+12.12+12.83+13.54+14.25+14.96+15.68+16.38 =$
$=$ **149.72 [tonnes]**

USE OF THE VOLUME CREDIT

The volume credit account shall be drawn down as certified sales are made. The number of volume credits removed from the account shall be based on the ratio of input/output volume for the specific products sold as certified. Table 4 shows an example of the draw down of the volume credit account for different product sales.

Table 4 – Example of draw down of the volume credit account for different product sales.

Credit account balance (raw material credits)	Product	Input/output ratio	Volume of certified sales	Reduction to credit account balance
200	A	1/1	20	20
180	B	4/1	40	160
20	C	2/1	10	20
0	–	–	–	–

APPENDIX 2: SFI CHAIN-OF-CUSTODY CERTIFICATE REQUIREMENTS

(Informative)

1. **Certificate Statement:** The X company or facility has been independently certified by Y, an *SFI certification body* accredited to perform *SFI* program chain-of-custody audits that conform to the *SFI Chain-of-Custody Standard.*

2. **Certificate Meaning:** The certificate holder has been independently certified by an *SFI certification body* accredited to perform SFI chain-of-custody audits to the, SFI Chain-of-Custody Standard, and has received a license from the SFI *Office of Label Use and Licensing* authorizing use of the SFI service marks.

   2.1 Certificate Content: All SFI chain-of-custody certificates shall have the following information, at a minimum, on the certificate:

   a. Chain of custody number: The numbering system will have a three-letter abbreviation of the *SFI certification body's* name, followed by "SFICOC", followed by the audit number. The audit number can be unique to the *SFI certification body*. (Example for certification body XYZ completing its 20th chain–of-custody audit: XYZ-SFICOC-0020).

   b. The SFI off-product logo service mark (see below) must be placed on the certificate.

   SUSTAINABLE FORESTRY INITIATIVE

   c. The logo of the accreditation firm (ANSI or SCC) for the *SFI certification body* conducting the chain of custody certification must be placed on the certificate.

3. **Eligible Entities:** Any company or facility that manufactures or distributes forest-based manufactured or printed products and wants to document that the material in the products was manufactured by a company certified to the SFI Standard is eligible to obtain an *SFI* program Chain-of-Custody Certificate (Except as provided for in the SFI Policy on *Illegal Logging* in Section 7 of the SFI requirements document).

4. **Application for SFI Label Use:** The certified company and/or the *SFI certification body* will inform the *Office of Label Use and Licensing* of a successful completion along with a copy of the chain of custody certificate

5. **Issuance of License and Certificate.**

   5.1. Issuance of License: The *Office of Label Use and Licensing* shall issue the license to use the SFI off-product marks to the applicant upon written confirmation of successful completion of the chain of custody audit.

   5.2. Certificate: The *SFI certification body* provides the written documentation of a successful completion of an audit.

6. **Availability of On-Product Label:** Holders of *SFI* program Chain-of-Custody Certificates may also qualify for use of an SFI on-product label and may receive authorization from the SFI *Office of Label Use and Licensing*.

APPENDIX 3: CRITERIA FOR THE EVALUATION OF CHAIN OF CUSTODY CERTIFICATION STANDARDS FOR USE IN THE SFI PROGRAM

OBJECTIVE

This appendix is intended to evaluate whether or not the standards have credible systems for tracking wood flows from SFI certified land bases. The intent is not to recognize or include other provisions on "controlled wood", "good wood" or any other forest management provisions.

CRITERIA

1. The standard contains elements which address scope, references and definitions.

2. The standard defines minimum requirements for the management system, including:
   - management and personnel responsibilities;
   - documentation of procedures for the chain of custody process covering all requirements of the standard;
   - record keeping; and
   - internal auditing.

3. The standard contains specific requirements for each chain of custody method allowed under the standard (physical separation, percentage based, volume credit, batch in/batch out, procurement system), including but not limited to:
   - supplier identification/verification or *origin* of wood flows;
   - inventory control and accounting of wood flows;
   - separation of material (if necessary); and
   - calculation of the certified percentage.

4. The standard is consistent with the requirements of national and international standards and conformity assessment forums such as International Organization of Standardization (ISO) or the International Accreditation Forum.

5. The standard requires the use of certification bodies accredited by ANSI, Standards Council of Canada, or an equivalent body recognized by the International Accreditation Forum to conduct a Chain of Custody (CoC) Conformity Assessment based on ISO/IEC Guide 65:1996.

SECTION 4.
RULES FOR USE OF SFI ON-PRODUCT LABELS

SUSTAINABLE FORESTRY INITIATIVE

JANUARY 2010

RULES FOR USE OF SFI ON-PRODUCT LABELS

PREFACE

SFI Inc. is an independent, non-profit, charitable organization dedicated to promoting sustainable forest management in North America and supporting responsible procurement globally. The SFI Board is a three chamber Board of Directors representing environmental, social and economic interests equally, and the program addresses local needs through its grassroots network of 37 SFI Implementation Committees across North America. *SFI Inc.* directs all elements of the *SFI* program including the SFI forest standard, chain-of-custody certification, *responsible fiber sourcing* requirements, labeling and marketing.

Consumers in growing numbers want assurance that their buying decisions represent a sound environmental choice. They are asking for proof that wood, paper and packaging products are made with raw materials sourced from *responsible fiber sources.* The Rules for Use of SFI On-Product Labels as well as the SFI Chain-of-Custody Standard deliver a reliable and credible mechanism so businesses can provide this assurance to their customers.

The *SFI* program meets guidelines on environmental claims in product advertising and communication issued by the U.S. Federal Trade Commission and guidelines on environmental labeling and advertising issued by the Competition Bureau of Canada.

Studies have shown that consumers appreciate the value of forest certification in helping them identify wood and paper products from legal, responsible sources. A 2008 survey by GfK Roper Public Affairs & Media and the Yale School of Forestry and Environmental Studies found that North American consumers believe it is important or essential to have eco-labels that describe the environmental impacts caused by the manufacture, use and disposal of products. Of 10 ecolabels tested in the United States, the SFI label had the highest familiarity rating of any forest certification program.

The fact that the *SFI* program can deliver a steady supply of fiber from well-managed forests is especially important at a time when there is increasing demand for green building and responsible paper purchasing, and only 10 percent of the world's forests are certified. The American Consumer Council says it supports the good work of the *SFI* program, and applauds the positive and progressive actions it is taking. A poll by TerraChoice Environmental Marketing found that procurement specialists included the SFI label on a list of the top 10 eco-labels they relied on frequently to make buying decisions.

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RULES FOR USE OF SFI *FIBER SOURCING* LABELS

1. SCOPE AND PURPOSE

1.1 Scope: This section describes the requirements for *certified Program Participants* and *secondary producers* in the United States or Canada seeking use of the SFI Certified *Fiber sourcing* on-product label. *Primary* or *secondary producers* with operations outside of the United States and Canada should refer to section 4 of this document.

1.2 Purpose: The purpose of this section is to describe the requirements *certified Program Participants* and *secondary producers* must meet in order to use the SFI on-product label.

1.3 Label: The following label applies to this section.

SUSTAINABLE FORESTRY INITIATIVE
Certified Fiber Sourcing
www.sfiprogram.org

2. NORMATIVE AND INFORMATIVE REFERENCES

2.1 Normative: The following normative SFI standards are referenced in this document and can be found on the *SFI Inc.* website at www.sfiprogram.org:

i. Section 2 - *SFI 2010-2014 Standard*
ii. Section 4 – Rules for use of SFI On-Product Labels
iii. Section 5 – Rules for use of SFI Off-Product Marks
iv. Section 13 – SFI Definitions

2.2 Informative: The following informative SFI standards are referenced in this document and can be found on the *SFI Inc.* website at www.sfiprogram.org:

i. Section 3 – SFI Chain-of-Custody Standard
ii. Section 9 – SFI 2010-2014 Audit Procedures and Auditor Qualifications and Accreditation

3. CERTIFIED *FIBER SOURCING* LABEL

3.1 *Primary producers* are manufacturing units that produce forest products (wood, paper, pulp, or composite products) and source 50% or more (by weight) of their wood-based raw materials directly from *primary sources*. They must account for 100% of their *primary sources* as coming from *responsible fiber sources.*

If a *primary producer* sources from company-owned or company-controlled lands enrolled in the *SFI* program, those lands must be third-party certified to the SFI 2010-2014 Standard.

3.2 *Secondary producers* are manufacturing units that produce forest products and source 50% or more (by weight) of their wood-based raw materials from *secondary sources*. They must account for at least two-thirds (2/3) (by weight) of the wood or wood fiber in the product(s) or manufacturing unit as coming from *responsible fiber sources*. The other one-third (1/3) cannot come from *controversial sources*.

3.3 The label cannot be used if offshore raw material comes from *controversial sources* so adequate measures are needed to ensure certified products do not include fiber from *controversial sources*.

3.4 Calculation of percentage for use of the Certified *Fiber sourcing* Label is as follows:

3.4.1 *Primary producers* shall demonstrate conformance with the requirements of 3.1 at all times, which means 100% *responsible fiber sources* requirements for every production batch.

3.4.1.1 If less than 5% (by weight) of a manufacturing unit's raw material supply comes from *secondary sources*, these sources are considered de minimis and no certification of this portion is required if all is from U.S. or Canadian sources.

3.4.2 *Secondary producers* shall specify how they will meet the requirements of 3.2 to conform to the two-thirds rule. They may base the calculation on a production batch or time period (which cannot exceed one quarter). The percentage may be calculated as:

- Rolling Average Percentage — The percentage calculated for wood fiber consumed during, for example, the previous four quarters or 12 months. The period over which the rolling average is calculated shall not exceed one year.
- Simple Percentage — The percentage calculated for wood fiber consumed in the specific production batch.

3.4.3 In all cases, the organization must demonstrate that the requirements of 3.1 and/or 3.2 are met before the label can be used in relation to a specific production batch or time period.

4. ORGANIZATIONS OUTSIDE THE UNITED STATES AND CANADA

4.1 A *primary producer* or *secondary producer* outside the United States and Canada must successfully complete an annual audit by an accredited *SFI certification body* against the requirements of the SFI Responsible *Fiber sourcing* Standard and Associated Labels (Section 4) of the SFI requirements document.

4.2 A *primary producer* outside the United States and Canada must account for 100% of its *primary sources* as coming from *responsible fiber sources*.

4.3 A *secondary producer* outside the United States and Canada must account for at least two-thirds (2/3) (by weight) of the wood or wood fiber in the product(s) or manufacturing unit as coming from *responsible fiber sources*. The other one-third (1/3) cannot come from *controversial sources*.

5. *RESPONSIBLE FIBER SOURCES*

Responsible fiber sources are confirmed by an *SFI certification body* to be sourced:

5.1 From *certified forest content,* which includes specific forest tracts third-party certified to the *SFI 2010-2014 Standard* or other *acceptable forest management standards* (Canadian Standards Association (CAN/ CSA-Z809) and the American Tree Farm System).

5.2 Through a procurement system certified to conform to the *SFI 2010-2014 Standard.*

5.3 *Pre-Consumer Recycled Content*: Material diverted from the waste stream during a manufacturing process. It does not include materials such as rework, regrind or scrap generated in a process and capable of being reclaimed within the same process.

5.4 *Post-Consumer Recycled Content:* Material generated by households or by commercial, industrial and institutional facilities in their role as end-users of the product, which can no longer be used for its intended purpose.

6. SOURCING FROM OUTSIDE THE UNITED STATES AND CANADA

6.1 Process to Avoid *Controversial Sources*

When sourcing from outside the United States and Canada, the organization shall establish adequate measures to ensure that the certified products do not include raw material from *controversial sources*. Use of *controversial sources* is not allowed in SFI labeled products. The organization shall:

6.1.1 Require a signed self-declaration that the supplied raw material does not originate from *controversial sources*. If it has signed contracts with its suppliers, it shall include such a declaration in the contracts.

6.1.2 Evaluate the potential risk of procuring raw material from *controversial sources* and establish a program to check a sample of self-declarations by suppliers, using second- or third-party verification.

Note: The potential risk evaluation carried out by the organization should be based on the regional/ country level.

6.1.3 Ensure procurement from areas outside the United States and Canada promote the *conservation* of *biodiversity hotspots* and *high-biodiversity wilderness areas.*

6.1.4 Develop a process with direct suppliers to promote the principles of sustainable forestry.

6.1.5 Ensure it knows whether direct suppliers are applying the principles of sustainable forestry.

6.1.6 Have a process in place to assess the risk of fiber from countries without effective social laws addressing the following:

- workers' health and safety;
- fair labor practices;
- indigenous peoples' rights;
- antidiscrimination and anti-harassment measures;
- prevailing wages; and
- workers' right to organize.

6.1.7 Program to address any significant risk indentified under 6.1.6

6.1.8 See Section 7 of the SFI requirements document for *SFI Inc.*'s Policy on Illegal Logging.

7. APPLICATION REQUIREMENTS

7.1 *Primary producers* must annually submit to the *Office of Label Use and Licensing*:

1. A copy of their *SFI 2010-2014 Standard* certificate and a copy of their annual audit report issued by an *SFI certification body* that clearly identifies the specific forestlands and/or manufacturing units covered under the scope of the certificate.
2. Evidence of a successful completion of their most recent surveillance audit to the *SFI 2010-2014 Standard.*
3. A list of the manufacturing unit(s) and product(s) for which the SFI Certified *Fiber sourcing* Label use approval is sought.

7.2 *Secondary producers* must annually submit to the *Office of Label Use and Licensing*:

1. An annual SFI Responsible *Fiber sourcing* Standard and Associated Labels (Section 4 of the SFI requirements document) audit report issued by an accredited *SFI certification body.*
2. A list of the manufacturing unit(s) and product(s) for which the SFI Certified *Fiber sourcing* Label use approval is sought.

7.3 *Primary* or *secondary producers* outside the United States and Canada must annually submit to the *Office of Label Use and Licensing:*

1. An annual SFI Responsible *Fiber sourcing* Label Standard and Associated Labels (Section 4) audit report issued by an accredited *SFI certification body.*
2. A list of the manufacturing unit(s) and product(s) for which the SFI Certified *Fiber sourcing* Label use approval is sought.

8. OFFICE OF LABEL USE AND LICENSING

8.1 The *Office of Label Use and Licensing* shall evaluate and approve applications for use of all SFI on-product labels, shall establish label-use rules and procedures set out in the Rules for Use of SFI On-Product Labels and SFI Off-Product Marks (Sections 4 and 5 of the SFI requirements document), and shall maintain oversight of use of all SFI on-product labels.

8.2 Approval for use of any SFI on-product labels will become effective upon authorization issued by the *Office of Label Use and Licensing*, and remains in effect for one year, unless terminated pursuant to the terms set out in the SFI Label Agreement.

8.3 The *Office of Label Use and Licensing* may periodically announce additional rules and procedures to ensure ownership and use of the SFI on-product labels are adequately protected under applicable law, and to ensure proper consumer understanding.

8.4 Applicants must provide specific examples of proposed SFI on-product label use and related promotional literature to the *Office of Label Use and Licensing*, in keeping with the Rules For Use of SFI On-Product Labels and SFI Off-Product Marks (Sections 4 and 5 of the SFI requirements document).

8.5 In response to questions and issues raised by SFI on-product *label users* or *certification bodies*, the *Office of Label Use and Licensing* will periodically announce and formally adopt interpretations to the SFI Responsible *Fiber sourcing* Standard and Associated Labels (Section 4 of the SFI requirements document). All interpretations will be posted at www.sfiprogram.org.

9. OTHER CONDITIONS PERTINENT TO *PRIMARY* AND *SECONDARY PRODUCERS*

9.1 A *secondary producer* may use the Certified *Fiber sourcing* Label on products from a single manufacturing unit as long as the specific supply for that product(s) or for that manufacturing unit meets all the content requirements set out in this document.

9.2 A *label user* may not use the *SFI* program label on any products from manufacturing unit(s) for which it has not obtained approval from the *Office of Label Use and Licensing*.

9.3 The SFI on-product label is to be used for specific product(s) or manufacturing unit(s), and must be certified and approved as such.

RULES FOR USE OF SFI CHAIN-OF-CUSTODY ON-PRODUCT LABELS

1. SFI-CERTIFIED FOREST CONTENT LABELS

The *SFI* program has two chain of custody labels, each showing that some or all of the product's fiber content comes from forests that are third-party certified to *acceptable forest management standards* such as SFI, the Canadian Standards Association (CAN /CSA-Z809) and/or the American Tree Farm System (ATFS).

1.1 Promoting Sustainable Forest Management Label

This label may be used by any chain of custody certified *primary producer* that uses either the volume credit or average percentage chain of custody method. Chain-of-custody certified *secondary producers* may also use this label once they obtain all the information under 3.5 in SFI Section 3 of the SFI requirements document.

1.2 X% Content Label

This label may be used by any chain of custody certified *primary producer* that uses the average percentage chain of custody method. Chain-of-custody certified *secondary producers* may also use this label once they obtain all information under 3.5 in SFI Section 3 of the SFI requirements document.

1.3 Chain-of-Custody Labels with Mobius Loop

Either of the chain of custody labels above can include a Mobius loop stating the percentage of *post-consumer recycled content* in the product, as illustrated below.

GENERAL RULES FOR USE OF SFI ON-PRODUCT LABELS

SFI Inc. owns the on-product labels shown in Appendix 2. All SFI marks are registered in the United States, Canada, European Union, China, Japan and South Korea.

The *SFI* program owns all right, title and interest in the foregoing marks and exercises legitimate control over the use of these marks.

Upon receiving written authorization from the *SFI* program, qualified organizations or companies may use the certification marks provided the following conditions and limitations are strictly adhered to:

1. All SFI labels are registered with both the U.S. Patent and Trademark Office and the Canadian Intellectual Property Office, and each mark must be individually accompanied by an ® to indicate that the on-product label is associated with the *SFI* program.

2. All projects with the SFI label must be sent to the SFI *Office of Label Use and Licensing* prior to press. There are no size or color restrictions on the label, but if the certified printer uses the above green/black version, the PMS color is 348.

3. The on-product label may be combined with the Program for the Endorsement of Forest Certification schemes (PEFC) on the product label, assuming the organization has met all requirements under PEFC's Annex 4 and Annex 5.

4. The recycled Mobius loop may only be used within the SFI label when the organization is certified to the SFI Chain-of-Custody Standard and Associated Labels (Sections 3 and 4), and can only be used to describe *post-consumer recycled content* as described in SFI Definitions (Section 13 of the SFI requirements document).

5. The tree/leaf design <u>may not</u> be displayed by itself, and must always be accompanied with either "Sustainable Forestry Initiative" or "SFI", the claim associated with the label, and the SFI website (www.sfiprogram.org).

6. The on-product labels can be used in either horizontal or vertical styles.

7. The on-product labels can be used in English, French and Spanish, and translations are available.

8. Any public communication by *Program Participants* and *label users* shall be accurate and consistent with applicable law and requirements for SFI logo use. *Program Participants* and *label users* are encouraged to consult the U.S. Federal Trade Commission's guidelines on environmental claims in product advertising and communication and the guidelines on environmental labeling and advertising issued by the Fair Business Practices Branch of Industry Canada's Competition Bureau, as appropriate, and to seek additional information and direction from national accreditation bodies, national standards bodies and national, state and provincial consumer protection and competition laws.

9. The marks may be used on products, including shrink wrap and other product packaging, that have been produced by a primary or secondary producing facility, a publisher, a retailer, or a printer that has qualified for use of the appropriate mark pursuant to the criteria set out in SFI Section 3 and/or SFI Section 4 of the SFI requirements document.

10. The marks may be used in product/brochures or advertising for products that qualify to use one of the on-product marks subject to the following rules:

    a. When discussing products produced by a qualified facility, the on-product usage is restricted to either, 1) the statement, "Look for this mark on (specified product)" or, 2) in a picture of a product with the mark on the product.

    b. When promoting the sale of trees or logs grown on certified land by landowners who have the land third-party certified to the SFI Standard.

    c. When referencing the products of a company with mills that do not all qualify for the certification mark, this fact must communicated (e.g. "only some of the mills producing 'x' product are qualified to use the SFI on-product label").

    d. If all the products in a product line are not certified, the label must accurately state this (e.g. "this label only applies to the cover of this publication").

    e. When using the average percentage method, the "Promoting Sustainable Forest Management" label may be used provided a company with SFI chain-of-custody certification communicates the actual percentage of *certified content* to their customer per section 3.5.2.d in the SFI Chain-of-Custody Standard and Associated Labels (Section 3 of the SFI requirements document). This information can be communicated in the form of, but not limited to, an invoice, bill of lading, shipping document, letter, or other forms of communications between the organization and the customer.

    f. Printers that are certified to the SFI Chain-of-Custody Standard and Associated Labels (Section 3 of the SFI requirements document) may use their chain of custody procedures to account for product that is approved for the Certified *Fiber sourcing* Label, and label that product with the Certified *Fiber sourcing* Label. These organizations must obtain documentation from their suppliers that the product is approved for the Certified *Fiber sourcing* Label.

    g. Publishers can work with a certified printer and do not need a separate chain of custody certification unless they are actually printing the publication.

11. Any public communication by *Program Participants* and *label users* shall be accurate and consistent with applicable laws and requirements for SFI logo use. *Program Participants* and *label users* are encouraged to consult the U.S. Federal Trade Commission's guidelines on environmental claims in product advertising and communication and the guidelines on environmental labeling and advertising issued by the Fair Business Practices Branch of Industry Canada's Competition Bureau, as appropriate, and to seek additional information and direction from national accreditation bodies, national standards bodies and national, state and provincial consumer protection and competition laws. *Label users* should consult with their legal counsel when preparing product advertising that includes an SFI on-product label or any other reference to the *SFI* program.

    a. Point of purchase (POP) materials should avoid environmental claims that can be tied to the product. Rather, they should explain the SFI *Program Participant*'s voluntary participation in a program for sustainable forest management. Avoid references or suggestions that the *SFI* program preserves forests.

b. Avoid promoting any specific attributes of the product(s) bearing the mark when discussing participation in the *SFI* program, other than those related to forest management.

c. Organizations can make claims about other certified processes (e.g. soy ink or alternate power sources) as long as it is clear that this is not associated with the SFI certification.

