



Interpretations for the SFI 2015-2019 Standards and Rules

January 2017

Official SFI Standard Interpretations contained in this document are auditable requirements

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Process Overview

SFI Section 8 of the SFI 2015-2019 Standards and Rules document, outlines the process for interpretations that are necessary for consistent implementation of the SFI program requirements.

“From time to time, a formal process may be needed to interpret the SFI 2015-2019 Standards 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.”

Part 1: Interpretations for Section 2 - SFI 2015-2019 Forest Management Standard

1. Performance Measure 8.1, Indicator 1, under *SFI 2015-2019 Forest Management Standard* states that "*Program Participants* will provide (emphasis added) a written *policy* acknowledging a commitment to recognize and respect the rights of *Indigenous Peoples*". Does this *indicator* require that *Program Participants* transmit this *policy* or otherwise publish it in any specific way?

Yes. The intent of providing a written *policy* in PM 8.1, Indicator 1 is for the *SFI Program Participant* to make it available to the public or interested party. The *Program Participant* is free to choose how best to make their *policy* available. It could be by active and targeted distribution, by posting on a relevant section of their web-site, by providing it upon request in written or electronic format, or other ways as determined by the *Program Participant*. (June 2016)

Part 2: Interpretations for Section 3 - SFI 2015-2019 Fiber Sourcing Standards

1. We are a *SFI Program Participant* certified to the *SFI 2015-2019 Forest Management Standard*. We do not own a manufacturing facility or remanufacture round wood (saw-logs, pulp wood) but we do purchase certified and non-certified round wood for re-sale. (reference – SFI 2015-2019 Fiber Sourcing Standard Part 1.1 – Additional Requirements). We do not intend to make any SFI claims for the non-SFI certified logs we resell. Are we required to be certified to the *SFI 2015-2019 Fiber Sourcing Standard*?

No. If you do not own a manufacturing facility you are not required to certify to the *SFI 2015-2019 Fiber Sourcing Standard*. The scope of the *SFI 2015-2019 Fiber Sourcing Standard* applies to inputs into manufacturing facilities.

In the absence of a manufacturing facility, the action of buying and reselling logs means the organization is acting as a *wood producer* and therefore does not require certification to the *SFI 2015-2019 Fiber Sourcing Standard* provided the organization is not making a SFI claim on any wood, certified or non-certified, they buy and sell. (May 2015)

2. My organization manages forestland and has manufacturing facilities. If my organization sources all of our primary sources from forests certified to the SFI, CSA or ATFS Standards, does my mill still need to be certified to the SFI 2015-2019 Fiber Sourcing Standard?

No. If all of your primary sources comes from forests certified to the SFI, CSA or ATFS Standards, then the requirements for fiber sourcing do not apply. Fiber sourcing is designed to ensure the non-certified fiber comes from responsibly managed forests, and forest management certification covers this. Any certification claims, statements or use of the on-product label must follow the rules outlined in SFI's Rules for Use of SFI On-Product Labels and Off-Product Marks (Section 5). (January 2016)

Interpretations for Section 3 - Appendix 1: Rules for Use of the SFI Certified Sourcing Label SFI 2015-2019 Fiber Sourcing Standards

1. If I am a *primary producer* certified to the *SFI 2015-2019 Fiber Sourcing Standard* (Section 3, Objectives 1-13), and 100% of the raw material is sourced from *primary sources* that are certified to *SFI 2015-2019 Fiber Sourcing Standard* (Section 3, Objectives 1-13), are there additional requirements to meet Appendix 1, specifically Part 7. Minimum Management System of Appendix 1?

No. If you are a *Primary Producer* and certified to the *SFI 2015-2019 Fiber Sourcing Standard* (Section 3, Objectives 1-13), you have met the minimum management systems requirements specified in Part 7 of *SFI 2015-2019 Fiber Sourcing Standard* Appendix 1: Rules for Use of *SFI Certified Sourcing Label*. (March 2015)

2. If I am a *primary producer* and source more than 5% of the raw material from *secondary sources* (the remaining raw material is from primary sources that are certified to the *SFI 2015-2019 Fiber Sourcing Standard's* requirements), are there additional requirements to meet Appendix 1, specifically Part 6. Due Diligence System to Avoid Controversial Sources as well as Part 7. Minimum Management System of Appendix 1?