12. A *certified Program Participant* may refer to its conformance to the SFI Standard and its third-party certification in company promotional advertising, annual reports or other documents generally describing the company and its operations. However, if all company facilities and/or acreage/hectares have not been certified, then the reference must be accurate as to the number of facilities and/or acreage/hectares that have been certified.

13. *Label users* that are not *certified Program Participants* may refer to the fact that they have one or more facilities certified to the SFI chain-of-custody or *Fiber sourcing* certifications in promotional advertising, annual reports or other documents generally describing the company and its operations. However, unless all company facilities have been certified, the reference must be accurate as to the number of facilities.

14. All advertising material must be sent to the SFI program's *Office of Label Use and Licensing* for review and approval. SFI staff are available to answer questions about the use of the marks and these rules.

15. The *Office of Label Use and Licensing* reserves the right to request samples of all uses of the Certification Marks from time to time.

16. If the *Office of Label Use and Licensing* determines that a *label user* is not using the marks as provided in these rules, which may be amended from time to time, or no longer meets the criteria set out in SFI Responsible *Fiber sourcing* Standard and Associated Labels (Section 4 of the SFI requirements document), it will send a written notice to the *label user* specifying the inappropriate use(s) and allow thirty (30) days in which to make a correction. If the *label user* fails to make the correction, the right to use the marks will be revoked.

17. *Label users* who observe misuse of any of these marks shall report this immediately to the *Office of Label Use and Licensing*.

18. When selling product as SFI chain-of-custody certified, the SFI chain-of-custody number must be added to one of the following documents: the label wrap, invoices, bill of lading, shipping documents, or letters during sale of product to the customer.

19. When using the SFI chain-of-custody X% content labels, the following rules must be taken into consideration:

    i. The X% content label must equal all parts to 100%.
    ii. If a specific attribute does not apply (e.g. *post-consumer recycled content*), the company must remove that tagline from the label.
    iii. If a company wishes to make a 100% certified *fiber sourcing* claim, the certified *fiber sourcing* label must be used.
    iv. The 100% *certified forest content* claim can be made only when the physical separation method has been used throughout the chain of custody process.

20. The organization approved to use the SFI on-product label can use either the color, black and white, or reversed style labels. Where one-color print is being used, the SFI label may be the same color as the rest of the product.

21. The size of the label can be determined by the certified company approved to use the SFI label.

22. If the label is being used on a small product (e.g. pencils) and the claim may not be legible, a company may apply to the SFI *Office of Label Use and Licensing* for additional exceptions on applying the SFI on-product label.

23. The following taglines can be used in combination with SFI on-product labels and with promotional materials that may or may not include the SFI label. The SFI website (www.sfiprogram.org) can be added to any of these taglines.

    i. The Sustainable Forestry Initiative® program promotes sustainable forest management.
    ii. The Sustainable Forestry Initiative® program

integrates the perpetual growing and harvesting of trees with the protection of wildlife, plants, soils, and water.

iii. This product is from a renewable, responsibly managed forest.

iv. The independent Sustainable Forestry Initiative® program is a North American standard committed to sustainable forest management.

v. The independent Sustainable Forestry Initiative® program is a non-profit charitable organization committed to the sustainable management of North American forests.

24. The following geographic taglines can be used in combination with the SFI on-product labels and with promotional materials that may or may not include the SFI label. A *certified Program Participant*, *primary* or *secondary producer* can only use these taglines if they successfully demonstrated to the *SFI certification body* conducting the SFI Section 3 chain of custody audit that they have tracked the sources of their supply, and that the wood fiber is sourced in North America in a manner consistent with the geographic tagline suggested. If a company sources any of its raw materials outside of North American, these claims can only be used if physical separation is employed. A 5% de minimis is acceptable.

    i. This wood is from a responsibly managed [North American/U.S./Canadian] forest.

    ii. The fiber in this paper/packaging product is from a responsibly managed [North American/U.S./Canadian] forest.

    iii. The fiber in this product meets the requirements of the independent Sustainable Forestry Initiative® program, delivering assurance that it comes from a responsibly managed [North American/U.S./Canadian] forest.

25. The *Office of Label Use and Licensing* reserves the right to refuse any label use that does not align with *SFI Inc.*'s strategic objective, which is to "ensure the SFI Standard is strong, grounded in science, progressive and based on integrity and proven through conservation collaboration resulting in wide market acceptance."

APPENDIX 1: SFI PROGRAM CERTIFICATION MARK (ON-PRODUCT) – ART RULES

(Only the Promoting Sustainable Forest Management label is depicted below for illustrative purposes)

	Vertical Mark 1" minimum width for mark	**Horizontal Mark** 1½" minimum width for mark
4-color Mark Use CMYK color palette specs whenever four-color printing is available.	 *4-color Mark (CMYK)*	
2-color Mark Use PMS 348 CVC and black when PMS color is available.	 *2-color Mark (PMS 348)*	
1-color Mark Use B&W version of the marks when printing in black and white.	 *1-color Mark (B&W)*	
Web-Safe Mark Use jpeg or tiff for all website applications and PowerPoint presentations.	 *Web-Safe Mark (jpg & tif)*	
Reverse Mark Use reverse version of the marks when applying them to dark backgrounds or over dark photographic images.	 *Reverse Mark*	

Color Palette

The primary color palette consists of PMS 348 CVC and Black.

Always match print jobs to color swatches to maintain consistency.

Use Web-safe specs for PowerPoint presentations and website graphics.

SFI Black
100% black

Web-Safe
R0 G0 B0

CMYK
C 94.12%
M 22.74%
Y 80.78%
K 8.63%

PMS
348 CVC

Web-Safe
R12 G68 B3E

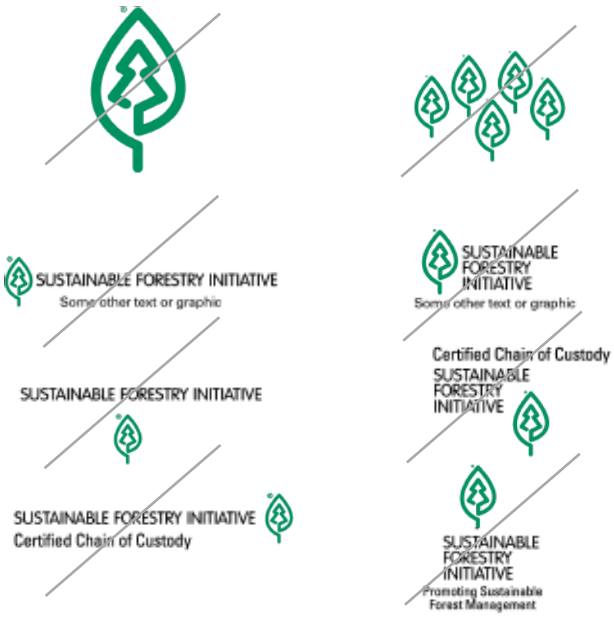
Area of Isolation

To maintain clean, uncluttered layouts and to maximize the impact and recognition of the marks, always maintain an area of isolation all around the marks as shown.

Note: marks may appear within a photographic image or illustration given that an area of isolation is maintained as noted.

Mark Violations

- To maintain consistency, do not modify or alter marks.
- Do not violate area of isolation with text or other graphics.
- Do not create a pattern with mark graphics.
- Do not alter the positioning of mark graphics or re-position, recrop, break apart or otherwise alter marks in any way. The mark may not be recreated using any fonts or styles other than the Vag Rounded Light or Univers 57 Condensed for the "claim" and website. The font size remains in the same proportions as the mark provided in the electronic file form.
- The tree/leaf design may not be displayed by itself, but must always be accompanied with the words "Sustainable Forestry Initiative" or "SFI", the "claim" and the website www.sfiprogram.org.



Please consult with legal counsel, as well as the *SFI Office of Label Use & Licensing,* during preparation of all materials that include these marks. All uses of the marks should be sent to SFI for review prior to using. In the event a *Label User* should observe misuse of any of these marks, *Label User* shall immediately report such improper use.

APPENDIX 2: SFI ON-PRODUCT LABELS

PRODUCT LABELLING GUIDE — VERTICAL LABEL ARTWORK OPT #1

FOLDER:
SFI_Labels_Vertical

SUB FOLDER:
SFI_Labels_VC
(VC: Vertical, Color)

SFI_CFS_A_VC.ai
SFI_CFS_A_VC.tif
SFI_CFS_A_VC.jpg

SFI_COC_A_VC.ai
SFI_COC_A_VC.tif
SFI_COC_A_VC.jpg

SFI_COC_B_VC.ai
SFI_COC_B_VC.tif
SFI_COC_B_VC.jpg

SFI_COCX_A_VC.ai
SFI_COCX_A_VC.tif
SFI_COCX_A_VC.jpg

SFI_COCX_B_VC.ai
SFI_COCX_B_VC.tif
SFI_COCX_B_VC.jpg

SUB FOLDER:
SFI_Labels_VBW
(VBW: Vertical, Black & White)

SFI_CFS_A_VBW.ai
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SFI_CFS_A_VBW.jpg

SFI_COC_A_VBW.ai
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SFI_COC_A_VBW.jpg

SFI_COC_B_VBW.ai
SFI_COC_B_VBW.tif
SFI_COC_B_VBW.jpg

SFI_COCX_A_VBW.ai
SFI_COCX_A_VBW.tif
SFI_COCX_A_VBW.jpg

SFI_COCX_B_VBW.ai
SFI_COCX_B_VBW.tif
SFI_COCX_B_VBW.jpg

SUB FOLDER:
SFI_Labels_VR
(VR: Vertical, Reversed)

SFI_CFS_A_VR.ai
SFI_CFS_A_VR.tif
SFI_CFS_A_VR.jpg

SFI_COC_A_VR.ai
SFI_COC_A_VR.tif
SFI_COC_A_VR.jpg

SFI_COC_B_VR.ai
SFI_COC_B_VR.tif
SFI_COC_B_VR.jpg

SFI_COCX_A_VR.ai
SFI_COCX_A_VR.tif
SFI_COCX_A_VR.jpg

SFI_COCX_B_VR.ai
SFI_COCX_B_VR.tif
SFI_COCX_B_VR.jpg

PRODUCT LABELLING GUIDE — HORIZONTAL LABEL ARTWORK OPT #1

FOLDER:
SFI_Labels_Horizontal

SUB FOLDER:
SFI_Labels_HC
(HC: Horizontal, Color)

SFI_CFS_A_HC.ai
SFI_CFS_A_HC.tif
SFI_CFS_A_HC.jpg

SFI_COC_A_HC.ai
SFI_COC_A_HC.tif
SFI_COC_A_HC.jpg

SFI_COC_B_HC.ai
SFI_COC_B_HC.tif
SFI_COC_B_HC.jpg

SFI_COCX_A_HC.ai
SFI_COCX_A_HC.tif
SFI_COCX_A_HC.jpg

SFI_COCX_B_HC.ai
SFI_COCX_B_HC.tif
SFI_COCX_B_HC.jpg

SUB FOLDER:
SFI_Labels_HBW
(HBW: Horizontal, Black & White)

SFI_CFS_A_HBW.ai
SFI_CFS_A_HBW.tif
SFI_CFS_A_HBW.jpg

SFI_COC_A_HBW.ai
SFI_COC_A_HBW.tif
SFI_COC_A_HBW.jpg

SFI_COC_B_HBW.ai
SFI_COC_B_HBW.tif
SFI_COC_B_HBW.jpg

SFI_COCX_A_HBW.ai
SFI_COCX_A_HBW.tif
SFI_COCX_A_HBW.jpg

SFI_COCX_B_HBW.ai
SFI_COCX_B_HBW.tif
SFI_COCX_B_HBW.jpg

SUB FOLDER:
SFI_Labels_HR
(HR: Horizontal, Reversed)

SFI_CFS_A_HR.ai
SFI_CFS_A_HR.tif
SFI_CFS_A_HR.jpg

SFI_COC_A_HR.ai
SFI_COC_A_HR.tif
SFI_COC_A_HR.jpg

SFI_COC_B_HR.ai
SFI_COC_B_HR.tif
SFI_COC_B_HR.jpg

SFI_COCX_A_HR.ai
SFI_COCX_A_HR.tif
SFI_COCX_A_HR.jpg

SFI_COCX_B_HR.ai
SFI_COCX_B_HR.tif
SFI_COCX_B_HR.jpg

PRODUCT LABELLING GUIDE — VERTICAL LABEL ARTWORK OPT #2

FOLDER:
SFI2_Labels_Vertical

SUB FOLDER:
SFI2_Labels_VC
(VC: Vertical, Color)

SFI2_CFS_A_VC.ai
SFI2_CFS_A_VC.tif
SFI2_CFS_A_VC.jpg

SFI2_COC_A_VC.ai
SFI2_COC_A_VC.tif
SFI2_COC_A_VC.jpg

SFI2_COC_B_VC.ai
SFI2_COC_B_VC.tif
SFI2_COC_B_VC.jpg

SFI2_COCX_A_VC.ai
SFI2_COCX_A_VC.tif
SFI2_COCX_A_VC.jpg

SFI2_COCX_B_VC.ai
SFI2_COCX_B_VC.tif
SFI2_COCX_B_VC.jpg

SUB FOLDER:
SFI2_Labels_VBW
(VBW: Vertical, Black & White)

SFI2_CFS_A_VBW.ai
SFI2_CFS_A_VBW.tif
SFI2–CFS_A_VBW.jpg

SFI2_COC_A_VBW.ai
SFI2_COC_A_VBW.tif
SFI2_COC_A_VBW.jpg

SFI2_COC_B_VBW.ai
SFI2_COC_B_VBW.tif
SFI2_COC_B_VBW.jpg

SFI2_COCX_A_VBW.ai
SFI2_COCX_A_VBW.tif
SFI2_COCX_A_VBW.jpg

SFI2_COCX_B_VBW.ai
SFI2_COCX_B_VBW.tif
SFI2_COCX_B_VBW.jpg

SUB FOLDER:
SFI2_Labels_VR
(VR: Vertical, Reversed)

SFI2_CFS_A_VR.ai
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SFI2_CFS_A_VR.jpg

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SFI2_COC_B_VR.jpg

SFI2_COCX_A_VR.ai
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SFI2_COCX_B_VR.jpg

PRODUCT LABELLING GUIDE — HORIZONTAL LABEL ARTWORK OPT #2

FOLDER:
SFI2_Labels_Horizontal

SUB FOLDER:
SFI2_Labels_HC
(HC: Horizontal, Color)

SFI2_CFS_A_HC.ai
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SFI2_CFS_A_HC.jpg

SFI2_COC_A_HC.ai
SFI2_COC_A_HC.tif
SFI2_COC_A_HC.jpg

SFI2_COC_B_HC.ai
SFI2_COC_B_HC.tif
SFI2_COC_B_HC.jpg

SFI2_COCX_A_HC.ai
SFI2_COCX_A_HC.tif
SFI2_COCX_A_HC.jpg

SFI2_COCX_B_HC.ai
SFI2_COCX_B_HC.tif
SFI2_COCX_B_HC.jpg

SUB FOLDER:
SFI2_Labels_HBW
(HBW: Horizontal, Black & White)

SFI2_CFS_A_HBW.ai
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SFI2_COC_A_HBW.ai
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SFI2_COC_B_HBW.jpg

SFI2_COCX_A_HBW.ai
SFI2_COCX_A_HBW.tif
SFI2_COCX_A_HBW.jpg

SFI2_COCX_B_HBW.ai
SFI2_COCX_B_HBW.tif
SFI2_COCX_B_HBW.jpg

SUB FOLDER:
SFI2_Labels_HR
(HR: Horizontal, Reversed)

SFI2_CFS_A_HR.ai
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SFI2_CFS_A_HR.jpg

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SFI2_COC_B_HR.jpg

SFI2_COCX_A_HR.ai
SFI2_COCX_A_HR.tif
SFI2_COCX_A_HR.jpg

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SFI2_COCX_B_HR.jpg

SECTION 5.
RULES FOR USE OF SFI OFF-PRODUCT MARKS

SUSTAINABLE FORESTRY INITIATIVE

JANUARY 2010

RULES FOR USE OF SFI OFF-PRODUCT MARKS

PREFACE

SFI Inc. is an independent, non-profit, charitable organization dedicated to promoting sustainable forest management in North America and supporting responsible procurement globally. The SFI Board is a three chamber Board of Directors representing environmental, social and economic interests equally, and the program addresses local needs through its grassroots network of 37 SFI Implementation Committees across North America. *SFI Inc.* directs all elements of the *SFI* program including the SFI forest standard, chain-of-custody certification, *responsible fiber sourcing* requirements, labeling and marketing.

Consumers in growing numbers want assurance that their buying decisions represent a sound environmental choice. They are asking for proof that wood, paper and packaging products are made with raw materials sourced from *responsible fiber sources*. The SFI Responsible *Fiber sourcing* Standard and Associated Labels (Section 4) as well as the SFI Chain-of-Custody Standard and Associated Labels (Sections 3 and 4) deliver a reliable and credible mechanism so businesses can provide this assurance to their customers.

The *SFI* program meets guidelines on environmental claims in product advertising and communication issued by the U.S. Federal Trade Commission and guidelines on environmental labeling and advertising issued by the Competition Bureau of Canada.

Studies have shown that consumers appreciate the value of forest certification in helping them identify wood and paper products from legal, responsible sources. A 2008 survey by GfK Roper Public Affairs & Media and the Yale School of Forestry and Environmental Studies found that North American consumers believe it is important or essential to have eco-labels that describe the environmental impacts caused by the manufacture, use and disposal of products. Of 10 ecolabels tested in the United States, the SFI label had the highest familiarity rating of any forest certification program.

The fact that the *SFI* program can deliver a steady supply of fiber from well-managed forests is especially important at a time when there is increasing demand for green building and responsible paper purchasing, and only 10 percent of the world's forests are certified. The American Consumer Council says it supports the good work of the *SFI* program, and applauds the positive and progressive actions it is taking. A poll by TerraChoice Environmental Marketing found that procurement specialists included the SFI label on a list of the top 10 eco-labels they relied on frequently to make buying decisions.

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RULES FOR USE OF SFI OFF-PRODUCT MARKS

SECTION 1: SFI LICENSED WORD MARKS 4

SECTION 2: SFI LICENSED LOGO MARKS – FOR CERTIFIED PROGRAM PARTICIPANTS 4

SECTION 3: GENERAL RULES – FOR ALL PROGRAM PARTICIPANTS 4

Appendix 1: SFI Off-Product Mark – Art Rules 7

In addition to its on-product labels, the *SFI* program has off-product marks to show participation in the program and to promote the program generally. *SFI Inc.* owns all right, title and interest in these marks, and exercises legitimate control over their use.

There are two licensed work marks and one tagline mark, as well as two logo marks.

1. *SFI* LICENSED WORD MARKS:

- SUSTAINABLE FORESTRY INITIATIVE®
- SFI®

SFI Licensed Tagline Mark:

- GOOD FOR YOU, GOOD FOR OUR FORESTS®

1. If a word mark is used in an advertisement or on the front page of a book, manual, report or other document, it should be distinguished by making it larger, bolder, in all caps or italics.

2. The first time a word mark is used in the text of a document, the words must be either in all caps, italics, bold or quotes. All caps, italics, and bold are preferred. Any subsequent uses can either continue with all caps, italics, bold, or quotes, or can be in initial caps (e.g. Sustainable Forestry Initiative).

3. The ® only needs to be included the first time "Sustainable Forestry Initiative" or "SFI" word marks appears in a document, whether it is in a title or in text. If both word marks are used, the correct format is: Sustainable Forestry Initiative® (SFI®) program.

4. A word mark must be an adjective, it cannot be a noun, so when it is used in text, the word **program** or **services** must appear after the mark. The mark should not be plural or possessive.

5. The tagline mark (Good For You, Good For Our Forests®) can be used in association with the word marks.

6. In addition to the uses described below in General Rules for all *Program Participants,* the word marks may be used as follows, provided the advertisement or brochure refers to the SFI website (www.sfiprogram.org) or the *Program Participant*'s website with a hotlink to the SFI website:
   a. in advertisements which promote the *program participant*'s products; and
   b. in sales brochures and other similar product promotional items.

Before using the word marks in the manner authorized by this paragraph, the material must be submitted for review and approval by the *SFI Office of Label Use and Licensing.*

2. *SFI* LICENSED LOGO MARKS — FOR *CERTIFIED PROGRAM PARTICIPANTS*

SFI Licensed Logo Marks

SUSTAINABLE FORESTRY INITIATIVE

SUSTAINABLE FORESTRY INITIATIVE

7. Logo marks may **only** be used by *Program Participants* in good standing whose operations have been **certified** by an *SFI certification body* to be in conformance with the *SFI 2010-2014 Standard,* SFI Responsible *Fiber sourcing* Standard (Section 4) and/or the SFI Chain-of-Custody Standard (Section 3) of the SFI requirements document for all or a portion of their operations.

8. Logo marks may be used as described below under General Rules for all *Program Participants*.

9. Logo marks may **not** be used in advertisements that promote a *Program Participant*'s products, in sales brochures or in any in-store material. This is only reserved for on-product labels.

10. The tagline mark (Good For You, Good For Our Forests®) may be placed beneath either logo mark.

11. *Certified Program Participants* must provide samples of the use of the logo marks annually to the SFI *Office of Label Use and Licensing.*

3. GENERAL RULES — FOR ALL PROGRAM PARTICIPANTS

12. The logo and word marks may be used, subject to the rules in Parts A and B, as follows:

a. In image advertising that focuses on a summary of company accomplishments or values, on company people, on company financial results or stock performance, on company community activities, or any combination of the above. Except as provided in paragraph 6 of these rules, such advertising must not promote specific products, tout product attributes, or make value propositions, although generic products may be shown.

b. In communications which explain and/or promote the Sustainable Forestry Initiative program's services and a company's participation in the *SFI* program, both to employees and to those outside of the organization.

c. On business letterhead, business cards, and invoices.

d. In annual reports, provided there is a reference to the *SFI* program website (www.sfiprogram.org).

e. On generic business signs (e.g. vehicles, forest stands, office buildings, and mill sites that are owed or held on a long-term exclusive lease). Vehicles or facilities must be under the certified company's direct control and must prominently display the company's name. If the vehicle or facility is sold or the lease terminated, the marks must be removed before the title is transferred or the occupancy ends.

f. On clothing and protective gear (e.g. uniforms, shirts and hard hats), in conjunction with, but not attached to, the company's name or logo.

g. On a company website with a hotlink to the SFI website (www.sfiprogram.org).

13. If any of the marks are used in written communications, the following statement must be included in an appropriate location (e.g., bottom of the page or on the back of a brochure) "(set out Marks used) are registered marks owned by Sustainable Forestry Initiative Inc."

14. In addition to the references to the SFI website required above, companies should consider including a reference to the SFI website in any document where a logo or word mark is displayed.

15. The tagline mark can only be used as specified in Number 1 (SFI Licensed Word Marks) and Number 2 (SFI Licensed Logo Marks — For Certified *Program Participants*) of these rules.

16. Each mark is registered with the U.S. Patent and Trademark Office and in Canada, the European Union, Japan, China and South Korea, and must be accompanied by an ® to indicate that *SFI Inc.* owns it, unless otherwise authorized in these rules.

17. Any public communication by *Program Participants* or *label users* shall be accurate and consistent with applicable law and requirements for SFI logo use. *Program Participants* and *label users* are encouraged to consult the U.S. Federal Trade Commission's guidelines on environmental claims in product advertising and communication and the guidelines on environmental labeling and advertising issued by the Fair Business Practices Branch of Industry Canada's Competition Bureau, as appropriate, and to seek additional information and direction from national accreditation bodies, national standards bodies and national, state and provincial consumer protection and competition laws. Legal counsel, as well as with the SFI *Office of Label Use and Licensing*, should be consulted during the preparation of any material that uses the marks and describes or makes claims about the *SFI* program and a company's participation.

18. The *Office of Label Use and Licensing* reserves the right to refuse any label use that does not align with *SFI Inc.*'s strategic objective, which is to "ensure the SFI Standard is strong, grounded in science, progressive and based on integrity and proven through conservation collaboration resulting in wide market acceptance."

19. *SFI Inc.* reserves the right to request samples of all uses of the marks from time to time, and has the right to disapprove any use of a mark that does meet the requirements indicated in SFI Sections 3, 4 and 5. Each *Program Participant* will be asked to identify a contact so *SFI Inc.* can direct inquiries and requests for sample use to that individual.

20. If *SFI Inc.* determines marks are not being used as provided in these rules, it will send a written

notice specifying the inappropriate use(s) and allow thirty (30) days in which to make a correction. If corrections are not made, the right to use the marks will be revoked.

21. Any observed misuse of any of these marks should be reported immediately to the SFI *Office of Label Use and Licensing*.

22. The *SFI* program has marketing materials available on the members-only section of the SFI website (www.sfiprogram.org). Please contact the SFI *Office of Label Use and Licensing* for access to this section.

APPENDIX 1: SFI OFF-PRODUCT MARK — ART RULES

	Horizontal Mark 1½" minimum width for mark	Stacked Mark ¾" minimum width for mark
4-color SFI Mark Use CMYK color palette specs whenever four-color printing is available. Materials that fall into this category include advertising, collateral and sales materials, POS, and press materials.	SUSTAINABLE FORESTRY INITIATIVE *4-color Mark (CMYK)*	SUSTAINABLE FORESTRY INITIATIVE
2-color SFI Mark Use PMS 348 CVC and black when PMS color is available for materials such as brochures and catalogs.	SUSTAINABLE FORESTRY INITIATIVE *2-color Mark (PMS 348)*	SUSTAINABLE FORESTRY INITIATIVE
1-color SFI Mark Use B&W version of the marks when printing in black and white for materials such as laser print documents, and black and white ads.	SUSTAINABLE FORESTRY INITIATIVE *1-color Mark (B&W)*	SUSTAINABLE FORESTRY INITIATIVE
Web-Safe Mark Use jpeg or tiff for all website applications and PowerPoint presentations.	SUSTAINABLE FORESTRY INITIATIVE *Web-Safe Mark (jpg & tif)*	SUSTAINABLE FORESTRY INITIATIVE
Reverse Mark Use reverse version of the marks when applying them to dark backgrounds or over dark photographic images.	SUSTAINABLE FORESTRY INITIATIVE *Reverse Mark*	SUSTAINABLE FORESTRY INITIATIVE

Typography
The SFI tagline text typeface is Garamond3 LT Italic, and the website text typeface is Universe. To maintain consistency, use only these fonts in all external communications.

Good for you. Good for our forests.®

www.sfiprogram.org

Color Palette
The primary color palette consists of PMS 348 CVC and Black. Always match print jobs to color swatches to maintain consistency.

Use Web-safe specs for PowerPoint presentations and website graphics.

SFI Black
100% black

Web-Safe
R0 G0 B0

CMYK
C 94.12%
M 22.74%
Y 80.78%
K 8.63%

PMS
348 CVC

Web-Safe
R12 G68 B3E

Horizontal Mark
1½" minimum width for mark

Stacked Mark
¾" minimum width for mark

Mark Lock-Ups

These mark lock-ups were created to maintain consistency when using the mark with secondary type information.

Do not alter the spacing or positioning of any items in these lock-ups.

Area of Isolation

To maintain clean, uncluttered layouts and to maximize the impact and recognition of the marks, always maintain an area of isolation all around the marks as shown.

Note: marks may appear within a photographic image or illustration given that an area of isolation is maintained as noted.

Examples of Mark Violations

Do not use mark graphic by itself or to create a pattern.

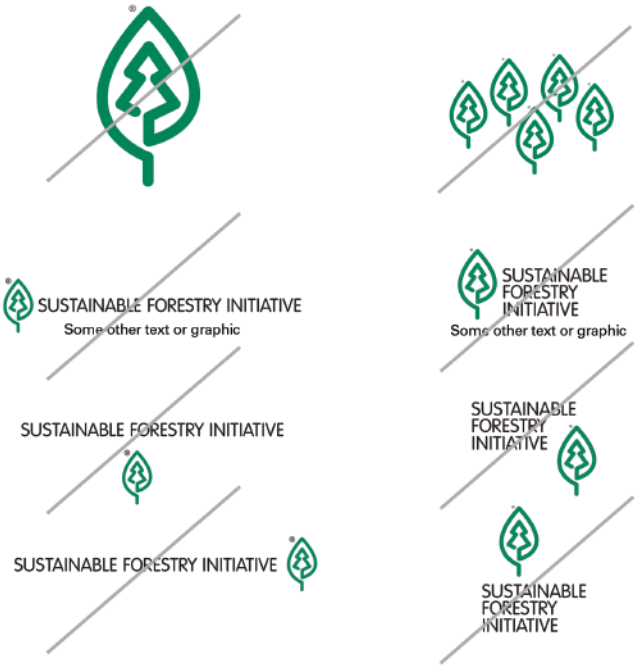
Do not combine with any other logo or image as to create a third logo or mark.

To maintain consistency, do not modify or alter marks.

Do not violate area of isolation with text or other graphics.

Do not alter the positioning of mark graphics or reposition, recrop, break apart or otherwise alter marks in any way.

The leaf/tree design may not be displayed by itself, but must always be accompanied by "SUSTAINABLE FORESTRY INITIATIVE".



SECTION 6.
GUIDANCE TO SFI 2010-2014 STANDARD

SUSTAINABLE FORESTRY INITIATIVE

JANUARY 2010

GUIDANCE TO SFI 2010-2014 STANDARD

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1. INTRODUCTION

SFI Inc. completes a review of its standard and supporting documents every five years, which is consistent with international protocols for forest certification standard revision cycles. The third public review, conducted in 2008-2009, led to the *SFI 2010-2014 Standard* and supporting documents.

This guidance document is intended to assist *SFI Program Participants* and *certification bodies* in interpreting and implementing new and existing provisions in the *SFI 2010-2014 Standard*.

This document provides additional information that may help *Program Participants* make management decisions to meet *SFI Standard* requirements. *SFI Inc.* routinely researches ways to improve the functionality of the *SFI* program; thus this document may be updated over time.

2. OBJECTIVE 4: FORESTS WITH EXCEPTIONAL *CONSERVATION* VALUE

Objective 4 of the 2010-2014 *SFI Standard* extends the *biodiversity* requirements to *Forests with Exceptional Conservation Value* (FECV).

Objective 4. *Conservation* of *Biological Diversity* including *Forests with Exceptional Conservation Value*. To manage the quality and distribution of *Wildlife Habitats* and contribute to the *conservation* of *biological diversity* by developing and implementing *stand-* and *landscape-level* measures that promote a diversity of types of *habitat* and successional stages, and *conservation* of forest plants and animals, including *aquatic* species.

Definition of *Forests with Exceptional Conservation Value*: *critically imperiled* (G1) and *imperiled* (G2) species and ecological communities.

> ***Critically imperiled:*** A plant or animal or community, often referred to as G1, that is globally extremely rare or, because of some factor(s), especially vulnerable to extinction. Typically, five or fewer occurrences or populations remain, or very few individuals (<1,000), acres (<2,000 acres or 809 hectares), or linear miles (<10 miles or 16 kilometers) exist (Further information can be found under description of *Biodiversity Hotspots* and *High-Biodiversity Wilderness Areas* in Section 6 of the SFI requirements document).

> ***imperiled:*** A plant or animal or community, often referred to as G2, that is globally rare or, because of some factor(s), is very vulnerable to extinction or elimination. Typically, six to 20 occurrences, or few remaining individuals (1,000 to 3,000), or acres (2,000 to 10,000 acres or 809 to 4047 hectares), or linear miles (10 to 50 miles or 16 to 80.5 kilometers) exist. (Further information can be found under *Descriptions of Biodiversity Hotspots and High-Biodiversity Wilderness Areas* in Section 6 of the SFI requirements document.)

In the United States and Canada, *SFI Program Participants* can use the NatureServe database to identify species and communities for protection. Learn more about NatureServe *Conservation* Status Assessments at www.natureserve.org/publications/ConsStatusAssess_StatusFactors.jsp.

2.1 NatureServe Resources for Global and Occurrence Ranks

Identification and protection of *critically imperiled* and *imperiled* species and communities is a step-wise process. First, NatureServe determines the global rank, which reflects the rarity/imperilment of the species or community. Then it assesses the estimated viability, or probability of persistence, of particular occurrences of *critically imperiled* and *imperiled* species and communities. A viable species or community is one that is of sufficient quality to likely survive long-term. Clearly, little *conservation* benefit is gained unless protected occurrences have a good likelihood of long-term survival.

NatureServe inventory and *conservation* activities focus on locating, maintaining records on, and working with partners to conserve viable occurrences of *conservation* elements. NatureServe/Natural Heritage Programs rank viability of element occurrences (community or species) using standard methodologies to yield an element occurrence ranking. A standard set of Element Occurrence Rank Specifications is developed and maintained for each element, and then applied against individual occurrences of the element.

The basic element occurrence ranks are:

- A: Excellent estimated viability
- B: Good estimated viability
- C: Fair estimated viability
- D: Poor estimated viability
- E: Verified extant (viability not assessed)
- H: Historical
- F: Failed to find
- X: Extirpated

The *SFI Standard* requires that *Program Participants* have "plans to locate and protect known sites associated with viable occurrences of *critically imperiled* and *imperiled* species and communities."

Under the *SFI 2010-2014 Standard*, occurrences of *critically imperiled* and *imperiled* species and communities ranked as A and B are to be protected. C-ranked occurrences should be reviewed and addressed on a case-by-case basis. If they have greater potential to be viable (C+), they should be protected. If there is less potential for viability (C-), they are to be managed at the *Program Participant*'s discretion.

Element occurrences with poor estimated viability (D) would not be protected under the *SFI Standard*. A D rank might result because the acreage of a community or the population of a species is too small, the quality is very low, and/or the ecological processes required to maintain the occurrence are fundamentally altered and un-restorable. E-ranked occurrences (viability not assessed) should be presumed viable and protected until assessed and determined to be of C- or D quality. Occurrences ranked F are not covered under the *SFI Standard* since only known occurrences are included. Historical (H) and extirpated (X) occurrences are clearly nonviable, and no protection activity is warranted.

In determining the viability and potential to protect occurrences, *Program Participants* are encouraged to seek additional information on occurrence ranking from NatureServe (www.natureserve.org/prodServices/eodraft/5.pdf) and/or collaborate with qualified *conservation* experts.

2.2 Occurrence Quality

The following material provides additional information on the standards and methodologies employed by NatureServe in determining the quality or viability of occurrences.

For an ecological assessment, scientists and managers want to know if each occurrence is of sufficient quality, or feasibly restorable, before including it in management planning. With adequate information, ecologists evaluate and rate the quality of element occurrences using criteria grouped into three categories: size, condition, and landscape context.

Characterizing the quality of an occurrence provides the basis for assessing stresses — the degradation or impairment — of element occurrences at a given site. To assess the quality of element occurrences, ecologists must identify the key ecological factors (ecological processes, population abundance, disturbance regimes, composition and structure, etc.) that support them. Once these are identified, it is possible to describe their expected ranges of variation and assess whether the on-site factors are within those ranges or requires significant effort to be maintained or restored to its desired status.

Key ecological factors vary by element type, but all are grouped into three categories of size, condition and landscape context. Each of these three categories is reviewed and ranked for each occurrence as A (excellent), B (good), C (fair) and D (poor). The break between C and D establishes a minimum quality threshold for occurrences. Occurrences ranked D are typically presumed to be beyond practical consideration for ecological restoration. In subsequent management planning, these ranks and underlying criteria aid in focusing *conservation* activities and measure progress toward local *conservation* objectives.

Definitions of these categories are:

Size is a measure of the area or abundance of the *conservation* element's occurrence. It may simply be a measure of the occurrence's patch size or geographic coverage, and it may also include an estimate of sub-population size or density. Minimum dynamic area, one aspect of size, is the area needed to ensure survival or re-establishment of a population or community after natural disturbance.

Condition is an integrated measure of the composition, structure and biotic interactions that characterize the occurrence. This includes factors such as reproduction, age structure, biological composition (e.g. presence of native versus *invasive exotic plants and animals*; presence of characteristic patch types), physical and spatial structure (e.g. canopy, understory and groundcover; spatial distribution and juxtaposition of patch types or seral stages in an ecological system), and biotic interactions that directly involve the element (e.g. competition and disease).

Landscape context measures two factors: the dominant environmental regimes and processes that establish and maintain the element occurrence, and connectivity. Dominant environmental regimes include hydrologic and water chemistry regimes (surface and groundwater), geomorphic processes, climatic regimes (temperature and precipitation), fire regimes, and natural disturbances. Connectivity includes such factors as species elements

having access to *habitats* and resources needed for lifecycle completion, fragmentation of ecological communities and systems, and the ability of any element to respond to environmental change through dispersal, migration, or re-colonization. Criteria for ranking ecological communities vary by type. In many instances, criteria are developed for ecological systems, then modified (mostly with size attributes) for application to occurrences of individual rare plant associations that may occur among the more broadly defined ecological system.

3. OBJECTIVE 4: *WILDLIFE HABITATS* DIVERSITY AND *INVASIVE EXOTIC PLANTS AND ANIMALS*

Objective 4 includes performance measures and indicators for *conservation* of *biological diversity*. Additional information is provided here for *wildlife habitats* diversity and *invasive exotic plants and animals.*

3.1 *Wildlife Habitats* Diversity

Programs to promote *conservation* of *biological diversity* should recognize the value of a diversity of *habitats* to support fish and *wildlife habitats*. Early successional forest stages, for example, are particularly lacking in certain regions of the U.S. and Canada, and managing for them can aid in preventing the decline of species dependent on them (e.g. ruffed grouse). Historically, fires and other natural disturbances created forest openings and the types of *habitat* needed by these early succession forest dependent species. As forests across the landscape mature, this type of *habitat* declines in abundance. However, it can easily be created by proper selection of harvesting methods including clearcutting and the use of prescribed fire.

3.2 *Invasive Exotic Plants and Animals*

According to the U.S. Department of Agriculture Animal and Plant Health Inspection Service, *invasive exotic plants and animals* are "any species, including its seeds, eggs, spores, or other biological material capable of propagating that species, that is not native to that ecosystem, whose introduction does or is likely to cause economic or environmental harm or harm to human health." Examples would include gypsy moth and kudzu, but not the barred owl.

SFI Program Participants should become knowledgeable about *invasive exotic plants and animals* within their area of operation. The expectation is that they will participate in cooperative efforts by others (e.g. government agencies or non-government environmental organizations) and work proactively within their own programs (e.g. erosion control or seed selection for wildlife plots) to limit the introduction, impact and spread of *invasive exotic plants and animals*. Indicator 4.1.7 does not require an *SFI Program Participant* to eliminate *invasive exotic plants and animals* on their land. In some places *invasive exotic plants and animals* are well established and eradication by the *SFI Program Participants* is unrealistic.

Experts in this area believe the most effective means of addressing *invasive exotic plants and animals* include:

a. awareness building,
b. monitoring,
c. preventing new introductions, and
d. eliminating new occurrences.

SFI Program Participants should emphasize these as priorities in their programs. Forest practices that reduce the abundance of *invasive exotic plants and animals* are preferred if they can be addressed within the context of the *SFI Program Participant*'s overall management objectives.

4. OBJECTIVE 9: CERTIFIED LOGGING PROFESSIONALS AND USE OF TRAINED LOGGERS

4.1 *Certified Logging Professionals*

SFI Inc. recognizes the potential and value in promoting the use of *certified logging professionals*, and the *SFI 2010-2014 Standard* encourages their use with revisions made to indicators under performance measure 9.1.

> "9.1.1 Program to promote the use of *certified logging professionals* (where available), *qualified resource professionals* and *qualified logging professionals."*

> "9.1.2 List of *certified logging professionals* and *qualified logging professionals* maintained by *Program Participant*, state or provincial agency, loggers' association or other organization."

Certified logging professional programs are in their infancy in terms of their development and are not in widespread use. The *SFI 2010-2014 Standard* recognizes these limitations while encouraging their use by *Program Participants* where they are available and after consideration of other factors involved in developing contractual relationships. *Certified logging professionals* are those professionals who have completed *SFI Implementation Committee* approved training programs and who have also successfully completed

and are members in good standing of a credible *certified logging professional program* recognized by the *SFI Implementation Committee*.

SFI Implementation Committees will review, when requested, *certified logging professional programs* to determine if they meet the criteria in indicator 16.2.2. This process is identical to the one currently in use by *SFI Implementation Committees* for evaluating credible logger training programs.

> "16.2.2 Participation in or support of *SFI Implementation Committees* to establish criteria for recognition of logger certification *programs,* where they exist, that include:
>
> a. completion of *SFI Implementation Committee* recognized logger training *programs* and meeting continuing education requirements of the training *program;*
> b. independent in-the-forest verification of conformance with the logger certification *program* standards;
> c. compliance with all applicable laws and regulations including responsibilities under the U.S. Endangered Species Act, the Canadian Species at Risk Act and other measures to protect *wildlife habitat*;
> d. use of *best management practices* to protect of water quality;
> e. logging safety;
> f. compliance with acceptable *silviculture* and utilization standards;
> g. aesthetic management techniques employed where applicable; and
> h. adherence to a management or harvest plan that is site specific and agreed to by the forest landowner."

4.2 Use of Trained Loggers

Logger training is a very effective tool in promoting sustainable forest management, and has been a key component of the *SFI Standard* since its inception. The *SFI 2010-2014 Standard* strengthened requirements for logger training with revisions to 10.1.1 and 16.1.5.

> "10.1.1 *Program* for the purchase of raw material from *certified logging professionals* (where available) and from *wood producers* that have completed training *programs* and are recognized as *qualified logging professionals*."

> "16.1.5 *Forestry enterprises* shall have a *program* for the use of *certified logging professionals* (where available) and *qualified logging professionals*."

Program is defined in the *SFI 2010-2014 Standard* as an organized system, process or set of activities to achieve an *objective* or *performance measure*. Indicators 10.1.1 and 16.1.5 require *Program Participants* to develop a *program* for the purchase of their raw material from logging professionals who have completed training programs. They should strive to obtain the vast majority of their raw material from logging professionals who have completed training programs, with allowances for de minimis amounts, turnover in the logging workforce, availability, timing and length of training programs, *other wood suppliers* (defined as a person or organization who infrequently supplies wood fiber on a small scale, such as farmers and small-scale land-clearing operators), and availability of trained logging professionals locally.

5. OBJECTIVE 10: BEST MANAGEMENT PRACTICES MONITORING

Objective 10 of the *SFI 2010-2014 Standard* calls for adherence to *Best Management Practices*: "To broaden the practice of sustainable forestry through the use of *best management practices* to protect water quality."

The use of *best management practices* to protect water quality is a critical component of sustainable forest management and is emphasized in the *SFI Standard* with requirements for on-the-ground management, monitoring, training and research. The *SFI 2010-2014 Standard* strengthened requirements for *best management practices* application with a new indicator:

> "10.1.3 Contracts for the purchase of raw material include provisions requiring the use of *best management practices*."

While it is not practical to have auditing requirements that go beyond reviewing *Program Participants*' contracts for purchasing raw material from their suppliers to ensure they do require the use of *best management practices*, this new indicator will further highlight the importance of *best management practices* and their use by all suppliers throughout the supply stream.