Yes. If more than 5% of the raw materials are sourced from *secondary sources* you will need to meet Part 6. Due Diligence System to Avoid Controversial Sources as well as Part 7. Minimum Management System of Appendix 1. (March 2015)

3. If I am a *secondary producer* am I obligated to meet all of the requirements (except those referencing *primary producers*) in *SFI 2015-2019 Fiber Sourcing Standard* - Appendix 1 to use the *SFI Certified Sourcing* label?

Yes. A *secondary producer* must meet all the requirements in *SFI 2015-2019 Fiber Sourcing Standard* - Appendix 1 except those referencing *primary producers* in order to use the *SFI Certified Sourcing* label. This includes Part 6. Due Diligence System to Avoid Controversial Sources as well as Part 7. Minimum Management System of Appendix 1. (March 2015)

4. The *SFI 2015-2019 Fiber Sourcing Standard*, Appendix 1 (Part 6) requires SFI certified organizations to have a due diligence system to avoid *controversial sources*. Part 6.3.1, is specific to conducting a risk assessment of forest-based products that are not in compliance with applicable state, provincial or federal law. Part 6.3.1 states "the risk assessment shall be carried out at the national level and where risk is not consistent, at the appropriate regional level." This clause is not found in the risk assessment for forest-based products from *illegal logging* (Part 6.3.2) and forest-based products from areas without effective social laws (Part 6.3.3). Is the intent to also carry out the risk assessment at the national level and where risk is not consistent, at the appropriate regional level for Parts 6.3.2 and 6.3.3?

For reference the definition of *controversial sources* in Part 6.1 is:

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- a. Forest-based products that are not in compliance with applicable state, provincial or federal laws, particularly as they may relate to:
 - conversion sources;
 - legally required protection of threatened and endangered species;
 - requirements of CITES (The Convention on International Trade in Endangered Species of Wild Fauna and Flora);
 - legally required management of areas with designated high environmental and cultural values;
 - labor regulations relating to forest worker and
 - Indigenous Peoples' property, tenure and use rights
- b. Forest-based products from *illegal logging*
- c. Forest-based products from areas without effective social laws addressing the following:
 - workers' health and safety;
 - fair labor practices;
 - *Indigenous Peoples'* rights;
 - anti-discrimination and anti-harassment measures;
 - prevailing wages and
 - workers' right to organize.

Yes. The intent is to carry out the risk assessment of all *controversial sources* at the national level and where risk is not consistent, at the appropriate regional level. This includes both forest-based products from *illegal logging* (Appendix 1 - Part 6.3.2) and forest-based products from areas without effective social laws (Appendix 1 - Part 6.3.3).

As similar requirements are found in the SFI 2015-2019 Chain of Custody Standard, this interpretation also applies to the SFI 2015-2019 Chain of Custody Standard - Parts 4.3.2 and 4.3.3. (May 2015)

Part 3: Interpretations for Section 4 – SFI 2015-2019 Chain-of-Custody Standard

1. Are organizations certified to SFI 2015-2019 Chain of Custody Standard (SFI Section 4) required to demonstrate compliance with all applicable social laws at the federal, provincial, state and local levels in the country in which they operate?

Yes. Following all applicable social laws is a basic requirement of the SFI Program, which means this is a requirement for all SFI standards including the SFI Chain of Custody Standard. Both the SFI 2015-2019 Forest Management Standard and the SFI 2015-2019 Fiber Sourcing Standard have a requirement in their respective standards to comply with all applicable social laws. Fiber from those two standards counts in SFI COC claims and labels. As such, organizations certified to the SFI 2015-2019 Chain of Custody Standard 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 SFI Program Participant operates. This includes having a policy demonstrating compliance 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. (August 2016)

Part 4: Interpretations for Section 5 - Rules for Use of SFI On-Product Labels and Off-Product Marks

No current interpretations.