6. OBJECTIVE 11: *BIODIVERSITY* HOTSPOTS AND HIGH-BIODIVERSITY WILDERNESS AREAS

Objective 11 of the *SFI 2010-2014 Standard* calls for *fiber sourcing policies* that promote *conservation* of forests and

biodiversity in areas outside of the United States and Canada identified as *biodiversity hotspots* and *high-biodiversity wilderness areas.*

Objective 11. Promote *Conservation* of *Biological Diversity*, *Biodiversity Hotspots* and *High-biodiversity wilderness areas*. To broaden the practice of *sustainable forestry* by conserving *biological diversity*, *biodiversity hotspots* and *high-biodiversity wilderness areas*.

Performance Measure 11.1. *Program Participants* shall ensure that their *fiber sourcing programs* support the *principles of sustainable forestry*, including efforts to promote *conservation* of *biological diversity*.

Indicator:

1. *Fiber sourcing* from areas outside the United States and Canada promotes *conservation* of:
   a. *biodiversity hotspots* and *high-biodiversity wilderness areas* utilizing information from Conservation International; and
   b. *biological diversity* utilizing information from organizations such as the *Alliance for Zero Extinction*, World Wildlife Fund, World Resources Institute and International Union for Conservation of Nature.

This document provides additional information drawn from *Conservation* International, the *Alliance for Zero Extinction*, World Wildlife Fund, World Resources Institute and the International Union for Conservation of Nature to aid *SFI Program Participants* in implementing these requirements.

Areas identified by any of these organizations may be wholly or partially within the United States and Canada. For the purposes of the *SFI Standard*, these areas are addressed by NatureServe or equivalent processes to identify *critically imperiled* and *imperiled* species and communities in North America (see earlier section regarding Objective 4: *Forests with Exceptional Conservation Value*).

Compliance with the *SFI 2010-2014 Standard* does not mean that that *Program Participants* must cease all raw material or procurement activities from all unmanaged forests within these areas. Rather, the emphasis is on seeking assurance that fiber and logs are secured from areas harvested legally, and avoiding actions that serve to cause or encourage further destruction of remaining original primary vegetation. Working to increasingly meet fiber and wood production needs from plantations and managed forests enhances efforts to protect remaining biologically diverse *habitats*. *Program Participants* can work with *conservation* organizations, government entities and others to provide additional guidance on aligning business and *conservation* objectives within these regions.

6.1 *Biodiversity Hotspots* and *High-Biodiversity Wilderness Areas*

Since 2002, the *SFI* program has relied on Conservation International's definitions of *biodiversity hotspots* and *high-biodiversity wilderness areas* (formerly major tropical wilderness areas) to identify areas of potential concern for *Program Participants* who source fiber from overseas. Conservation International (www.*conservation*.org) seeks to empower societies to responsibly and sustainably care for nature for the well-being of humanity through a strong foundation of science, partnership and field demonstration. *Conservation* International maintains a list of global priority areas with exceptional biological value, and works to protect them.

6.1.a *Biodiversity Hotspots*

The *biodiversity hotspots* hold especially high numbers of endemic species, yet their combined area of remaining *habitat* covers only 2.3 percent of the Earth's land surface. Each hotspot faces extreme threats and has already lost at least 70 percent of its original natural vegetation. Over 50 percent of the world's plant species and 42 percent of all terrestrial vertebrate species are endemic to the 34 *biodiversity hotspots*.

Africa and Madagascar
(http://www.*conservation*.org/explore/africa_madagascar/pages/priorities.aspx)

CAPE FLORISTIC REGION
Evergreen fire-dependent shrublands characterize the landscape of the Cape Floristic Region.

COASTAL FORESTS OF EASTERN AFRICA
Though tiny and fragmented, the forest remnants that make up the Coastal Forests of Eastern Africa contain remarkable levels of biodiversity.

EASTERN AFROMONTANE
The mountains of the Eastern Afromontane hotspot are scattered along the eastern edge of Africa, from Saudi Arabia in the north to Zimbabwe in the south.

GUINEAN FORESTS OF WESTERN AFRICA
The lowland forests of West Africa are home to more than a quarter of Africa's mammals, including more than 20 species of primates.

HORN OF AFRICA
The arid Horn of Africa has been a renowned source of biological resources for thousands of years.

MADAGASCAR & THE INDIAN OCEAN ISLANDS
Madagascar and its neighboring island groups have an astounding total of eight plant families, four bird families, and five primate families that live nowhere else on Earth.

MAPUTALAND-PONDOLAND-ALBANY
Maputaland-Pondoland-Albany, which stretches along the east coast of southern Africa below the Great Escarpment, is an important center of plant endemism.

SUCCULENT KAROO
The Succulent Karoo of South Africa and Namibia boasts the richest succulent flora on earth, as well as remarkable endemism in plants.

Asia-Pacific
(http://www.*conservation*.org/explore/priority_areas/hotspots/asia-pacific/Pages/asia-pacific.aspx)

EAST MELANESIAN ISLANDS
Once largely intact, the 1,600 East Melanesian Islands are now a hotspot due, sadly, to accelerating levels of habitat loss.

HIMALAYA
The Himalaya Hotspot is home to the world's highest mountains, including Mount Everest.

INDO-BURMA
Encompassing more than two million square kilometers of tropical Asia, Indo-Burma is still revealing its biological treasures.

JAPAN
The islands that make up the Japanese Archipelago stretch from the humid subtropics in the south to the boreal zone in the north, resulting in a wide variety of climates and ecosystems.

MOUNTAINS OF SOUTHWEST CHINA
With dramatic variations in climate and topography, the Mountains of Southwest China support a wide array of habitats including the most endemic-rich temperate flora in the world.

NEW CALEDONIA
An island the size of New Jersey in the South Pacific Ocean, New Caledonia is the home of no less than five endemic plant families.

NEW ZEALAND
A mountainous archipelago once dominated by temperate rainforests, New Zealand harbors extraordinary levels of endemic species.

PHILIPPINES
More than 7,100 islands fall within the borders of the Philippines hotspot, identified as one of the world's biologically richest countries.

POLYNESIA-MICRONESIA
Comprising 4,500 islands stretched across the southern Pacific Ocean, the Polynesia-Micronesia hotspot is the epicenter of the current global extinction crisis.

SOUTHWEST AUSTRALIA
The forest, woodlands, shrublands and heath of Southwest Australia are characterized by high endemism among plants and reptiles.

SUNDALAND
The spectacular flora and fauna of the Sundaland Hotspot are succumbing to the explosive growth of industrial forestry in these islands.

WALLACEA
The flora and fauna of Wallacea are so varied that every island in this hotspot needs secure protected areas to preserve the region's biodiversity.

WESTERN GHATS & SRI LANKA
Faced with tremendous population pressure, the forests of the Western Ghats and Sri Lanka have been dramatically impacted by the demands for timber and agricultural land.

Europe and Central Asia
(http://www.*conservation*.org/explore/europe_central_asia/pages/priorities.aspx)

CAUCASUS
The deserts, savannas, arid woodlands and forests that comprise the Caucasus hotspot contain a large number of endemic plant species.

IRANO-ANATOLIAN
Forming a natural barrier between the Mediterranean Basin and the dry plateaus of Western Asia, the mountains and basins that make up the Irano-Anatolian Hotspot contain many centers of local endemism.

MEDITERRANEAN BASIN
The flora of the Mediterranean Basin is dramatic. Its 22,500 endemic vascular plant species are more than four times the number found in all the rest of Europe.

MOUNTAINS OF CENTRAL ASIA
Comprising two of Asia's major mountain ranges, the Mountains of Central Asia were known to early Persians as the "roof of the world."

North and Central America
(http://www.*conservation*.org/explore/priority_areas/hotspots/north_central_america/Pages/north_central_america.aspx)

CALIFORNIA FLORISTIC PROVINCE
The California Floristic Province is a zone of Mediterranean-type climate and has the high levels of plant endemism characteristic of these regions.

CARIBBEAN ISLANDS
The Caribbean Islands support exceptionally diverse ecosystems, ranging from montane cloud forests to cactus scrublands, which have been devastated by deforestation and encroachment.

MADREAN PINE-OAK WOODLANDS
Encompassing Mexico's main mountain chains, and isolated mountaintop islands in Baja California and the southern United States, the Madrean Pine-Oak Woodlands is an area of rugged mountainous terrain, high relief and deep canyons.

MESOAMERICA
The Mesoamerican forests are the third largest among the world's hotspots. Their spectacular endemic species include quetzals, howler monkeys and 17,000 plant species.

South America
(http://www.*conservation*.org/explore/priority_areas/hotspots/south_america/Pages/south_america.aspx)

ATLANTIC FOREST
The Atlantic Forest of tropical South America boasts 20,000 plant species, 40 percent of which are endemic.

CERRADO
The Cerrado region of Brazil, comprising 21 percent of the country, is the most extensive woodland-savanna in South America.

CHILEAN WINTER RAINFALL-VALDIVIAN FOREST
A virtual continental island bounded by the Pacific Ocean, the Andes Mountains and the Atacama Desert, the Chilean Winter Rainfall-Valdivian Forest harbors richly endemic flora and fauna.

TROPICAL ANDES
The richest and most diverse region on Earth, the Tropical Andes region contains about a sixth of all plant life in less than one percent of the world's land area.

TUMBES-CHOCÓ-MAGDALENDA
Tumbes-Chocó-Magdalena is bordered by two other hotspots: Mesoamerica to the north and the Tropical Andes to the east.

6.1.b *High-Biodiversity Wilderness Areas*
(http://www.*conservation*.org/explore/priority_areas/wilderness/Pages/default.aspx)
High-biodiversity wilderness areas are areas where the vegetation is still over 70 percent intact.

AMAZONIA
Spanning nine South American countries, the Amazonia wilderness is unlike any other, supporting more than 40,000 species of plants, with three-quarters of them found nowhere else.

CONGO BASIN
Seven African nations share the second-largest expanse of tropical wilderness in the world. Unlike other landscapes in the region, a great portion of the remote Congo Basin forests have remained intact.

NEW GUINEA
The world's biggest tropical island and its outlying islands contain the largest remaining wilderness in the entire Asia-Pacific. New Guinea and its neighbors are home to thousands of species known to science, and possibly many yet to be discovered.

NORTH AMERICAN DESERTS
This arid, mostly desert region covering northern Mexico and the southwestern United States contains more unique species than any other desert on the planet, including the majority of all known cactus species.

MIOMBO-MOPANE WOODLANDS AND SAVANNAS OF SOUTHERN AFRICA
Quite possibly the single largest block of dry woodlands in the world, this wilderness region stretches across 10 countries, supporting large numbers of wildlife and people who depend on its natural resources.

6.2 Resources for the *Conservation* of *Biological Diversity*

The following table provides information on each organization referenced in Indicator 11.1.b in the *SFI Standard*. This information is intended to provide background information on each resource and internet links are provided for further details.

Organization & Website	Overview of Organization & Goals	How Sites are Classified	For More Information
Alliance for Zero Extinction (AZE) (http://www.zeroextinction.org/index.htm)	*AZE* is a joint global initiative of 52 *biodiversity conservation* organizations, aimed to prevent extinctions by identifying and safeguarding key sites where species are in imminent danger of disappearing. Its goal is to create a front line of defense against extinction by eliminating threats and restoring habitat to allow species populations to rebound. The purpose of the Alliance is to identify sites in most urgent need of *conservation,* and to act together to prevent species extinctions.	*AZE* has identified the last remaining sites for the world's most highly threatened species, 93 percent of which are threatened primarily by habitat destruction. The data gathering process was performed over a period of many months with input from regional experts, as well as experts in the five *AZE* taxa (mammals, birds, reptiles, amphibians and conifers) from around the world. The data was verified using existing databases such as the IUCN Red List, BirdLife International's global database, and the Global Amphibian Assessment. *AZE* scientists, working in collaboration with an international network of experts, have so far identified 595 such sites that must be effectively protected to prevent the extinction of 794 of the world's most threatened species including mammals, birds, some reptiles (crocodilians, iguanas, turtles and tortoises), amphibians and conifers (many sites have more than one *AZE* "trigger species" confined to them). Additionally, *AZE* uses the following criteria to identify priority sites (a site must meet all three to qualify): Endangerment, Irreplaceability, and Discreteness.	Read the *AZE* report: Pinpointing and Preventing Imminent Extinction http://www.zeroextinction.org/AZE_report.pdf
International Union for the Conservation of Biodiversity (IUCN) (http://www.iucn.org/what/biodiversity/)	IUCN's work on *biodiversity* includes comprehensive research on the status of *biodiversity* and thousands of individual animal and plant species; action to protect specific species; managing and restoring natural areas, national parks and other protected areas; and promoting the sustainable use of natural resources. IUCN also provides the knowledge, standards and tools for *biodiversity conservation* for governments, community organizations, the United Nations and business. The IUCN Species Programme, working with the IUCN Species Survival Commission, has for more than four decades been assessing the *conservation* status of species, subspecies, varieties and even selected subpopulations on a global scale in order to highlight taxa threatened with extinction, and therefore promote their *conservation.*	The IUCN Red List of Threatened Species™ provides taxonomic, *conservation* status and distribution information on plants and animals that have been globally evaluated using the IUCN Red List Categories and Criteria. The main purpose of the IUCN Red List is to catalogue and highlight those plants and animals that are facing a higher risk of global extinction (i.e. those listed as Critically Endangered, Endangered and Vulnerable). The IUCN Red List also includes information on plants and animals that are categorized as Extinct or Extinct in the Wild; on taxa that cannot be evaluated because of insufficient information (i.e. are Data Deficient); and on plants and animals that are either close to meeting the threatened thresholds or that would be threatened were it not for an ongoing taxon-specific *conservation* programme (i.e. are Near Threatened).	Access the conservation status of species here: http://www.iucnredlist.org/ A how-to guide to the IUCN Red List: http://www.iucnredlist.org/documents/redlist_website_users_guide.pdf Classification process for the IUCN Red List: http://www.iucnredlist.org/documents/redlist_cats_crit_en_v1223290226.pdf

Organization & Website	Overview of Organization & Goals	How Sites are Classified	For More Information
World Resources Institute (WRI) Intact Forest Landscapes (http://www.intact-forests.org/)	An Intact Forest Landscape (IFL) is an unbroken expanse of natural ecosystems within the zone of current forest extent, showing no signs of significant human activity, and large enough that all native *biodiversity,* including viable populations of wide-ranging species, could be maintained. The IFL concept and its technical definition were introduced to help create, implement and monitor policies concerning the human impact on forest landscapes at the regional or country levels. The essence of the approach is to use high spatial resolution satellite information to establish the boundaries of large undeveloped forest areas, and use these boundaries as a baseline for monitoring. Developed by a group of non-governmental environmental organizations (Greenpeace, World Resources Institute, Global Forest Watch, Biodiversity Conservation Center, International Socio-Ecological Union, and Transparent World), the IFL concept, mapping and monitoring algorithms have been used both in regional and global forest monitoring projects and in scientific research.	An IFL is an unbroken expanse of natural ecosystems within the zone of current forest extent, showing no signs of significant human activity and large enough that all native *biodiversity,* including viable populations of wide-ranging species, could be maintained. Although all IFL are within the forest zone, some may contain extensive naturally tree-less areas, including grasslands, wetlands, lakes, alpine areas and ice. This definition builds on the definition of Frontier Forest developed by WRI (Bryant et al., 1997). Technically, an IFL is defined as a territory within today's global extent of forest cover which contains forest and non-forest ecosystems minimally influenced by human economic activity, with an area of at least 500 km2 (50,000 ha) and a minimal width of 10 km (measured as the diameter of a circle that is entirely inscribed within the boundaries of the territory). Areas with evidence of certain types of human influence are considered disturbed, and consequently not eligible for inclusion, e.g. settlements, transportation infrastructure such as roads, railways, pipeline and power transmission lines; agriculture and timber production; industrial activities during the last 30 to 70 years, such as logging, mining, oil and gas exploration and extraction and peat extraction.	The global IFL map can be found here: http://www.intactforests.org/world.map.html
World Wildlife Fund (WWF) (http://www.world-wildlife.org/science/ecoregions/global200.html)	WWF uses the best available scientific knowledge to preserve the diversity and abundance of life on Earth and the health of ecological systems, by: • protecting natural areas and wild populations of plants and animals, including endangered species; • promoting sustainable approaches to the use of renewable natural resources; and • promoting more efficient use of resources and energy and the maximum reduction of pollution WWF's Global 200 attempts to identify a set of ecoregions whose *conservation* would achieve the goal of saving a broad diversity of the Earth's ecosystems. These ecoregions include those with exceptional levels of biodiversity, such as high species richness or endemism, or those with unusual ecological or evolutionary phenomena. WWF, in collaboration with the National Geographic Society developed an interactive map and descriptions of the Global 200 available through a Wild World website.	WWF researchers analyzed global patterns of *biodiversity* to identify a set of the Earth's terrestrial, freshwater and marine ecoregions that harbor exceptional *biodiversity* and are representative of its ecosystems. They placed each of the Earth's ecoregions within a system of 30 biomes and biogeographic realms to facilitate a representation analysis. *Biodiversity* features were compared among ecoregions to assess their irreplaceability or distinctiveness. These features included species richness, endemic species, unusual higher taxa, unusual ecological or evolutionary phenomena, and the global rarity of habitats. This process yielded 238 ecoregions – the Global 200 – comprising 142 terrestrial, 53 freshwater and 43 marine priority ecoregions. Ecoregions were also assigned a conservation status, with those most at-risk assigned "critical" or "endangered".	Global 200 maps can be found at (http://www.nationalgeographic.com/wildworld/) Descriptions of each Global 200 ecoregion: http://www.nationalgeographic.com/wildworld/profiles/g200_index.html Downloadable GIS data: http://www.worldwildlife.org/science/data/item1872.html

7. SFI CERTIFICATION AND ALTERNATIVE MARKETS

7.1 Bioenergy Markets

The *SFI 2010-2014 Standard* is a research and science-based standard that also takes careful consideration of social, economic and environmental issues related to forest management as well as the interests in the marketplace. Through its continual improvement process, the *SFI* program often builds new requirements into its standard that reflect new information and science as it becomes available.

Bioenergy feedstocks are not new products from managed forests; however, there is growing interest in such products given government policies and positions to promote renewable energy. The *SFI Standard* provides the same assurances regardless of the final product, whether it is solid wood building products, paper products, or feedstocks for bioenergy. In addition, the requirements for forest management and *fiber sourcing* are the same regardless of whether the end-user is a traditional forest or paper product company or emerging bioenergy production company.

The *SFI 2010-2014 Standard* applies to management of forests throughout North America where management intensities are characterized by managed natural forests and plantation forestry, regardless of the forest products derived from management of such forests. Short rotation woody crop operations and other high intensity forestry operations, while they may serve a role in the production of *bioenergy feedstocks,* are beyond the scope of the *SFI 2010-2014 Standard*.

The *SFI Standard* applies to *bioenergy feedstock* removal in a manner consistent with "conventional" harvest activity. This includes the area of Figure 1 circled in green (on the left). The area in the red circle (to the right) falls outside of the scope of the *SFI Standard*. Conventional is defined as management of natural forests or plantation forestry as described by Burger 2002[1].

In the *SFI 2010-2014 Standard*, *bioenergy feedstock* is defined as follows:

> ***bioenergy feedstock:*** Biomass used for the production of renewable energy. Biomass includes any organic products and byproducts derived from trees, plants and other biological organic matter, including limbs, bark and other cellulosic material, organic byproducts from wood pulping, and other biologically derived materials.

Use of the term *bioenergy feedstock*, although a cumbersome phrase, is technically correct and appropriate. *Bioenergy feedstock* is used to restrict the definition to biomass intended for production of renewable energy from organic matter as opposed to biomass collected/produced at smaller scales for limited markets (e.g. pine straw for landscaping). *Bioenergy* may either be used directly as fuel, processed into liquids or gasses, or be a residual of the processing or conversion mechanisms. Use of the term "feedstock" implies that biomass is being used as input to some desired end use, as in a manufacturing or energy conversion process. Finally, qualifying the term feedstock with *bioenergy* distinguishes feedstocks that are inputs to renewable energy production systems from feedstocks that are for any end use.

Use of the term biomass would be too broad because biomass is <u>any organic matter</u> including forest and mill residues, agricultural crops and wastes, wood and wood wastes, animal wastes, livestock operation residues, aquatic plants, and municipal and industrial wastes.

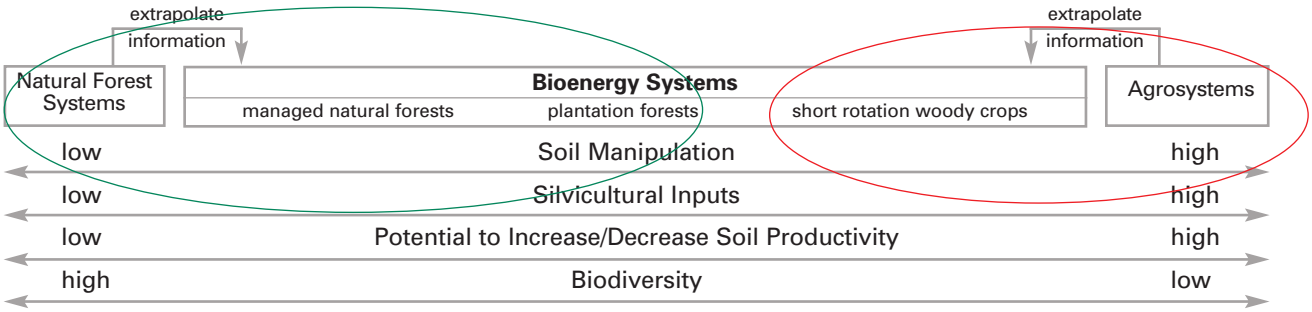


Figure 1. Spectrum of forest management systems that may produce *bioenergy feedstocks*, and associated gradients in silvicultural inputs and effects on soil productivity and *biodiversity* (Burger, 2002).

[1] Burger, J.A. 2002. Soil and Long-Term Site Productivity Values. In: Richardson, J.; Bjorheden, R.; Hakkila, P.; Lowe, A. T.; and Smith, C. T. Bioenergy from Sustainable Forestry: Guiding Principles and Practice. Dordrecht, The Netherlands: Kluwer Academic Publishers: 165-189.

Use of the term woody would be too limiting because it would preclude non-woody material produced in the forest such as grasses.

7.2 Climate Change and Carbon Sequestration Markets

While climate change and the role that managed forests can play in its mitigation are at the forefront of current environmental issues, climate change science has not advanced far enough to direct *Program Participants* to participate in carbon offset markets, adaptation and other mitigation activities. Therefore, the *SFI 2010-2014 Standard* appropriately includes these activities in the suite of options for research activities.

Additionally, *SFI Inc.* worked with experts to provide guidance regarding the *SFI* program and its role in carbon markets and climate change mitigation. The result of the work was specific guidance to *SFI Inc.* on the following areas of opportunity:

***SFI Inc*. as a carbon information source:**
With there still being much to learn regarding how climate change will affect forests and the role managed forests can play in mitigating climate change, many forest managers are in the early stages of attempting to understand what opportunities are available. *SFI Inc*. will seek to work with its partners to provide access to the information and data *Program Participants* need. *SFI Inc*. provides links and information on various carbon markets and outlets for more information on its website (www.sfiprogram.org).

***SFI* messaging in relation to the role of forests in climate change and carbon markets:**
SFI Inc. has developed messaging on the role of certified forests in climate change to aid *Program Participants* when communicating with the public. These are available on the *SFI* program website (www.sfiprogram.org).

***SFI* certification as a market entry tool and opportunities to align certification processes with carbon verification:**
SFI Inc. will maintain its focus on forest certification and responsible forest management. However, opportunities may exist for SFI-certified companies, such as gaining market entry into carbon accounting verification processes or aligning verification procedures to minimize costs. *SFI Inc*. will explore these opportunities and provide guidance to *Program Participants* interested in participating in carbon markets.

Even though there is still much to learn about climate change, *sustainable forestry* makes an important contribution to mitigating climate change and adapting to changing ecosystems. Notwithstanding the fact that policy solutions have not been solidified regarding the role of managed forests in a regulatory framework, the process of carbon sequestration is a natural byproduct of tree growth and therefore an important component of climate change mitigation. As a result, *Program Participants* have an opportunity to monitor information generated from regional climate models and consider how well-managed forests contribute to resilient ecosystems as an adaptation to a changing climate.

The *SFI 2010-2014 Standard* addresses these opportunities through Performance Measure 15.3:

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.*
2. *Program Participants* are knowledgeable about climate change impacts on *wildlife*, *Wildlife Habitats* and *conservation* of *biological diversity* through international, national, regional or local programs.

The efforts of *SFI Program Participants* in researching, monitoring and promoting awareness of the effects of climate change will inform future versions of the *SFI Standard*.

8. ILO CORE CONVENTIONS

Indicator 14.2.2 was added to address differences in U.S. labor law and the ILO core conventions. Additional guidance is provided here for application of 14.2.2 for independent contractors and for *Program Participants*.

<u>Application of 14.2.2 for independent contractors operating on lands owned or controlled by *Program Participants*:</u>

- *Certification bodies* at the time of the audit will collect and review information the *Program Participant* has received from outside stakeholders with regards to concerns or conformance pertaining to independent contractor actions related to ILO Core conventions 87, 98 and 111.

- Any information collected by the *certification bodies* during normal auditing times will be promptly submitted without contractor identifying information to the *Program Participant*, *SFI Inc*. and the SFI ILO Task Force. Information received will be reviewed every 6 months by the *SFI* ILO Task Force which will develop recommendations to the *SFI Inc*. Board of Directors for resolution of any significant problems identified.
- Indicator 14.2.2 shall only apply to the core conventions not fully covered by existing U.S. or Canadian law.
  - Right to Organise (No. 87)
  - Right to Organise and Collective Bargaining (No. 98)
  - Discrimination (111).
- In addition, any ILO related issue that is being addressed through a formal grievance process or before any of the agencies established by the U.S. National Labor Relations Act (NLRA), the appropriate Provincial Labour Code or Act, or the courts until those processes are completed, and will not be subject to review, consideration or recommendations by the *SFI* ILO Task Force nor by the *SFI Inc*. Board of Directors.

Application of 14.2.2 for *Program Participants* with respect to their employees operating on lands owned or controlled by *Program Participants*:

- *Certification bodies* at the time of the audit will collect and review information the *Program Participant* has received from outside stakeholders with regards to concerns or conformance pertaining to their employee relations with regards to ILO Core conventions 87, 98 and 111.
- Stakeholders may raise issues regarding conformance to indicator 14.2.2 through the inconsistent practices procedures outlined in the *SFI* Public Inquires and Official Complaints (Section 11) requirements, item 3.
- All information collected through the inconsistent practices process will be reviewed every 6 months by the *SFI* ILO Task Force which will develop recommendations to the *SFI Inc*. Board of Directors for resolution of any significant problems identified.
- Indicator 14.2.2 shall only apply to the core conventions not fully covered by existing U.S. or Canadian law.
  - Right to Organise (No. 87)
  - Right to Organise and Collective Bargaining (No. 98)
  - Discrimination (111).
- In addition, any ILO related issue that is being addressed through a formal grievance process or before any of the agencies established by the U.S. National Labor Relations Act (NLRA), the appropriate Provincial Labour Code or Act, or the courts until those processes are completed will not be subject to review, consideration or recommendations by the *SFI* ILO Task Force nor by the *SFI Inc*. Board of Directors.
- Public forest landowners in states (Alabama, North Carolina and Virginia) that currently have laws prohibiting bargaining with their public employees shall be "grandfathered in" as meeting the requirements in indicator 14.2.2 but must still participate in the information gathering process with their *certification bodies* (for independent contractors) and the inconsistent practices process in item 3 of the SFI Public Inquires and Official Complaints (Section 11) requirements to aid in resolution of any issues that may be identified.

9. *SFI IMPLEMENTATION COMMITTEES*

SFI Program Participants established state *SFI Implementation Committees* in 1995 and the first provincial *SFI Implementation Committee* in 2001. *SFI Implementation Committees* provide a strong foundation for the SFI *program* and make important contributions in assuring *SFI Standard* conformance and *SFI* program recognition. The state, provincial and regional *SFI Implementation Committees* are semi-autonomous committees reflecting significant geographic and organizational diversity. This flexible, grassroots infrastructure is a fundamental strength of the *SFI* program and its goal to promote responsible forestry across all forest ownerships.

The definition of *SFI Implementation Committee* (SIC) in the *SFI 2010-2014 Standard* is: A state, provincial, or regional committee organized by *SFI Program Participants* to facilitate or manage the *programs* and alliances that support the growth of the *SFI* program, including sustainable forest management."

In 2009, *SFI Inc*. developed an ad-hoc committee to review the *SFI Implementation Committee* governance document for relevance to the current *SFI* program, and to ensure consistency with the *SFI 2010-2014 Standard*. This committee reinforced the need for this governance document to ensure consistency with the current *SFI Standard*. The *SFI Implementation Committee* governance document will be updated in conjunction with future *SFI Standard* revisions, and may also be reviewed between scheduled revisions if there are significant *SFI* program changes.

Some key elements from the governance document and how they relate to the *SFI 2010-2014 Standard* are included here.

Vision Statement

SFI Implementation Committees (SICs) are an integral part of the *SFI* program and play a vital role in promoting training and landowner outreach, maintaining integrity of the *SFI* program and supporting and promoting responsible forestry and the *SFI* program at local levels.

Mission Statement

The Memorandum of Understanding (MOU) defines the *SIC* Mission, ensuring *SIC* goals and priorities are based on recommendations from the SIC Governance Review Ad-hoc Committee. The MOU clarifies both the SIC mission and supports obligations for *SFI Program Participants* as follows:

I. Overall *SIC* Mission — Effectively facilitate or manage at a state, provincial or regional level the *programs* and alliances which support the growth of sustainable forest management through the *SFI* program.

II. Core SIC Mission — Priorities for all *SIC*s:

A. Training & Education – Establish criteria and identify delivery mechanisms for logging professional, forest resource professional and wood producer training, and defining what it means to be "SFI trained"[2]. Establish criteria for recognition of *certified logging professional* programs, where they exist.[3]

B. Inconsistent Practices — Establish protocols for addressing, investigating, and responding to *SFI Standard* non-conformity allegations and inconsistent practices, and allegations regarding non-*Program Participant* forest management practices.[4]

C. Landowner Outreach — Focus landowner outreach efforts on education and technical assistance.[5]

D. Informational Resources — Focus informational resource efforts on increasing *SFI* program recognition, awareness and support with groups, such as local opinion leaders and forestry resource professionals.[6]

E. Annual Reporting — Submit the SIC Annual Progress Report to *SFI Inc*.

F. *SFI* Program Integrity[7] — Protect the integrity of the *SFI* program by:

a) ensuring proper *SIC* service mark usage;

b) alerting *SFI Inc*. when improper communications or misleading claims are observed;

c) avoiding the appearance of participation or compliance by non-*SFI Program Participants*; and

d) avoiding appearance of third-party certification by non-certified *SFI Program Participants*.

III. Secondary *SIC* Mission — Below are priorities which may be determined by each *SIC*; however, individual participants may choose not to participate or support these objectives.

A. Training & Education — Provide delivery mechanisms for logging professional, and forest resource professional, and wood producer training to address *SFI* program needs not adequately provided by other programs.

B. Market Outreach — Sponsor active market outreach efforts in local communities that may include paid advertising.

C. Recruitment — Encourage large landowners and all forest products facilities to enroll as *SFI Program Participants*; encourage family forest owners to participate in American Tree Farm System or similar programs recognized by the *SFI* program, as appropriate.

D. Forest Management Statistics — Encourage government agencies to provide accessible timely, accurate harvest and regeneration statistics, in support of a *Program Participant*'s *sustainable forestry* programs.[8]

E. Research – Promote forestry research, science, and technology, upon which sustainable forest management decisions are based.[9]

SIC Organization

*SIC*s are semi-autonomous committees reflecting significant geographic and organizational diversity. This flexible, grassroots infrastructure is a fundamental strength of the *SFI* program and our goal to promote *sustainable forestry* across all ownerships. The following is intended to clarify support expectations and provide guidance to ensure consistency, while still maintaining *SIC* flexibility.

10. TRANSITION TO THE *SFI 2010-2014 STANDARD*

Changes adopted by the *SFI Inc*. Board of Directors to the *SFI Standard* must be incorporated into a *Program Participant*'s policies, plans, and management activities within one year of adoption and publication. Similarly, changes to certification procedures and qualifications for *certification*

[2] SFI 2010-2014 Standard Indicator16.2.1.
[3] SFI 2010-2014 Standard Indicator 16.2.2.
[4] SFI 2010-2014 Standard Performance Measure 17.3
[5] SFI 2010-2014 Standard Indicators 17.1.1. – 17.1.3.
[6] SFI 2010-2014 Standard Performance Measure 17.2.
[7] SFI 2010-2014 Standard Indicators 17.3.1. and 17.3.2.
[8] FI 2010-2014 Standard Performance Measure 15.2.
[9] SFI 2010-2014 Standard Objective 15.

bodies must be accomplished within one year of adoption and publication.

It is the *Program Participant*'s responsibility to work with the certification body to establish a surveillance audit schedule that meets the requirements outlined in the SFI 2010-2014 Audit Procedures and Auditor Qualifications and Accreditation document. Additional guidance regarding the transition is included below:

- The *SFI 2010-2014 Standard* replaces the *SFI 2005-2009 Standard,* which is the current standard implemented by organizations within their forest operations in United States and Canada.
- *SFI Inc*. developed the *SFI 2010-2014 Standard*, but does not conduct auditing and certification. All certification, recertification and surveillance audits to the *SFI 2010-2014 Standard* shall be conducted by *certification bodies* accredited by the Standards Council of Canada (SCC) or the ANSI-ASQ National Accreditation Board (ANAB) to conduct SFI certification.
- Accredited *certification bodies* are required to maintain audit processes consistent with the requirements of International Organization for Standardization (ISO) 17021:2006 conformity assessment — requirements for bodies providing audit and certification of management systems; and conduct audits in accordance with the principles of auditing contained in the ISO 19011:2002 Guidelines for Quality and/or Environmental Management Systems Auditing.
- ANAB- and SCC-accredited certification to the *SFI 2010-2014 Standard* shall not be granted until it is published as a standard.
- *SFI Program Participants* have one year from the time the *SFI 2010-2014 Standard* takes effect on Jan. 1, 2010 to implement <u>all</u> new and revised requirements, and *certified Program Participants* must demonstrate conformance to the new requirements at their first surveillance audit following the implementation period. Earlier adoption is encouraged.
- Initial registration audits in 2010 must be conducted against the *SFI 2010-2014 Standard*.
- After March 31, 2010 all re-registrations must be conducted against the *SFI 2010-2014 Standard*. For re-registrations against the *SFI 2010-2014 Standard* nonconformities against changes made in the revised *SFI 2010-2014 Standard* shall be reported but will not adversely affect re-registration until after December 31, 2010.
- Surveillance audits through December 31, 2010 may be conducted against either the *SFI 2005-2009 Standard* or *SFI 2010-2014 Standard* at the auditee's choice. For surveillance audits after March 31, 2010, *nonconformities* against changes made in the revised *SFI 2010-2014 Standard* shall be reported but will not adversely affect certification status until December 31, 2010; these audits shall also include an assessment of action plans to fully transition to the *SFI 2010-2014 Standard* by December 31, 2010.
- After December 31, 2010 all surveillance audits must be conducted against the *SFI 2010-2014 Standard*.

SECTION 7.

SFI LEGALITY REQUIREMENTS AND POLICIES FOR AVOIDANCE OF ILLEGAL LOGGING

SUSTAINABLE FORESTRY INITIATIVE

JANUARY 2010

SFI LEGALITY REQUIREMENTS AND POLICIES FOR AVOIDANCE OF ILLEGAL LOGGING

SFI LEGALITY REQUIREMENTS

Program Participants must comply with federal, provincial, state and local laws that cover a broad range of issues, and protect the environment, workers and people who live in the communities where they operate. They include federal, state, provincial or local *forestry*-related environmental laws and regulations found in the United States and Canada such as The Clean Water Act, The Endangered Species Act, The Species at Risk Act, and state or provincial forest practice laws. The social laws of the United States and Canada cover civil rights, equal employment opportunities, anti-discrimination and anti-harassment measures, workers' compensation, measures to protect indigenous peoples' rights, workers' and communities' right to know, wages and working hours, and occupational health and safety. Antitrust, business competition and other laws in the United States and Canada outline business procedures that must be followed.

The *SFI* program does not try to duplicate the comprehensive *sustainable forestry* laws and processes already mandatory in the United States and Canada. Both countries have mature legal systems that consistently discourage and punish illegal behavior. Given the wide range of due process and compliance mechanisms that ensure conformance with applicable laws, the *SFI Standard* purposefully focuses on continual improvement of the practice of *sustainable forestry*, forest *productivity*, environmental performance processes and community outreach that complements the existing legal framework.

When an *SFI Program Participant* procures wood offshore (beyond North America), the *SFI 2010-2014 Standard* stipulates the need to avoid *controversial sources* of supply, including *illegal logging* and *fiber sourced from countries without effective social laws.*

SFI Principle 9. Legal Compliance. To comply with applicable federal, provincial, state, and local *forestry* and related environmental laws, statutes, and regulations.

SFI Objective 12. Avoidance of *Controversial Sources* including *Illegal Logging*. To broaden the practice of *sustainable forestry* by avoidance of *illegal logging.*

Performance Measure 12.1. *Program Participants* shall ensure that their *fiber sourcing programs* support the *principles* of *sustainable forestry*, including efforts to thwart *illegal logging*.

Indicators:

1. Process to assess the risk that the *Program Participant's fiber sourcing program* could acquire material from *illegal logging*.

2. *Program* to address any significant risk identified under 12.1.1.

3. *Program* with *direct suppliers* to promote the *principles* of *sustainable forestry*.

4. Documented information that includes knowledge about *direct suppliers*' application of the *principles* of *sustainable forestry*.

SFI Objective 13. Avoidance of *Controversial Sources* including *Fiber Sourced from Areas without Effective Social Laws.* To broaden the practice of *sustainable forestry* by avoiding *controversial sources*.

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; and
   f. workers' right to organize.

2. *Program* to address any significant risk identified under 13.1.1.

SFI Objective 14. Legal and Regulatory Compliance. Compliance with applicable federal, provincial, state and local laws and regulations.

Performance Measure 14.1. *Program Participants* shall take appropriate steps to comply with applicable federal, provincial, state and local *forestry* and related social and environmental laws and regulations.

Indicators:

1. Access to relevant laws and regulations in appropriate locations.

2. System to achieve compliance with applicable federal, provincial, state or local laws and regulations.

3. Demonstration of commitment to legal compliance through *available regulatory action information.*

Performance Measure 14.2. *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.

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.

2. *Forestry enterprises* will respect the rights of workers and labor representatives in a manner that encompasses the intent of the ILO core conventions.

SFI definition of *controversial sources:* Use of *controversial sources* are not allowed in SFI-labeled products. Controversial sources include *illegal logging* and fiber *sourced from areas without effective social laws.*

illegal logging: The theft of timber or logs and cutting in parks, reserves or other similar areas where otherwise precluded by laws such as the United States Lacey Act, as amended in 2008[1]. The Act combats trafficking in "illegal" *wildlife*, fish, and plants. As of May 22, 2008, the Lacey Act makes it unlawful to import, export, transport, sell, receive, acquire, or purchase in interstate or foreign commerce any plant, with some limited exceptions, taken, possessed, transported or sold in violation of the laws of the United States, a State, an Indian tribe, or any foreign law that protects plants. In addition, see Section 7 in the SFI requirements document, *SFI Legality Requirements and Policies for Avoidance of Illegal Logging*, for *SFI Inc*'s *Policy* on *Illegal Logging*.

fiber sourced from areas without effective social laws: The United States and Canada have a strong legal framework. Fiber from countries without effective laws addressing the following will need a risk assessment:

1. workers' health and safety;
2. fair labor practices;
3. indigenous peoples' rights;
4. anti-discrimination and anti-harassment measures;
5. prevailing wages; and
6. workers' right to organize.

SFI POLICY ON ILLEGAL LOGGING[2]

The *SFI* program has strong existing measures in the *SFI 2010-2014 Standard*, SFI Responsible *Fiber Sourcing* Standard and the SFI Chain-of-Custody Standard to avoid illegal sources of supply. This appendix covers the issue as to whether an organization can certify one operation to SFI's Responsible *Fiber Sourcing* Standard (Section 4) or SFI's Chain-of-Custody Standard (Section 3) in the SFI requirements document, while another operation controlled by the company is engaged in *illegal logging*. This is an evolving issue and as international laws, regulations, agreements, treaties and definitions of *illegal logging* change, SFI Inc will review and update the language as necessary.

a. *SFI Inc.* will not license any person or entity to use SFI's trademarks or labels, and SFI may revoke any licence previously granted, if **the proposed licensee or an Affiliate of the licensee has been found to have engaged in *Illegal Logging* by a government authority in the jurisdiction where the logging occurred**[3], unless the evidence available to SFI supports a conclusion that, in the business judgment of the *SFI Inc.* Board, any incidents of Illegal Logging by the entity are followed by prompt corrective action and do not show a pattern of Illegal Logging.

b. *SFI Inc.* will not license any person or entity to use SFI's trademarks or labels, and SFI may revoke any licence previously granted, if **the evidence available to SFI supports a conclusion that, in the business judgment of the *SFI Inc.* Board, the proposed licensee**

[1] The **Food, Conservation, and Energy Act of 2008** (Pub.L. 110-234, 122 Stat. 923, enacted May 22, 2008, H.R. 2419, Section 8204. Prevention of Illegal Logging Practices, also known as the **2008 U.S. Farm Bill**). The Lacey Act also makes it unlawful to conduct these activities with respect to any plant (1) without payment of appropriate royalties, taxes, or stumpage fees required for the plant by any law or regulations of any State or any foreign country and (2) in violation of any limitation under any law or regulation of any Sate, or under any foreign law, governing the export or transshipment of plants. SFI has not included these prohibitions in its definition of illegal logging because they are covered by the requirement to comply with all applicable laws.

[2] As Approved by the SFI Board of Directors September 23, 2008.

[3] This enables SFI to take action that is based on a government finding (conviction, court decision, regulatory decision, fine etc.) of *Illegal Logging*. SFI would not make any factual determinations of *illegal logging*; they would be made by the government. No audit of overseas operations is required unless and until such a finding is made.

or an Affiliate of the licensee has engaged in a pattern of *Illegal Logging*[4].

c. Any person or entity whose application for a SFI licence has been denied or whose license has been revoked pursuant to this section may reapply for a licence upon a showing that any past *Illegal Logging* has been stopped, that appropriate actions have been taken to prevent it from recurring, and that the proposed licensee and its Affiliates do not knowingly engage in *Illegal Logging*. Such showing shall be supported by a third party audit conducted by an *SFI certification body* accredited to conduct *2010-2014 SFI Standard* certifications and shall include local expertise as part of the audit team[5].

d. As used in this section,

- "*Illegal Logging*" means logging on land where the entity conducting the logging has no legal right to harvest.
- "Affiliate" means any person or entity that directly or indirectly controls, is controlled by, or is under common control with the proposed licensee.
- "Control" means owning a majority of the stock, appointing a majority of the directors, or otherwise having the practical or legal power to direct the operations of a person or entity.