Part 5: Interpretations for Section 9 – SFI 2015-2019 Audit Procedures and Auditor Qualifications and Accreditation

1. My organization manages forestland and operates manufacturing facilities. Do I need to certify both my forestland to the SFI 2015-2019 Forest Management Standard and my manufacturing facilities to the SFI 2015-2019 Fiber Sourcing Standard?

Yes. Per the requirements in the SFI 2015-2019 Forest Management Standard (1.2 Additional Requirements) and SFI 2015-2019 Fiber Sourcing Standard (1.2 Additional Requirements), SFI Program Participants that own or have management authority for forestlands must also conform to the SFI 2015-2019 Forest Management Standard and SFI Program Participants with fiber sourcing programs (acquisition of roundwood and field-manufactured or primary-mill residual chips, pulp and veneer to support a forest products facility) must also conform to the SFI 2015-2019 Fiber Sourcing Standard.

However, we understand that an organization might manage multiple forest management units/tenures and operate multiple manufacturing facilities. As such, an organization can choose which forest management units/tenures obtain SFI Forest Management certification. Isolated small forest management units in which the primary purpose is to buffer a manufacturing facility are not required to be certified to SFI Forest Management Standard. These forest management buffer areas may include wood production as an additional goal but not the primary goal and activities in these buffer areas should reflect the commitment to SFI and be in compliance with the requirements of the SFI 2015-2019 Fiber Sourcing Standard. Furthermore, only those manufacturing facilities that are sourcing from the wood and fiber supply area of the land units/tenures that are certified to the SFI 2015-2019 Forest Management Standard are required to obtain SFI 2015-2019 Fiber Sourcing certification. Organizations with multiple forest management units/tenures and multiple manufacturing facilities have 2 years to ensure certification to the respective SFI Standards.

Any certification claims, statements or use of the on-product label must follow the rules outlined in SFI's Rules for Use of SFI On-Product Labels and Off-Product Marks (Section 5). (January 2016)

2. The International Standard, ISO/IEC 17065:2012 is a normative reference for the SFI 2015-2019 Chain of Custody Standard (Section 4) and for the Rules for Use of SFI Certified Sourcing Label (Appendix 1 in Section 3 – SFI 2015-2019 Fiber Sourcing Standard). Clause 7.4.7 in ISO/IEC 17065:2012 only applies to initial audits and states, "If one or more nonconformities have arisen, and if the client expresses interest in continuing the certification process, the certification body shall provide information regarding the additional evaluation tasks needed to verify that nonconformities have been corrected."

Does SFI require conformance with ISO/IEC 17065:2012, clause 7.4.7 when addressing major and minor nonconformities for initial audits?

Yes. Any certification body that conducts initial audits to the SFI 2015-2019 Chain of Custody Standard (Section 4) or the Rules for Use of SFI Certified Sourcing Label

(Appendix 1 in Section 3) must conform to the requirements of ISO/IEC 17065:2012. If a non-conformity is found during the initial audit, a certificate shall not be issued until the certification body verifies that the corrective action was effectively implemented. (January 2016)

3. I operate a sawmill and we would like to become certified to the SFI 2015-2019 Chain of Custody standard to meet market demand for SFI COC product. Due to the cost and limited staff, the requirements to also obtain a certification to the SFI 2015-2019 Fiber Sourcing Standard are unobtainable at this time. Moreover, I am being asked for SFI COC product. Can my organization get certified to the SFI 2015-2019 Chain of Custody Standard without having to obtain a certification to the SFI 2015-2019 Fiber Sourcing Standard?

No. Per the requirements in the SFI 2015-2019 Chain of Custody Standard (1.2 Additional Requirements), primary producers must also conform to the SFI 2015-2019 Fiber Sourcing Standard if they choose to get certified to the SFI 2015-2019 Chain of Custody Standard.