[4] This enables SFI to take action against a company that is known to engage in a pattern of *Illegal Logging*, but that has NOT been subject to government enforcement actions (perhaps because the local government is corrupt or ineffective). The SFI Board would need to make the factual determinations based on the best evidence available to it. No audit of overseas operations is required unless and until such a finding is made.

[5] The audit shall cover all operations in all jurisdictions where the *illegal logging* occurred.

[6] This definition does not cover most environmental law violations. It is intended to be limited to timber theft.

SECTION 8.
SFI STANDARD DEVELOPMENT AND INTERPRETATIONS PROCESS

SUSTAINABLE FORESTRY INITIATIVE

JANUARY 2010

SFI STANDARD DEVELOPMENT AND INTERPRETATIONS PROCESS

SECTION 1: SFI STANDARD DEVELOPMENT PROCESS 2

SECTION 2: INTERPRETATIONS PROCESS 4

1. *SFI* STANDARD DEVELOPMENT PROCESS

Broad public and stakeholder involvement is important to the *SFI* program. The Sustainable Forestry Initiative Standard setting process shall be on a five year cycle, which is consistent with international protocols for forest certification standard revision cycles. The process shall begin in the fall preceding the year when the existing standard expires. The *SFI* Standard setting process shall begin with a 60 day public comment period. For example, the *SFI 2010-2014 Standard* setting process (the *SFI* 2005-2009 Standard expires on December 31, 2009) began with a 60-day open comment period beginning June 2 of 2008.

During the open comment period, *SFI*, Inc also convenes meetings of various committees, including *SFI* customers, the External Review Panel (ERP), *SFI* Supporters, and others to provide initial input into the review process. At the close of the 60-day comment period, *SFI*, Inc organizes the comments and presents them to the *SFI* Standards Review task group (typically a subset of the Resources Committee (RC) which has balanced representation from all sectors of the Board-Economic, Environmental and Social) and publishes them to the *SFI* website. The RC shall determine if additional ad hoc task groups are needed and populate them for specific review topics. The independent ERP shall meet and review the comments received as well to ensure that all comments are given appropriate consideration by the *SFI* Standards Review task group.

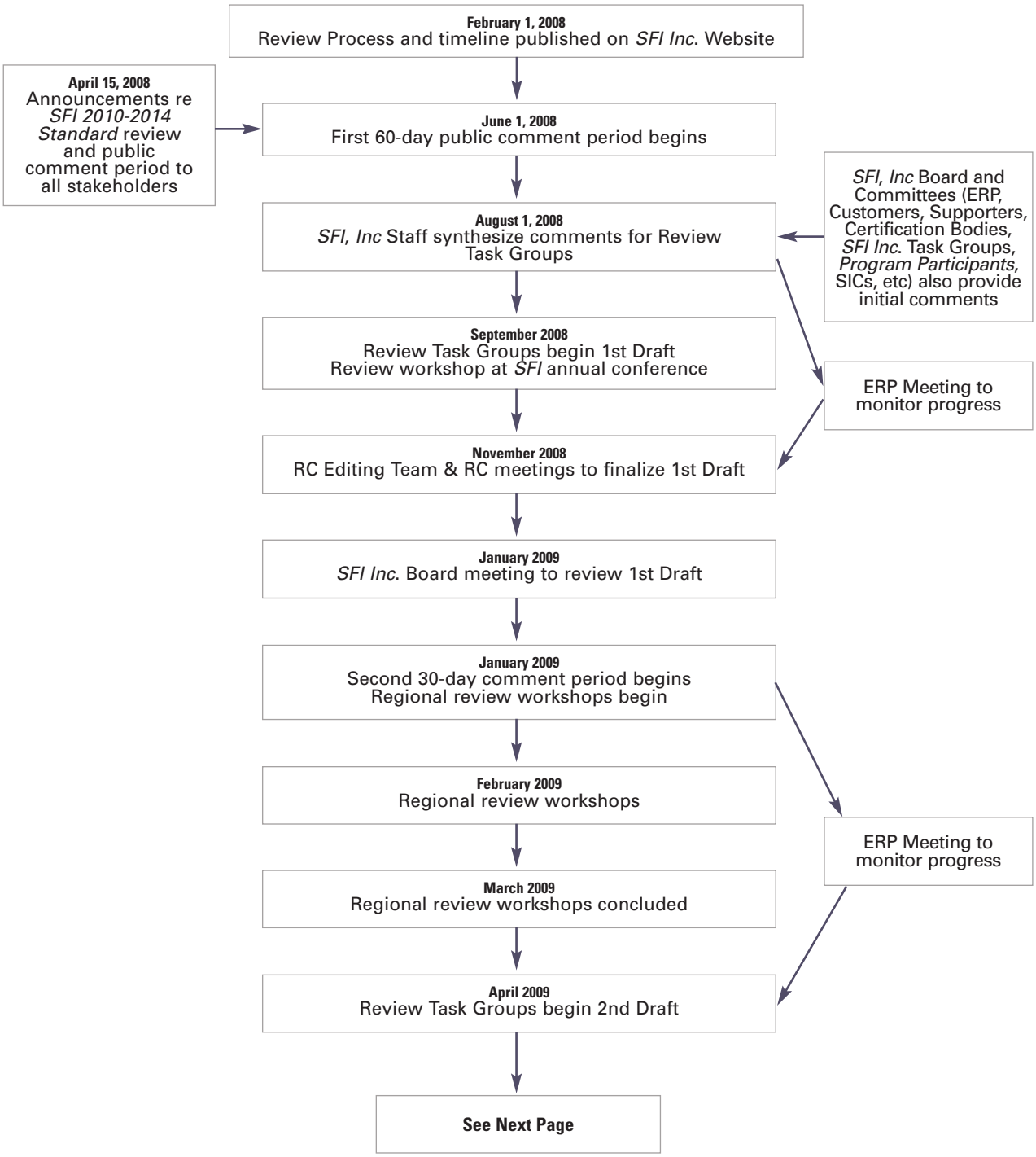
The first draft of the proposed changes to the *SFI 2010-2014 Standard* were released in the January of 2009 and published to the *SFI* website. An additional 30 day public comment period allows all stakeholders additional comment and input into the proposed changes. The *SFI* Standards Review task group shall maintain records regarding all comments and their disposition for review by the independent External Review Panel. The goal is to have the comments posted in an easy to use spreadsheet on the *SFI Inc*. website.

A second draft of the proposed changes to the *SFI 2010-2014 Standard* will typically be released during the first quarter of the review year and posted to the *SFI* website. This draft will then be presented and discussed with *SFI Program Participants* and all other stakeholders at regional workshops conducted by *SFI*, Inc throughout the U.S. and Canada. All stakeholders who have commented on proposed changes or who have proposed changes to the *SFI 2010-2014 Standard* shall use this opportunity to raise any concerns regarding their comments and the manner in which the *SFI* Standards Review task group addressed their comments or suggested changes.

The final draft of the proposed changes to the *SFI 2010-2014 Standard* shall be delivered to the *SFI Inc*. Board of Directors by late May and posted to the *SFI* website. The *SFI*, Inc. Board bylaws require a 45-day advance notice to review proposed changes to the standard before Board action can occur. The *SFI Inc* Board will meet in July of the review year to discuss the final *SFI 2010-2014 Standard* draft and vote on the proposed changes. All comments will be considered carefully and records of their disposition maintained and *SFI Inc*. will respond to those who comment as resources allow. As in any review process, it is not necessary to agree to every suggestion, but it is important that they be given consideration. *SFI Inc*. seeks to obtain consensus in the standards setting process and is consistent with PEFC Guideline GL5/2006 (*Interpretation of the PEFC Council Requirements for Consensus in the Standard Setting Process*).

The revised *SFI 2010-2014 Standard* shall be published to the *SFI* program website by December 31 of the review year (in effect as of January 1, 2010) and printed copies will be available during the first quarter of 2010. All *Program Participants* have one year to fully implement new and revised *SFI 2010-2014 Standard* elements adopted by the Board.

PROCESS FOR THE SFI 2010-2014 STANDARD DEVELOPMENT



May 2009
RC Editing Team and RC meetings to create final draft

↓

Late May 2009
Final draft to *SFI* Board for required 45 day review period

↓

September 2009
SFI, Inc Board meeting to approve second draft; review workshop at annual conference

↓

December 2009
SFI 2010-2014 Standard published to website; effective date for implementation is January 1, 2010

↓

December 2009
SFI 2005-2009 Standard expires on December 31, 2009

↓

December 31, 2010
All *SFI Program Participants* required to be in full conformance with new provisions in *SFI 2010-2014 Standard*

2. INTERPRETATIONS

From time to time, a formal process may be needed to interpret the *SFI 2010-2014 Standard* and its supporting documents. As part of *SFI Inc.*'s commitment to continual improvement of both the *SFI certification* process and the *SFI Standard*, such concerns shall be submitted promptly to the *SFI Inc*. Interpretations Committee by contacting staff at *SFI Inc*. The *SFI Inc*. Interpretations Committee shall respond within 45 days of receipt.

It is neither the intent nor the responsibility of the *SFI Inc*. Interpretations Committee to resolve disputes arising through certification; nevertheless, the committee will provide opinions and direction to assist parties in answering interpretive questions. Through this process, the *SFI* program shall maintain a record of opinions and concerns available to both *Program Participants* and *certification bodies* to assist with certification planning. *SFI Inc*. shall periodically review this record and, where appropriate, recommend changes for inclusion in the *SFI Standard* or *SFI* audit procedures.

SECTION 9.

SFI 2010-2014 AUDIT PROCEDURES AND AUDITOR QUALIFICATIONS AND ACCREDITATION

SUSTAINABLE FORESTRY INITIATIVE

JANUARY 2010

SFI AUDIT PROCEDURES AND AUDITOR QUALIFICATIONS AND ACCREDITATION

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6. COMPETENCE AND EVALUATION OF CERTIFICATION BODIES 4

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7. ACCREDITATION OF CERTIFICATION BODIES 4

Appendix 1: Audits of Multi-Site Organizations [Normative] 5

INTRODUCTION

All certification, recertification and surveillance audits to the *SFI 2010-2014 Standard* shall be conducted by *certification bodies* accredited by the Standards Council of Canada (SCC) or the ANSI-ASQ National Accreditation Board (ANAB) to conduct *SFI certification.*

Accredited *certification bodies* are required to:

- maintain audit processes consistent with the requirements of International Organization for Standardization (ISO) 17021:2006 conformity assessment — requirements for bodies providing audit and certification of management systems; and
- conduct audits in accordance with the principles of auditing contained in the ISO 19011:2002 Guidelines for Quality and/or Environmental Management Systems Auditing.

ISO is a worldwide federation of national standards bodies. The preparation of International Standards is conducted by ISO technical committees.

The ISO 17021 guidelines were prepared by the ISO Committee on Conformity Assessment (CASCO).

The ISO 19011 guidelines were prepared jointly by Technical Committee ISO/TC 176 for Quality Management and Quality Assurance, and Technical Committee ISO/TC 207 for Environmental Management.

Together these documents provide direction for the design and implementation of management systems audit *programs* by accredited *certification bodies*.

1. SCOPE

This *SFI Audit Procedures and Qualifications* document supports the International Standard ISO 19011:2002 Guidelines for Quality and/or Environmental Management Systems Auditing by providing specific requirements to *SFI Program Participants* and *certification bodies*. It is applicable to all forest management and *fiber sourcing* organizations when conducting *third-party* certification, recertification, or surveillance audits to the *SFI 2010-2014 Standard*.

2. NORMATIVE REFERENCE

Certification bodies and *auditors* must follow International Standard ISO 19011:2002, Guidelines for Quality and/or Environmental Management Systems Auditing, in auditing to the *SFI 2010-2014 Standard* and International Organization for Standardization (ISO) 17021:2006 conformity assessment-requirements for bodies providing audit and certification of management systems; and all SCC and ANAB requirements.

3. TERMS AND DEFINITIONS

Definitions of terms can be found in the Section 13.

4. PROCEDURES FOR IMPLEMENTING THE *PRINCIPLES* FOR SFI AUDITING

ISO 17021 Section 4 addresses general *principles* associated with auditing, including impartiality, competence, responsibility, openness, confidentiality and responsiveness to complaints.

All information and documents, including working drafts and reports, shall be considered confidential. *Certification bodies* shall not release any information or documents without the prior written permission of the *Program Participant*. Auditors shall conduct themselves in a professional and ethical manner.

Certification bodies and audit team members and their employers shall not participate in an appraisal or advise a potential purchaser or broker a purchase of property audited within the prior three years without the written permission of the audited party. *Certification bodies*, audit team members, and employers shall notify the audited party of participation in such activities after the three-year period immediately upon initiation of such activities for a period of at least 10 years following the audit.

Prior to engaging in an audit and the *Program Participant*'s acceptance of the *audit team*, the *certification bodies* and audit team members shall disclose to the party requesting the audit any prior land appraisal or assessment work or land brokerage activity or other professional services they or their employers conducted related to the property to be audited.

Certification bodies must successfully complete annual witness audits to maintain accreditation status from ANAB or SCC.

5. SFI AUDIT ACTIVITIES

5.1. Certification of multiple sites

ISO/IEC 17021: 2006 clause 9.1.5 specifies that where multi-

site sampling is utilized for the audit of a client's management system covering the same activity in various locations, the *certification body* shall develop a sampling *program* to ensure proper audit of the management system. The rationale for the sampling plan shall be documented for each client.

International Accreditation Forum Mandatory Document 1 (IAF MD 1) provides mandatory guidance for the consistent application of Clause 9.1.5 that is subject to the specific requirements of relevant standards.

Within the context of the *SFI 2010-2014 Standard* and specific risks associated with certification of *forestry* operations, alternate approaches to IAF MD 1 may achieve the same or greater level of confidence in the conformity of the organization with the *SFI 2010-2014 Standard*. *Certification bodies* may apply alternative sampling approaches to IAF MD 1 to the extent that the approach chosen provides a least the same level of confidence that would be achieved using IAF MD 1. Additional information regarding multi-site certification is included in Appendix 1 of Section 9 in the SFI requirements document.

5.2. Substitution and Modification of SFI

Program Participants, with consent of the *certification body*, may substitute or modify indicators to address local conditions based on a thorough analysis and adequate justification. The *certification body* is responsible for ensuring revised indicators are consistent with the spirit and intent of the *SFI 2010-2014 Standard* performance measures and indicators and with the *principles* of sustainable forestry, and that the changes are appropriate for specific local conditions and circumstances and the *Program Participant*'s scope of operation.

Additional *indicators* beyond those identified in the *SFI 2010-2014 Standard*, if included by the *Program Participant*, shall be audited like all other *indicators.*

5.3. Determination of Conformance

The *certification body* shall assess conformance to each element of the *SFI 2010-2014 Standard*'s, *objectives, performance measures and indicators* within the scope of the audit. *SFI 2010-2014 Standard* elements are *objectives, performance measures* and *indicators.* The introduction to the *SFI 2010-2014 Standard* is informative, and as such, is not an auditable element.

Evidence shall be compiled by examining operating procedures, materials relating to *forestry* practices and on-the-ground field performance, and through meetings with employees, contractors and other third parties (e.g., government agencies, community groups, conservation organizations), as appropriate, to determine conformance to the *SFI 2010-2014 Standard*.

The *certification body* shall ensure that the *objectives* and scope of the audit:

- allow for accurate field determination of conformance for the entire operating unit;
- verify that the *Program Participant*'s *SFI* program conforms to SFI *principles*, *policies, objectives, performance measures, indicators,* and any additional *indicators* that the *Program Participant* chooses; and
- verify whether the *Program Participant* has effectively implemented its *SFI 2010-2014 Standard program* requirements on the ground.

If a *major nonconformity* is found, a certificate of conformance shall not be issued until the *certification body* verifies that corrective action approved by the *lead auditor* has been implemented. A revisit may be required to verify implementation of corrective action.

If a *minor nonconformity* is found, a certificate of conformance may be issued only after the *lead auditor* approves a corrective action plan that addresses the nonconformity within an agreed-upon period, not to exceed one year. Verification that the corrective action has been effectively implemented shall occur during the next surveillance audit.

5.4. SFI Technical Audit Report to the *Program Participant*

ISO 19011 Section 6.6.1 Preparing the Audit Report addresses audit report contents. In addition, the SFI audit report to the *Program Participant* shall cover:

a. the audit plan;
b. a description of the audit process used;
c. documentation of the rationale for the substitution or modification of any *indicators*; and
d. a schedule for surveillance and recertification.

See Section 10 in the SFI requirements document regarding the development and release of public summary audit reports.

5.5. Recertification

To maintain a current SFI certificate, *Program Participants* shall recertify their *SFI* programs to the SFI Standard every three years.

6. COMPETENCE AND EVALUATION OF CERTIFICATION BODIES

6.1. Qualifications of *Audit Teams*

Audit teams shall have the knowledge and skills to conduct an audit in accordance with the *principles* of auditing. The *certification body* shall select *audit team* members appropriate to the scope, scale and geography of the operation being audited. Additionally, at least one member of the *audit team* shall have knowledge of *forestry* operations in the region undergoing the audit, at least one member shall have knowledge of applicable laws and regulations, at least one member shall have knowledge of the socio-demographics and cultural issues in the region, and at least one member shall be a professional forester as defined by the Society of American Foresters (SAF), the Canadian Institute of Forestry, or licensed or registered by the state(s) or province(s) in which the certification is conducted. For forest management audits, the *audit team* shall have expertise that includes plant and *wildlife* ecology, *silviculture*, forest modeling, forest operations, occupational safety and health, international labor standards, and hydrology. One specialist per discipline is not required to meet any of the above requirements.

6.2. Qualifications of *Auditors*

ISO 19011 Section 7.3 Knowledge and Skills addresses a broad range of skills required of *auditors*. This is supplemented by ISO 19011 Section 7.3 Education, Work Experience, *Auditor* Training and Audit Experience.

In addition, for certifications to the *SFI 2010-2014 Standard*, *audit team* members shall have the education, formal training and experience that promotes competency in and comprehension of:

a. *forestry* operations as they relate to natural resource management, including *wildlife*, fisheries, recreation, ecology, etc.;
b. international and domestic *sustainable forestry* management systems and performance standards including occupational safety and health, and labor standards; and
c. certification requirements related to the *SFI* program.

Audit team members who have obtained a professional *degree* in *forestry* or a closely related field shall have a minimum of two years' relevant work experience.

The provisions of Table 1 in ISO 19011 shall not apply to SFI *auditors.*

6.3. Maintenance and Improvement of Competence

All *audit team* members shall pursue ongoing personal and professional development in

a. forest management science and technology;
b. sustainable forest management systems and certification *programs* and standards;
c. understanding and interpretation of federal, state, and provincial *forestry* and environmental laws and codes of practice; and
d. certification procedures, processes and techniques, especially as these pertain to the *SFI 2010-2014 Standard*.

An *auditor* who maintains Certified Forester, Registrar Accreditation Board, or Canadian Environmental Certification Approvals Board sustainable forest management *auditor* (CEA SFM) certification, or equivalent, shall be considered to have fulfilled continuing education requirements.

7. ACCREDITATION OF CERTIFICATION BODIES

The *SFI* program requires *certification bodies* to be accredited in order to conduct *SFI certifications* and issue certificates.

Certification body: an independent *third party* that is accredited by:

- ANSI-ASQ National Accreditation Board (ANAB) as being competent to conduct certifications to the *SFI 2010-2014 Standard*.
- American National Standards Institute (ANSI) as being competent to conduct certifications to the SFI Chain-of-Custody Standard.
- Standards Council of Canada (SCC) as being competent to conduct certifications to the *SFI 2010-2014 Standard* and the SFI Chain-of-Custody Standard.

APPENDIX 1: AUDITS OF MULTI-SITE ORGANIZATIONS [NORMATIVE]

INTRODUCTION

Multi-site organizations may be audited on a site-by-site basis (all sites visited each year) or, in some cases, on a sample basis.

This appendix expands on Section 5.1 of the SFI Audit Procedures and Auditor Qualifications and Accreditation document and provides additional normative guidance for certification bodies wishing to audit multi-site organizations on a sample basis.

1. SCOPE

Audits of multi-site organizations applying a sampling approach to assess conformance with:

- The *SFI 2010-2014 Standard*
- Sections 3 and 4 SFI Chain-Of-Custody Standard and Associated Labels
- Section 4 SFI Responsible *Fiber Sourcing* Standard and Associated Labels

2. REFERENCES

IAF Mandatory Document for The Certification of Multiple Sites Based on Sampling Issue 1 (IAF MD1: 2007) — (Normative for *SFI 2010-2014 Standard*, Informative for SFI Sections 3 and 4).

IAF Mandatory Document for Duration of QMS and EMS Audits Issue 1 (IAF MD 5: 2009) — (Informative).

3. TERMS AND DEFINITIONS

3.1 Organization: The term organization is used to designate any company or other organization owning a management system subject to audit and certification.

3.2 Site: A site is a permanent location where an organization carries out work or a service.

3.3 Multi-Site Organization: An organization having an identified central function (hereafter referred to as a central office — but not necessarily the headquarters of the organization) at which certain activities are planned, controlled or managed and a network of local offices or branches (sites) at which such activities are fully or partially carried out.