However, we understand the work requirements needed to obtain a certification to the SFI 2015-2019 Fiber Sourcing Standard, and given this work requirement, primary producers have 2 years to ensure certification to the SFI 2015-2019 Fiber Sourcing Standard. This two-year time frame will allow the primary producer to meet immediate market demands, while working towards fiber sourcing certification.

Any certification claims, statements or use of the on-product label must follow the rules outlined in SFI's Rules for Use of SFI On-Product Labels and Off-Product Marks (Section 5). Because the average percentage method also makes claims about fiber sourcing, during the two-year transitional period, the primary producer can only use the volume credit method, and can only use the SFI COC label that reads "Certified Chain of Custody, Promoting Sustainable Forestry." (August 2016)

4. Section 9 - SFI 2015-2019 Audit Procedures and Auditor Qualifications and Accreditation (5.6) states that to maintain SFI 2015-2019 Standard certificates, Program Participants shall recertify their SFI programs to the SFI 2015-2019 Sections 2 and 3 Standards every three years. However, ISO 17021-1:2015 now allows schemes such as SFI to determine a different certification cycle other than 3 years. Will SFI Inc. adopt a different certification cycle for the SFI 2015-2019 Forest Management Standard and the SFI 2015-2019 Fiber Sourcing Standard?

Yes. In August 2016, SFI Inc. informed all accredited certification bodies and accreditation bodies that as allowed under ISO 17021-1:2015, SFI is reverting to a five-year certification cycle for the SFI 2015-2019 Forest Management Standard and the SFI 2015-2019 Fiber Sourcing Standard. Program Participants can work with their certification bodies on the timeline to transition to the 5-year cycle. (January 2017)

Part 6: Interpretations for Section 10 – Communications and Public Reporting

1. SFI Section 10 - Communications and Public Reporting requires a public summary audit report to summarize the results of a SFI 2015-2019 Forest Management or a SFI 2015-2019 Fiber Sourcing audit. The report shall include as one of the items:

(f) the dates the audit was conducted and completed. This shall include the number of auditor days spent to conduct the audit, broken down by auditor time spent off and onsite. This shall include the specific woods operations visited if there is more than one operation/region associated with the certificate.

Acknowledging that the purpose of the public summary audit report is to transparently communicate the results of a SFI 2015-2019 Forest Management or SFI 2015-2019 Fiber Sourcing audit, can the public summary report record the number of onsite audit days, and then describe the overall intent and purpose of what occurred during the offsite audit days, without stating the actual number of offsite audit days spent to conduct the audit?

Yes. For the public summary report to effectively and transparently communicate the audit results, the report shall record the number of onsite audit days, and then can state the overall intent and purpose of what occurred during the offsite audit days. Onsite audit days are days spent assessing operations in the field to verify conformance with SFI requirements such as long term sustainable harvest levels, prompt reforestation, implementation of water quality best management practices, conservation of biodiversity and logger training. To do this auditors review management plans and related documents; conduct interviews with the program participant's staff, contractors and stakeholders; assess harvesting operations and silviculture and road construction and road maintenance practices. Offsite audit days on the other hand are used for planning the audit, document review and report writing and this process can be described in a qualitative manner in the public summary report without revealing the actual number of offsite audit days. (January 2017)

2. SFI Section 10 - Communications and Public Reporting requires that a public summary audit report summarize the results of a SFI 2015-2019 Forest Management or a SFI 2015-2019 Fiber Sourcing audit. Requirement (h) states the report shall include "the certification decision." Because the decision occurs after the audit report is completed, is it more accurate for Section 10 to require that the public summary audit report record "the certification recommendation?"

Yes. The intent is for the "certification recommendation" by the Lead Auditor to be included in the audit report. The certification recommendation is then reviewed by an independent reviewer and, if the audit file supports the recommendation, the reviewer will make the decision to grant certification. A positive certification decision can be verified on the SFI program website through a valid SFI certificate. (January 2017)