3.4 Group Certification Organization: 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.

4. PROCEDURES FOR IMPLEMENTING AUDITS

4.1 Eligibility Criteria

4.1.1 Multi-site organizations using IAF-MD1 as the basis for sampling shall meet the eligibility criteria established in IAF-MD1

4.1.2 Multi-Site Organizations using alternate approaches to sampling provided for in 5.1 of the Audit Procedures and Auditor Qualifications and Accreditation document shall meet the following minimum eligibility criteria:

a. A legal or contractual link shall exist between all sites.

b. The scope and scale of activities carried out by participating sites shall be similar.

c. The management system framework shall be consistent across all sites (allowing for site level procedures to reflect variable local factors).

d. A Central Function[1] shall be established that shall:

i. provide a commitment on behalf of the whole multi-site organization to establish and maintain practices and procedures in accordance with the requirements of the relevant standard;

ii. provide all the sites with information and guidance needed for effective implementation and maintenance of practices and procedures in accordance with the relevant standard;

iii. maintain the organizational or contractual connection with all sites covered by the multi-site organization including the right of the Central Function to exclude any site from participation in the certification in case of serious non-conformities with the relevant standard;

iv. keep a register of all the sites of the multi-site organization, including (for *SFI 2010-2014 Standard*) the forest area associated with each participating site;

v. maintain an internal audit or monitoring

[1] The Central Function comprises the system of processes and procedures necessary to manage the multi-site organization and is not a physical location.

program sufficient to provide annual performance data on overall organizational conformance with the relevant standard;[2]

vi. maintain an internal audit or monitoring program sufficient to provide periodic performance data on overall organizational conformance with the relevant standard;

vii. operate a review of the conformity of sites based on results of internal audit and/or monitoring data sufficient to assess Organizational performance as a whole rather than at the individual site level;

viii. establish corrective and preventive measures if required and evaluate the effectiveness of corrective actions taken; and

ix. establish procedures for inclusion of new sites within the multi-site organization including an internal assessment of conformity with the standard, implementation of corrective and preventive measures and a requirement to inform the relevant certification body of changes in participation prior to including the sites within the scope of the certification.

e. Functions and responsibilities of individual sites shall be established for:

i. implementing and maintaining the requirements of the relevant standard;

ii. responding effectively to all requests from the Central Function or *certification body* for relevant data, documentation or other information whether in connection with formal audits or reviews or otherwise;

iii. providing full co-operation and assistance in respect of the satisfactory completion of internal audits, reviews, monitoring, relevant routine enquiries or corrective actions; and

iv. implementing relevant corrective and preventive actions established by the central office.

4.1.3 Group certification organizations formed to achieve *SFI 2010-2014 Standard* certification, in addition to meeting either 4.1.1 or 4.1.2, shall submit all the forest area under management within the catchment area for the group certification (i.e. the group certification shall be defined in geographic terms at a logical scale such as county, region, state/province but once defined must include all sites managed by the central function within that geographic area).

[2] Annual performance data on overall organizational conformance implies that all sites have been internally audited, or monitored, prior to the initial audit and subsequent audit.

4.1.4 For audits of conformance with SFI Section 3 in the SFI requirements document, multi-site organizations using either IAF-MD1 or alternate approaches to sampling shall ensure that all the relevant sites (including the central function) are subject to the organization's internal audit program and shall have been audited in accordance with that program prior to the certification body starting its assessment.

5. SFI MULTI-SITE AUDIT ACTIVITIES

5.1 Sampling Approaches

5.1.1 Certification bodies auditing multi-site organizations using IAF-MD1 as the basis for sampling shall meet the sample selection and intensity criteria established in IAF-MD1

5.1.2 Certification bodies auditing multi-site organizations using alternate approaches as the basis for sampling shall meet the following minimum sample selection and intensity criteria:

a. stratification of the sites included within the multi-site certification based on the scope and scale of activities as well as previous audit findings, complaints and monitoring data collated by the central function;[3, 4]

b. a formal documented evaluation of the inherent and control risks at each of the sites participating in the multi-site certification;

c. a sample strategy designed to specifically address the identified risks;

d. consideration of the need for an element of randomness within the sampling strategy to address previously unidentified risks;

e. in cases where the multi-site organization maintains an internal audit program determined to be reliable the minimum sample size shall in no event be less than:

i. $\sqrt{(n)}$ for initial certification audits[5]

ii. $0.6\sqrt{(n)}$ for surveillance audits

iii. $0.8\sqrt{(n)}$ for re-certification audits

[3] For example in a multi-site organization with three forest management operations and 15 procurement operations at a minimum, separate strata would be required for the woodlands and procurement operations. Under Sections 2 and 3, a range of processing facilities may be included under a single stratum to the extent that the nature and risks associated with the fiber supply are consistent across the facilities e.g. three sawmills a plywood mill and a pulp mill may be included within a single stratum if they are all using fiber with a similar risk profile (such as from a single state/province/region). If one of the sawmills imported tropical hardwoods, it would require a separate stratum.

[4] In determining the impact of previous audit findings on a sample strategy consideration shall be given to both the need to formally close out prior audit findings (which may require a site visit) and the implications of previous audit findings for ongoing conformance with the applicable standard(s) by individual sites.

[5] Where n = the number of sites within the stratum.

f. In cases where there the multi-site organization does not maintain an internal audit program determined to be reliable the minimum sample size shall in no event be less than √(n) for initial certifications, surveillance audits and re-certification audits; and

g. In addition to site audits, the central function shall be audited on an annual basis.[6]

5.2 Audit Scope

5.2.1 At a minimum the audit sampling process shall address all elements of the standard on an:

- Annual basis for audits of conformance with SFI Sections 2 and 3 in the SFI requirements document.
- Triennial basis for audits of conformance with the *SFI 2010-2014 Standard.*

5.3 Audit Duration

5.3.1 In determining the overall duration of multi-site audits the underlying objective is to maintain at least the same level of confidence that would be achieved under *IAF MD1.* When calculating audit days, consideration should be given to the general principles guiding audit time calculations outlined in IAF-MD5.

5.4 Non-Conformities

5.4.1 Non-conformities identified at the site or organizational level shall be addressed by the central function considering both the site level implications and the broader implications for the organization as a whole.

5.4.2 Certification bodies shall close out identified non-conformities at the next scheduled audit. This may require an amendment to the site sampling strategy to ensure that open site-level non-conformities are closed out at the next audit.[7]

5.5 Audit Reporting

5.5.1 At a minimum, the *certification body* shall prepare a technical audit report that addresses the multi-site organization as a whole. Individual site level reports may be developed to summarize site level findings but do not eliminate the need for an organizational level report.

6. COMPETENCE AND EVALUATION OF CERTIFICATION BODIES

6.1 Prior to conducting multi-site certification under the methodologies described in this appendix certification bodies shall have documented procedures in place to guide audit teams in the planning, conduct and reporting of multi-site certification audits.

7. PUBLIC COMMUNICATION AND CLAIMS REGARDING MULTI-SITE CERTIFICATES

7.1 Certification bodies shall prepare a summary audit report that, in addition to the requirements of the SFI Public Communications and Claims (Section 10) document, indicates:

a. the fact that the certification is a multi-site certification;

b. whether the multi-site organization is a group certification organization;

c. the sampling approach (strata, location, number of sites sampled and the percentage of sites sampled within each stratum); and

d. any changes in the scope of the multi-site certification since the last public summary report.

7.2 Certificates issued to multi-site organizations shall be issued to the central function and include an appendix listing the participating sites.

8. INTERPRETATIONS, PUBLIC INQUIRIES, AND OFFICIAL COMPLAINTS

8.1 In assessing the validity of complaints raised in relation to a specific site within a multi-site organization, certification bodies shall investigate the complaint at the site level and (where relevant) at the organizational level.[8]

[6] Auditing of the central function will be primarily based on interviews, document and record review and may be conducted through any combination of off-site audit activities, additional activities carried out through electronic record access at individual sites or visits to the central office as appropriate.

[7] For example, where Operation A has a non-conformity raised in 2010, it will be necessary to close this out in 2011 regardless of whether Operation A was scheduled to be one of the sites sampled in 2011. As a result, the sampling strategy will need to include a process for closing out open site-level non-conformities.

[8] For example, where a complaint has implications for the effectiveness of a process carried out by the central function (such as procedures, monitoring or internal audit) then the implications for the reliability of information from other sites within the organization shall also be considered.

SECTION 10.
COMMUNICATIONS AND PUBLIC REPORTING

SUSTAINABLE FORESTRY INITIATIVE

JANUARY 2010

COMMUNICATIONS AND PUBLIC REPORTING

PREPARING AND SUBMITTING A PUBLIC REPORT

A *certified Program Participant* shall provide a summary audit report (one copy must be in English) to *SFI Inc.* after the successful completion of certification, recertification, or surveillance audit to the *SFI 2010-2014 Standard*. The summary audit report will be posted on the *SFI Inc.* website (www.sfiprogram.org) for public review.

The *certification body* shall prepare the summary audit report, which shall include, at a minimum:

a. a description of the audit process, *objectives*, and scope;
b. a description of substitute *indicators*, if any, used in the audit and a rationale for each;
c. the name of *Program Participant* that was audited, including its SFI representative;
d. a general description of the *Program Participant*'s forest land and manufacturing operations included in the audit;
e. the name of the *certification body* and *lead auditor* (names of the *audit team* members, including *technical experts* may be included at the discretion of the *audit team* and *Program Participant*);
f. the dates the certification was conducted and completed;
g. a summary of the findings, including general descriptions of evidence of conformity and any nonconformities and corrective action plans to address them, opportunities for improvement, and exceptional practices; and
h. the certification decision.

SECTION 11.
PUBLIC INQUIRIES AND OFFICIAL COMPLAINTS

SUSTAINABLE FORESTRY INITIATIVE

JANUARY 2010

PUBLIC INQUIRIES AND OFFICIAL COMPLAINTS

SECTION 1: PUBLIC INQUIRIES REGARDING INCONSISTENT PRACTICES 2

SECTION 2: OFFICIAL COMPLAINTS QUESTIONING THE VALIDITY OF A CERTIFICATION 2

SECTION 3: PUBLIC INQUIRIES REGARDING INCONSISTENT PRACTICES AND THE ILO CORE CONVENTIONS (87,98 AND 111) 2

SECTION 4: CHALLENGES OR COMPLAINTS REGARDING SFI ON-PRODUCT LABEL USE 3

1. PUBLIC INQUIRIES REGARDING INCONSISTENT PRACTICES

Any party with information or claims about a *Program Participant*'s individual practices that may be in nonconformity may seek to have those claims investigated.

The complainant shall present specific claims of nonconformity in writing and in sufficient detail to the *Program Participant*. Within 45 days of receipt of the complaint, the *Program Participant* shall respond to the complainant and forward a copy of the complaint and its response to the *Program Participant*'s *certification body* for future review via surveillance or certification audits. The *certification body* shall investigate the validity of the complaint and the *Program Participant*'s response and resolution of the claim at the time of the next scheduled surveillance audit.

A complainant who believes the issue has not been satisfactorily resolved may provide its original documentation and the response from the *Program Participant* to the appropriate *SFI Implementation Committee* Inconsistent Practices Program, which shall investigate and respond to the allegations within 45 days of receipt of documentation. If no appropriate *SFI Implementation Committee* Inconsistent Practices Program exists, the complainant may address the issue to the SFI National Inconsistent Practices office via the External Review Panel Secretariat. The *SFI Implementation Committee* or National Inconsistent Practices Program shall provide copies of its findings and any recommended actions to both the *Program Participant* and the complainant.

In the event litigation is involved between the external party and *Program Participant*, the inconsistent practices process shall be suspended pending resolution of the litigation. It shall be re-started following resolution of the litigation if SFI nonconformity issues remain.

2. OFFICIAL COMPLAINTS QUESTIONING THE VALIDITY OF A CERTIFICATION

The complaint process is an important component of any legitimate certification program, including the *SFI* program. The complaint process enables individuals or organizations to have their complaint openly investigated. It is a credit to the transparency requirements of the *SFI Standard* that individuals and organizations can bring forward their concerns under a complaint process. A complaint does not challenge the credibility or the content of the *SFI 2010-2014 Standard*, but rather it challenges the audit findings and the decision to grant the certification, or events that have happened since the last audit, that questions the maintenance of the certification.

2.1 Complaint Process

The complainant outlines their concerns in a letter to the *certification body* responsible for the audit.

The *certification body* may request additional specifics associated with the concerns and will investigate the issue in accordance with their procedures that were approved by their accreditation body.

If the *certification body* finds a sound basis for the complaint then it would require the *Program Participant* to take corrective action to address the complaint and advise the complainant accordingly.

If the *certification body* did not find a sound basis for the complaint and felt the certification was appropriately granted and performance has not changed since the certification, it would inform the complainant of this.

If the findings of the *certification body* do not satisfy the complainant then they can move to the higher authority which is the body that accredited the *certification body*, which is either ANAB (www.anab.org) or the SCC (www.scc.ca). The accreditation body would then conduct its own investigation into the complaint as the highest authority.

In the event litigation is involved between the external party and *Program Participant*, the complaint process shall be suspended pending resolution of the litigation. It shall be re-started following resolution of the litigation if SFI nonconformity issues remain.

3. PUBLIC INQUIRIES REGARDING INCONSISTENT PRACTICES AND THE ILO CORE CONVENTIONS (87, 98 AND 111)

Any party with information or claims about a *Program Participant*'s individual practices that may be in nonconformity may seek to have those claims investigated.

The complainant shall present specific claims of nonconformity in writing and in sufficient detail to the *Program Participant*. Within 45 days of receipt of the complaint, the *Program Participant* shall respond to the complainant and forward a copy of the complaint and its response to the *Program Participant*'s *certification body* for future review via surveillance or certification audits.

A complainant who believes the issue has not been satisfactorily resolved may provide its original documentation and the response from the *Program Participant* to the SFI ILO Task Force which shall investigate the allegations and provide copies of its findings and any recommended actions to the *SFI Inc.* Board of Directors bi-annually. The *SFI Inc.* Board of Directors shall provide copies of its findings and required actions to the SFI ILO Task Force, the *Program Participant*, *certification body*, and the complainant.

Concerns regarding compliance with other labor laws and regulations are not covered by the process here in Section 3. In addition, any ILO related issue that is being addressed through a formal grievance process or before any of the agencies established by the U.S. National Labor Relations Act (NLRA), the appropriate Provincial Labour Code or Act, or the courts until those processes are completed will not be subject to review, consideration or recommendations by the SFI ILO Task Force nor by the *SFI Inc.* Board of Directors.

4. CHALLENGES OR COMPLAINTS REGARDING SFI ON-PRODUCT LABEL USE

4.1 The *Office of Label Use and Licensing* will hear challenges or complaints regarding SFI on-product label use

4.2. If an SFI on-product *label user* fails to comply with any aspects of this document, approval for SFI on-product label use may be withdrawn.

4.3 Any party with information or claims about the practices of an *SFI Program Participant* or *label user,* or questions about the validity of an SFI Section 3 or 4 (in the SFI requirements document) certification and or SFI label use may seek to have those claims investigated, as outlined below.

1. The complainant should outline concerns in a letter to the certificate holder or *label user.*
2. Within 45 days, the certificate holder or *label user* shall respond to the complainant, and forward a copy of the complaint and response to its *SFI certification body*.
3. The *SFI certification body* shall investigate the validity of the complaint based on the seriousness of the claim, and respond no later than the next annual assessment.
4. If the complainant is not satisfied, they may provide the original documentation and response to the SFI *Office of Label Use and Licensing*, which shall investigate and respond within 45 days.

4.4 Upon reviewing the information, the SFI Office of Label Use and Licensing may:

1. seek more information from the complainant or the certificate holder or label user before making a final determination; or
2. find that the complaint is without merit and no further action is required; or
3. find that corrective actions are necessary; or
4. if the certificate holder or *label user* fails to take appropriate corrective measures or if no action would be sufficient to remedy the situation, suspend the label license.

SECTION 12.
OPTIONAL MODULES

SUSTAINABLE
FORESTRY
INITIATIVE

JANUARY 2010

OPTIONAL MODULES

SFI Inc. has developed a process for the *SFI* program to address emerging issues and new opportunities through optional modules developed by *SFI Inc.* and approved by the *SFI Inc.* Board of Directors. These modules may allow *Program Participants* to engage in the new carbon or bioenergy markets or they may provide guidance on topics such as *conservation* easements or the certification process. 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 2014 will be added in this section.

SECTION 13.
SFI DEFINITIONS

SUSTAINABLE
FORESTRY
INITIATIVE

JANUARY 2010

SFI DEFINITIONS

The following definitions apply to *italicized* words in the *Requirements for the SFI 2010-2014 Program: Standards, Rules for Label Use, Procedures and Guidance.*

afforestation: The establishment of a forest or *stand* in an area where the preceding vegetation or land use was not forest.

Alliance for Zero Extinction: A global initiative of *biodiversity conservation* organizations, which aims to prevent extinctions by identifying and safeguarding key sites where species are in imminent danger of disappearing. The goal of the Alliance is to create a front line of defense against extinction by eliminating threats and restoring *habitat* to allow species populations to rebound.

American Tree Farm System®: A national program that promotes the sustainable management of forests through education and outreach to private forest landowners.

aquatic habitat: An area where water is the principal medium and that provides the resources and environmental conditions to support occupancy, survival and reproduction by individuals of a given species.

aquatic species: Animals that live on or within water during some stage of their development.

auditor: A person with the competence to conduct an audit (ISO 19011:2002, 3.8).

audit team: One or more auditors conducting an audit, supported if needed by *technical experts* (ISO 19011:2002, 3.9).

available regulatory action information: Statistics or regulatory compliance data collected by a federal, state, provincial, or local government agency. Note: Although conformance with laws is the intent, *certification bodies* are directed to look for a spirit and general record of compliance rather than isolated or unusual instances of deviation.

best management practices (BMPs): A practice or combination of practices for *protection* of water quality that is determined by a federal, provincial, state, or local government or other responsible entity, after problem assessment, examination of alternative practices, and appropriate public participation, to be the most effective and practicable (including technological, economic, and institutional considerations) means of conducting a forest management operation while addressing any environmental considerations.

best scientific information: Available factual information that is generally accepted by the broad scientific community. It includes but is not limited to peer-reviewed scientific information obtainable from any source, including government and non-governmental sources, that has been verified by field testing to the maximum extent feasible.

biodiversity hotspots: A biogeographic *conservation* region with more than 1,500 endemic plant species and less than 30 percent of its historical extent. (Further information can be found under Descriptions of Biodiversity Hotspots and High-Biodiversity Wilderness Areas in an SFI guidance document posted under resources on the SFI website at www.sfiprogram.org.)

bioenergy feedstock: Biomass used for the production of renewable energy. Biomass includes any organic products and byproducts derived from trees, plants and other biological organic matter, including limbs, bark and other cellulosic material, organic byproducts from wood pulping, and other biologically derived materials.

biological diversity, biodiversity: The variety and abundance of life forms, processes, functions, and structures of plants, animals and other living organisms, including the relative complexity of species, communities, gene pools and ecosystems at spatial scales that range from local to regional to global.

certification body: An independent *third party* that is accredited by:

- ANSI-ASQ National Accreditation Board (ANAB) as being competent to conduct certifications to the *SFI 2010-2014 Standard.*
- American National Standards Institute (ANSI) as being competent to conduct certifications to the SFI Chain-of-Custody Standard.
- Standards Council of Canada (SCC) as being competent to conduct certifications to the *SFI 2010-2014 Standard* and the SFI Chain-of-Custody Standard.

certified content: Raw material that can count towards the calculation of *certified content* percentages in chain-of-custody tracking. Below are the acceptable *certified content* sources.

certified forest content: Raw material from lands third-party certified to *acceptable forest management standards.*

acceptable forest management standards: These standards are all endorsed in North America by the Program for the Endorsement of Forest Certification schemes (PEFC).

- *SFI 2010-2014 Standard* (objectives for land management)
- Canadian Standards Association (CAN/CSA-Z809)
- American Tree Farm System (ATFS) individual and group certification

post-consumer recycled content: Material generated by households or by commercial, industrial and institutional facilities in their role as end-users of the product, which can no longer be used for its intended purpose.

Post-consumer recycled content can count towards the calculation of *certified content* percentages but must always be communicated as *post-consumer recycled content* and not *certified forest content*.

Any claims about *post-consumer recycled content* by *Program Participants* and *label users* shall be accurate and consistent with applicable law. *Program Participants* and *label users* are encouraged to consult the U.S. Federal Trade Commission's guidelines on environmental claims in product advertising and communication and the guidelines on environmental labeling and advertising issued by the Fair Business Practices Branch of Industry Canada's Competition Bureau, as appropriate, and to seek additional information and direction from national accreditation bodies, national standards bodies, and national, state and provincial consumer protection and competition laws.

certified logging professional: A *qualified logging professional* who has successfully completed and is a member in good standing, of a credible logger certification *program* recognized by the *SFI Implementation Committee.*

certified Program Participant: 1. A forest landowner, forest land manager, *primary* or *secondary forest products producer* operating in the United States or Canada who participates in the *SFI* program through a contractual agreement to abide by the *SFI 2010-2014 Standard,* and who has been certified by an accredited *SFI certification body* to be in conformance with the *SFI 2010-2014 Standard*. **2.** An organization that has been certified by an accredited SFI *certification body* to be in conformance with the SFI Chain-of Custody Standard and associated labels (Sections 3 and 4).

conservation: 1. *Protection* of plant and animal *habitat*. **2.** The management of a renewable natural resource with the *objective* of sustaining its *productivity* in perpetuity while providing for human use compatible with sustainability of the resource.

controversial sources: Use of *controversial sources* are not allowed in SFI-labeled products. *Controversial sources* include *illegal logging* and *fiber sourced from areas without effective social laws.*

illegal logging: The theft of timber or logs and cutting in parks, reserves or other similar areas where otherwise precluded by laws such as the United States Lacey Act, as amended in 2008[1]. The Act combats trafficking in "illegal" *wildlife*, fish, and plants. As of May 22, 2008, the Lacey Act makes it unlawful to import, export, transport, sell, receive, acquire, or purchase in interstate or foreign commerce any plant, with some limited exceptions, taken, possessed, transported or sold in violation of the laws of the United States, a State, an Indian tribe, or any foreign law that protects plants. In addition, see Section 7 in the SFI requirements document for *SFI Inc*'s *Policy* on *Illegal Logging.*

fiber sourced from areas without effective social laws: The United States and Canada have a strong legal framework. Fiber from countries without effective laws addressing the following will need a risk assessment:

1. workers' health and safety;
2. fair labor practices;
3. indigenous peoples' rights;
4. anti-discrimination and anti-harassment measures;
5. prevailing wages; and
6. workers' right to organize.

conversion sources: Roundwood and/or chips produced from conversion of forestland to other land uses. Manufacturers can use this wood to avoid wasting it but cannot include it when calculating *certified forest content* component.

critically imperiled: A plant or animal or community, often referred to as G1, that is globally extremely rare or, because of some factor(s), especially vulnerable to extinction.

[1] The **Food, Conservation, and Energy Act of 2008** (Pub.L. 110-234, 122 Stat. 923, enacted May 22, 2008, H.R. 2419, Section 8204. Prevention of Illegal Logging Practices, also known as the **2008 U.S. Farm Bill**). The Lacey Act also makes it unlawful to conduct these activities with respect to any plant (1) without payment of appropriate royalties, taxes, or stumpage fees required for the plant by any law or regulations of any State or any foreign country and (2) in violation of any limitation under any law or regulation of any Sate, or under any foreign law, governing the export or transshipment of plants. SFI has not included these prohibitions in its definition of illegal logging because they are covered by the requirement to comply with all applicable laws.

Typically, five or fewer occurrences or populations remain, or very few individuals (<1,000), acres (<2,000 acres or 809 hectares), or linear miles (<10 miles or 16 kilometers) exist (Further information can be found under Descriptions of *Biodiversity Hotspots* and *High-Biodiversity Wilderness Areas* in section 6 of the SFI requirements document).

culturally important: having significance for or being representative of human activities or beliefs (e.g. documented areas such as cemeteries, sacred sites).

degree: A professional academic degree (e.g. bachelor's) or equivalent.

direct supplier: An individual or organization with whom a *Program Participant* has a direct contractual relationship for *fiber sourcing*.

economic viability: The economic incentive necessary to keep forest ownerships profitable and competitive, and to keep people gainfully employed.

ecosystem services: Components of nature, directly enjoyed, consumed, or used to yield human well-being.

exotic tree species: A tree species introduced from outside its natural range. This does not include species that have become naturalized in an area and have a naturally reproducing population. (Note: Hybrids of *native* species or *native* plants that have been derived from genetic tree improvement and biotechnology *programs* are not considered exotic species.)

fiber sourcing: Acquisition of roundwood (e.g. sawlogs or pulpwood) and field-manufactured or primary-mill residual chips, pulp and veneer to support a forest products facility.

forest health: The perceived condition of a forest derived from concerns about such factors as its age, structure, composition, function, vigor, presence of unusual levels of insects or disease, and resilience to disturbance.

forest inventory: 1. A set of *objective* sampling methods that quantify the spatial distribution, composition and rates of change of forest parameters within specified levels of precision for management purposes. **2.** The listing of data from such a survey.

forestry: The profession embracing the science, art and practice of creating, managing, using and conserving forests and associated resources for human benefit and in a sustainable manner to meet desired goals, needs and values.

forestry enterprise: A business engaged in the management of forestland, having its own functions and administration and comprising one or more operating units (this does not include independent contractors).

Forests with Exceptional Conservation Value: *critically imperiled* (G1) and *imperiled* (G2) species and ecological communities.

critically imperiled: A plant or animal or community, often referred to as G1, that is globally extremely rare or, because of some factor(s), especially vulnerable to extinction. Typically, five or fewer occurrences or populations remain, or very few individuals (<1,000), acres (<2,000 acres or 809 hectares), or linear miles (<10 miles or 16 kilometers) exist (Further information can be found under Descriptions of *Biodiversity Hotspots* and *High-Biodiversity Wilderness Areas* in Section 6 of the SFI requirements document).

imperiled: A plant or animal or community, often referred to as G2, that is globally rare or, because of some factor(s), is very vulnerable to extinction or elimination. Typically, six to 20 occurrences, or few remaining individuals (1,000 to 3,000), or acres (2,000 to 10,000 acres or 809 to 4047 hectares), or linear miles (10 to 50 miles or 16 to 80.5 kilometers) exist (Further information can be found under Descriptions of *Biodiversity Hotspots* and *High-Biodiversity Wilderness Areas* in in Section 6 of the SFI requirements document).

forest tree biotechnology: As commonly used, *forest tree biotechnology* encompasses structural and functional studies of genes and genomes (including development and application of genetic markers); various methods of vegetative reproduction such as micropropagation, tissue culture, and somatic embryogenesis; and genetic engineering (GE), which is the physical manipulation and asexual insertion of genes into organisms.

geographic information system (GIS): An organized collection of computer systems, personnel, knowledge and procedures designed to capture, store, update, manipulate,

analyze, report and display forms of geographically referenced information and descriptive information.

green-up requirement: Previously clearcut harvest areas must have trees at least 3 years old or 5 feet (1.5 meters) high at the desired level of stocking before adjacent areas are clearcut.

growing stock: All the trees growing in a forest or in a specified part of it that meet specified standards of size, quality and vigor; generally expressed in terms of number or volume.

growth-and-yield model: A set of relationships, usually expressed as equations and embodied in a computer program or tables, that provides estimates of future *stand* development given initial *stand* conditions and a specified management regime.

growth and drain: The average annual net increase in the volume of trees during the period between inventories (including the increment in net volume of trees at the beginning of the specific year surviving to its end, plus the net volume of trees reaching the minimum size class during the year, minus the volume of trees that died during the year, and minus the net volume of trees that became cull trees during the year) minus the net volume of *growing stock* trees removed from the *forest inventory* during a specified year by harvesting, cultural operations such as timber *stand* improvement, or land clearing.

habitat: 1. A unit area of environment. **2.** The place, natural or otherwise (including climate, food, cover and water) where an individual or population of animals or plants naturally or normally lives and develops.

high-biodiversity wilderness areas: The world's largest-remaining tracts of tropical forest that are more than 75 percent intact. These areas are characterized by extraordinary biological richness, including exceptional concentrations of endemic species, and are also of crucial importance to climate regulation, watershed *protection*, and maintenance of traditional indigenous lifestyles (Further information can be found under Descriptions of *Biodiversity Hotspots* and *High-Biodiversity Wilderness Areas* is in Section 6 of the SFI requirements document).

illegal logging: The theft of timber or logs and cutting in parks, reserves, or similar areas where otherwise precluded by laws such as the United States Lacey Act, as amended in 2008[2]. The Act combats trafficking in "illegal" *wildlife*, fish, and plants. The Food, Conservation, and Energy Act of 2008, effective May 22, 2008, amended As of May 22, 2008, the Lacey Act makes it unlawful to import, export, transport, sell, receive, acquire, or purchase in interstate or foreign commerce any plant, with some limited exceptions, taken, possessed, transported or sold in violation of the laws of the United States, a State, an Indian tribe, or any foreign law that protects plants. In addition, see Section 7 in the SFI requirements document for *SFI Inc*'s *Policy* on *Illegal Logging*.

imperiled: A plant or animal or community, often referred to as G2, that is globally rare or, because of some factor(s), is very vulnerable to extinction or elimination. Typically, six to 20 occurrences, or few remaining individuals (1,000 to 3,000), or acres (2,000 to 10,000 acres or 809 to 4047 hectares), or linear miles (10 to 50 miles or 16 to 80.5 kilometers) exist (Further information can be found under Descriptions of *Biodiversity Hotspots* and *High-Biodiversity Wilderness Areas* in Section 6 of the SFI requirements document).

improved planting stock: Products of tree improvement *programs* in which the parent trees were selected through Mendelian crosses for increased growth, pest resistance, or other desirable characteristics.

indicator: In the *SFI* program, a specific metric that provides information about an organization's *forestry* and environmental performance, and that is integral to assessing conformance to the *SFI 2010-2014 Standard* objectives and *performance measures*.

integrated pest management: The maintenance of destructive agents, including insects at tolerable levels, by the planned use of a variety of preventive, suppressive or regulatory tactics and strategies that are ecologically and economically efficient and socially acceptable.

invasive exotic plants and animals: Species introduced from another country or geographic region outside its natural range that may have fewer natural population controls in the new environment, becoming a pest or nuisance species.

[2] The **Food, Conservation, and Energy Act of 2008** (Pub.L. 110-234, 122 Stat. 923, enacted May 22, 2008, H.R. 2419, (Section 8204. Prevention of Illegal Logging Practices, also known as the **2008 U.S. Farm Bill**). The Lacey Act also makes it unlawful to conduct these activities with respect to any plant (1) without payment of appropriate royalties, taxes, or stumpage fees required for the plant by any law or regulations of any State or any foreign country and (2) in violation of any limitation under any law or regulation of any Sate, or under any foreign law, governing the export or transshipment of plants. SFI has not included these prohibitions in its definition of illegal logging because they are covered by the requirement to comply with all applicable laws.

label users: Any *certified Program Participant*, label licensee, secondary manufacturer, publisher, printer, retailer or distributor who has obtained a license to use the label; met the SFI Responsible *Fiber sourcing* Standard and Associated Labels (Sections 3 and 4) or the SFI Chain-of-Custody Standard and Associated Labels (Section 4); and obtained approval from the SFI *Office of Label Use and Licensing* to use the SFI on-product label for at least one product or manufacturing unit.

land classification: The process of designating areas of land into classes or strata that are sufficiently homogeneous in their physical, vegetative and development attributes.

landscape: 1. A spatial mosaic of several ecosystems, landforms, and plant communities across a defined area irrespective of ownership or other artificial boundaries and repeated in similar form throughout. **2.** An area of land characterized by

- similar biogeoclimatic conditions that influence site potential;
- similar historical disturbance regimes that influence vegetation structure and species composition; and
- sufficient size to provide the range of *habitat* conditions for naturally occurring communities (except for a few megafauna with large spatial needs, e.g. wolves).

lead auditor: An *auditor* appointed to lead an *audit team*. Also referred to as an *audit team leader* (ISO 19011:2002, 3.9, note 1).

least-toxic and narrowest-spectrum pesticide: A chemical preparation used to control site-specific pests that *minimizes* impact to non-target organisms and causes the least impact to while meeting management objectives. The management objectives should consider the target pest, the degree of control needed, cost, and other issues, such as season and timing of application, rates and methods, terrain, forest conditions, and the presence or absence of water bodies.

long-term: Extending over a relatively long time period — for the *SFI 2010-2014 Standard*, this means the length of one forest management rotation or longer.

management responsibilities on public lands: Accountability for developing plans and translating public agencies' missions, goals, and *objectives* to an organized set of actions.

major nonconformity: One or more of the *SFI 2010-2014 Standard performance measures* or *indicators* has not been addressed or has not been implemented to the extent that a systematic failure of a *Program Participant*'s SFI system to meet an SFI *objective, performance measure* or *indicator* occurs.

minimize: To do only that which is necessary and appropriate to accomplish the task or *objective* described.

minor nonconformity: An isolated lapse in *SFI 2010-2014 Standard program* implementation which does not indicate a systematic failure to consistently meet an SFI *objective, performance measure* or *indicator.*

native: Species of ecological communities occurring naturally in an area, as neither a direct or indirect consequence of recent human activity.

natural regeneration: Establishment of a plant or a plant age class from natural seeding, sprouting, suckering or layering.

neutral sources: Raw material that is not counted towards or against the calculation of the *certified content* percentages in chain of custody tracking or *responsible fiber sources* tracking in SFI Sections 3 and 4. Below are the acceptable *neutral sources.*

- Agricultural products (e.g. cotton or other non-wood fibers and biomass from wood fiber legally classified as agricultural by state, provincial or local government) and agricultural residues.
- *Post-consumer recycled content* may be tracked as a *neutral source* when not making post-consumer claims about the product.

non-forested wetland: A transitional area between aquatic and terrestrial ecosystems that does not support tree cover and is inundated or saturated for periods long enough to produce hydric soils and support hydrophytic vegetation.

objective: In the *SFI* program, a fundamental goal of sustainable forest management as embodied in *objectives* 1–20 of the *SFI 2010-2014 Standard*.

office of label use and licensing: Provides administrative support and oversight of the SFI on-product labeling program, and serves as the depository for *SFI 2010-2014 Standard* certificates, SFI Section 3 certificates, SFI Section 4 certificates (in the SFI requirements document) and PEFC U.S. chain of

custody Annex 4 certificates, and other documents that must be submitted to receive approval for use of the SFI on-product labels and claims.

old-growth forests: A forested ecosystem distinguished by old trees and related structural attributes, such as tree size, down woody debris, canopy levels, and species composition. *Program Participant*s should utilize a definition specific to their region and particular forest types.

origin: The attributes of the raw material used in the product. This can be *certified forest content, responsible fiber sources* or *post-consumer recycled content.*

other credible chain of custody standards: Standards capable of tracking fiber back to a forest certified to the *SFI 2010-2014 Standard* or other acceptable standards recognized by the *SFI* program. They include:

- Program for the Endorsement of Forest Certification schemes (PEFC) Chain of Custody of Forest Based Products Requirements, Normative Document, Annex 4, dated June 17, 2005 including normative amendments of Oct. 27, 2006 and Oct. 5, 2007

Additional programs may apply for similar recognition or be recognized by the *SFI* program in the future. The criteria used to assess other chain of custody standards can be found in SFI Section 3 (Appendix 3).

other wood supplier: A person or organization who infrequently supplies wood fiber on a small scale, such as farmers and small-scale land-clearing operators.

performance measure: In the *SFI* program, a means of judging whether an *objective* has been fulfilled.

planting: The establishment of a group or *stand* of young trees created by direct seeding or by *planting* seedlings or plantlets.

policy: A written statement of commitment to meet an *objective* or to implement a defined *program* or plan to achieve an *objective* or outcome.

primary producers: Manufacturing units that manufacture forest products and source 50% or more (by weight) of their wood-based raw materials directly from *primary sources. Primary producers* can include companies that manufacture roundwood, wood chips, and/or composite products.

primary sources: Roundwood (logs or pulpwood) and wood chips. Wood chips include:

- Field Manufactured Chips - chips produced from roundwood in the forest.
- Primary Chips – chips produced from roundwood other than in the forest or as residuals from production of other wood products.
- Mill Residual Chips – chips produced from slabs or other residuals from a primary operation.

principle: In the *SFI* program, the vision and direction for sustainable forest management as embodied in principles 1–14 of the *SFI 2010-2014 Standard*.

productivity: The inherent capacity of a particular site or ecosystem to produce a crop or tree stand, often measured in volume or height.

program: An organized system, process or set of activities to achieve an *objective* or *performance measure.*

Program Participant: A forest landowner, forest land manager, *primary* or *secondary forest products producer* operating in the United States or Canada who participates in the *SFI* program through a contractual agreement to abide by the *SFI 2010-2014 Standard*. *Program Participants* cannot use the SFI on-product label or make claims their products are certified.

protection: Maintenance of the status or integrity, over the *long term*, of identified attributes or values including management where appropriate and giving consideration to historical disturbance patterns, fire risk and *forest health* when determining appropriate conservation strategies.

public land: Land enrolled in the *SFI* program that is owned or administratively managed by a government entity (federal, state, provincial, county or local), excluding easements or other encumbrances held by a government entity on private land.

purchased stumpage: standing timber under a contractual agreement that gives the *Program Participant* the right and obligation to harvest the timber.

qualified logging professional: A person with specialized skills in timber harvesting gained through experience or formal training who has successfully completed *wood pro-*

ducer training *programs* recognized by *SFI Implementation Committees* as meeting the spirit and intent of *performance measure* under Objective 16 of the *SFI 2010-2014 Standard.*

a. For a logging crew to be considered trained, each crew must operate under the direction of an individual, with on-site responsibility, who has completed the *SFI Implementation Committee* approved state or provincial logger training *program.*
b. All of the components of a training *program* could take several years to carry out, determining the point at which a logger is considered a *qualified logging professional* should be based on the individual's commitment to the *program*. That is, if a logger completes all the components or modules offered in a given year, that logger should be considered as a *qualified logging professional*. If all available components or modules are not completed, then the logger is no longer considered trained until all available components are completed.

qualified resource professional: A person who by training and experience can make forest management recommendations. Examples include foresters, soil scientists, hydrologists, forest engineers, forest ecologists, fishery and *wildlife* biologists or technically trained specialists in such fields.

reforestation: The reestablishment of forest cover either naturally or by seeding or *planting* of seedlings.

responsible fiber sources: Raw material that can count towards the calculation of the Certified *Fiber sourcing* label or certified *fiber sourcing* tagline in the X% label. An SFI *certification body* must confirm *responsible fiber sources*:

- From *certified forest content*, which includes content from specific forest tracts that are third-party certified to conform with the *SFI 2010-2014 Standard* or other *acceptable forest management standards* (e.g. CAN/CSA-Z809 and ATFS).
- Through a procurement system certified to conform to the *SFI 2010-2014 Standard*.
- Pre-Consumer Recycled Content: Material diverted from the waste stream during a manufacturing process. It does not include materials such as rework, regrind or scrap generated in a process and capable of being reclaimed within the same process.
  - *Pre-consumer recycled content* shall count towards the calculation of *responsible fiber sources.*
  - Any claims about *pre-consumer recycled content* by *Program Participants* or *label users* shall be accurate and consistent with applicable law. *Program Participants* and *label users* are encouraged to consult the U.S. Federal Trade Commission's guidelines on environmental claims in product advertising and communication and the guidelines on environmental labeling and advertising issued by the Fair Business Practices Branch of Industry Canada's Competition Bureau, as appropriate, and to seek additional information and direction from national accreditation bodies, national standards bodies and national, state and provincial consumer protection and competition laws.
- *Post-consumer recycled content* may be counted as a *responsible fiber source* towards the calculation of the Certified *Fiber sourcing* label. See *post-consumer* definition above for guidance.

riparian: Related to, living in, or located in conjunction with a wetland, on the bank of a river or stream or at the edge of a lake or tidewater.

Secondary Producers: Manufacturing units that produce forest products and source 50% or more (by weight) of their wood-based raw materials from *secondary sources. Secondary producers* can include manufacturers of finished forest products, such as plywood, furniture, windows, magazines, printers or catalogs, and manufacturers using market pulp.

Secondary Sources: Semi-finished solid wood, paper, market pulp, recycled wood fiber, or composite products obtained from a *primary producer* and/or a *secondary producer.*

SFI certification: A systematic and documented verification process to obtain and evaluate evidence *objectively* to determine whether a *Program Participant*'s *SFI* program conforms to the *SFI 2010-2014 Standard*.

SFI Implementation Committee (SIC): A state, provincial, or regional committee organized by *SFI Program Participants* to facilitate or manage the *programs* and alliances that support the growth of the *SFI* program, including sustainable forest management.

silviculture: The art and science of controlling the establish-

ment, growth, composition, health, and quality of forests and woodlands to meet the diverse needs and values of landowners and society on a sustainable basis.

skid trail: A temporary path through the woods to transport felled trees or logs to a collection area for further transportation.

special sites: Sites that include ecologically or geologically unique or *culturally important* features.

stand: A contiguous group of trees sufficiently uniform in age, composition, and structure, and growing on a site of sufficiently uniform quality, to be a distinguishable unit.

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 habitat*, recreation, and aesthetics.

Sustainable Forestry Initiative Inc.: *SFI Inc.* is a 501c(3) nonprofit charitable organization, and is solely responsible for maintaining, overseeing and improving the Sustainable Forestry Initiative *program*. *SFI Inc.* directs all elements of the Sustainable Forestry Initiative *program* including the *SFI Standard*, chain-of-custody certification, *fiber sourcing* requirements, labeling and marketing. *SFI Inc.* is overseen by a three-chamber board of directors representing social, environmental and economic sectors.

Sustainable Forestry Initiative 2010-2014 Standard (SFI Standard): The *principles, policies, objectives*, *performance measures*, and *indicators* that detail specific requirements for *Program Participants*. The *SFI 2010-2014 Standard* is the fourth revised standard since 1998.

Sustainable Forestry Initiative Standard Audit Procedures and Auditor Qualifications and Accreditation: The *principles* and guidelines that detail specific requirements to *Program Participants* and *Certification bodies* for conducting audits to the *SFI 2010-2014 Standard*.

technical expert: A person who provides specific knowledge or expertise to the *audit team* (ISO 19011 2002, 3.10).

third-party certification: An assessment of conformance to the *SFI 2010-2014 Standard* conducted according to the standards of the *SFI Audit Procedures and Qualifications* and ISO 19011 by a qualified *certification body*.

threatened and endangered: Listed under The U.S. Endangered Species Act or The Canadian Species at Risk Act and listed under applicable state or provincial laws requiring *protection.*

traditional forest-related knowledge: Forest-related knowledge owned and maintained by indigenous peoples as a result of their traditional use of or tenure on forestland.

varietal seedlings: Genetically identical individuals produced through vegetative reproduction methods, such as micropropogation, tissue culture or somatic embryogenesis.

verifiable monitoring system: A system capable of being audited by a *third party* that includes:

a. a means to characterize the *Program Participant*'s *wood and fiber supply area*, which may include sources certified to a standard that requires conformance with *best management practices*, including those sources from *certified logging professionals;*
b. a process to identify and use sources of available data (e.g., state or provincial monitoring *programs*, certification status of suppliers) in the use of *best management practices;* and
c. a method to assess supplier performance, if needed, to supplement available data.

visual quality: The seen aspects of both the land and the activities that occur upon it.

visual quality management: Minimization of the adverse visual effects of forest management activities.

wildlife: Aquatic (marine and freshwater) and terrestrial fauna.

wood and fiber supply area: The geographic area from which a *Program Participant* procures, over time, most of its wood and fiber from *wood producers.*

wood producer: A person or organization, including loggers and wood dealers, involved in harvesting or regularly supplying wood fiber directly from the forest for commercial purposes.

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