

INTERPRETATIONS QUESTIONS & ANSWERS¹ FOR THE 2005-2009 SUSTAINABLE FORESTRY INITIATIVE® STANDARD (SFIS)

Process Overview

Section 9 of the **Sustainable Forestry Initiative® Audit Procedures and Qualifications** sets forth the intent and process for on-going interpretations necessary to implement the vibrant and complex set of Principles, Objectives, Performance Measures and Indicators that comprise the Sustainable Forestry Initiative Standard (SFIS). The next few paragraphs are directly excerpted from the SFIS.

From time to time, a formal process may be needed to interpret the SFIS and its supporting documents. As part of the SFIS commitment to continual improvement of both the *SFI certification process* and the SFIS, such concerns shall be submitted promptly to the SFB Interpretations Committee at the SFB website: **contact@aboutsfb.org** . The request will be provided to the SFB Interpretations Committee, which shall respond to all inquiries within 45 days of receipt.

It is neither the intention nor the responsibility of the SFB Interpretations Committee to resolve disputes arising through certification; nevertheless, it 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 *auditors* to assist with certification planning. The *Sustainable Forestry Board* shall periodically review this record and, where appropriate, recommend changes for inclusion in the SFIS, or SFI - APQ.

Contained herein and updated as necessary, Program Participants and Verifiers will find a current set of interpretations by category of question as noted on the following page.

¹ This revised posting of interpretations was developed by the Office of the Sustainable Forestry Board to synchronize original interpretations with the new 2005-2009 SFI Standard approved by the Sustainable Forestry Board on January 10, 2005. Any revisions to this listing will be done immediately following review and action by the Interpretations Committee.

Interpretations for the 2005-2009 SFI Standard

Sections 1-7. Land Management

- Objective 1
- Objective 2
- Objective 3
- Objective 4
- Objective 5
- Objective 6
- Objective 7

Section 8. Procurement

- Objective 8

Section 9. Forestry Research, Science and Technology

- Objective 9

Section 10. Training and Education

- Objective 10

Section 11. Legal and Regulatory Compliance

- Objective 11

Section 12. Public and Landowner Involvement in the Practice of Sustainable Forestry

- Objective 12

Section 13. Management Review and Continual Improvement

- Objective 13

Section 14. Interpretations for use of the SFIS in Canada

Section 15. Audit Procedures and Qualifications

Section 16. General

Sections 1-7 – Land Management Objectives

Objective 1. Broaden the implementation of *sustainable forestry* by ensuring long-term harvest levels based on the use of the *best scientific information* available.

1.1 The first indicator under Objective 1 states that program participants shall have a “long-term resource analysis to..., including: f) recommended sustainable harvest levels.” Is it intended that the word sustainable be used in a restrictive sense as it pertains to forecast allowable annual harvest level, or is the word sustainable meant to encompass other non-timber resource values as well?

The indicator calls for the Program Participant to conduct a “long-term resource analysis” that would lead to establishment of “recommended sustainable harvest levels” and that includes “a review of non-timber issues”. In this context, reference to “sustainable harvest levels” addresses flow of wood and fiber. As such, a long-term resource analysis should consider multiple resource values in establishing the harvest level (July 2002).

Objective 2 - Ensure long-term forest *productivity* and *conservation* of forest resources through prompt *reforestation*, soil *conservation*, afforestation and other measures.

2.1 Performance Measure 2.1 states “Program Participants shall reforest after final harvest, unless delayed by site-specific environmental or forest health considerations, artificial regeneration within two years or two planting seedings, or by planned natural regeneration methods within five years.” Is there flexibility with regard to the two year reforestation requirement where company policy is to wait longer than two years to plant?

The requirement stipulates that artificial regeneration shall be completed within two years of harvesting and natural regeneration will be established within five years. The implication is that these are planned processes and that the management plan intends the site will be reforested through one or the other broad regeneration process. Forestry involves dealing with dynamic natural systems and some allowance may be necessary to accommodate natural events that prevent an organization from completing scheduled work from time to time. However, the plan for the site must clearly indicate which process is intended and failure to complete that on time should be related to appropriate management considerations that will meet the objective (ensure long-term forest productivity and conservation of forests resources) (February 2001).

Objective 3. Protect the water quality in streams, lakes and other waterbodies.

3.1 Performance Measure 3.2, Indicator (2), requires “Mapping of streams, lakes, and other water bodies as specified in state or provincial BMPs”. Over what portion of their land base are Program Participants expected to map the water bodies?

Program participants are required to map riparian areas and, where appropriate, designate them on the ground to meet the objective to protect water quality—by implementing riparian protection measures based on—applicable factors. As a minimum the requirement must be met in time to gather information and properly implement the performance measure before operating on an affected site (February 2001).

Objective 4. 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 fauna*.

4.1 Objective 4 includes “contribute to the conservation of biological diversity by developing and implementing stand- and landscape-level measures that promote habitat diversity and...” Is stand conversion consistent with the intent of this objective?

It is certainly possible that stand conversion could be consistent with the objective and needs to be assessed on a case-by-case basis. It will be harder to demonstrate consistency in converting a primary forest stand into a forest plantation, and less difficult to address converting a stagnated or high-graded stand (February 2001). Performance measure 2.1, Indicator 5 also requires “Artificial reforestation programs that consider potential ecological impacts of a different species mix from that which was harvested”

4.2 Objective 4, states that program participants shall “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 fauna.” Many Program Participants operate in states with water quality BMPs and have focused their wildlife programs on forest plants and animals, assuming that the BMPs protect aquatic fauna. If the Program Participant follow the state BMPs for water quality protection will they meet the intent of this objective, or is it expected that Program Participants exceed BMPs, where appropriate, to conserve and protect aquatic fauna?

There is a working assumption that BMPs will be sufficient in most cases to meet the needs of aquatic fauna. However, the expectation is that Program Participants will be involved in either review of emerging scientific information or directly in research to make necessary adjustments to meet the spirit of this Objective (July 2002).

4.3 Objective 4, performance measure 4.1, and indicator (1), all indicate a requirement for landscape level planning to promote habitat diversity. Is the intent to require landscape planning beyond a Program Participant’s holdings?

These provisions must be viewed in the context of things that are appropriate to the “size and scale” of the Program Participant’s operations on one hand and in the reality that a Program Participant cannot control activities on lands that it does not own. That said, there are a number of ways Program Participants can show that they are taking steps to consider impacts of their own management activities with knowledge and context of existing landscape conditions to meet the spirit and intent of this Objective. Given the complexity of conditions, it would be impractical if not impossible to set minimum requirements to be met by all organizations (July 2002).

4.4 Are there any operational alternatives if a Program Participant attempts to follow the spirit of the SFIS with regard to protection of critically imperiled or imperiled species and communities but is unable to do so due to prohibitive costs or inability to implement conservation strategies?

The intent of these provisions is to further the conservation of critically imperiled or imperiled species and communities. In the rare case where the protection of an individual species or community carries exceptionally high costs or disproportionate impact and where the Program

Participant is unable to implement any of the conservation strategies in a reasonable period of time (perhaps 3-5 years), and where laws or regulations do not apply, the Program Participant is free to implement other management or operational alternatives (July 2002).

4.5 Are the SFIS provisions that address locations and protection of critically imperiled or imperiled species and communities the equivalent of the somewhat similar provisions that apply to federal lands?

The intent of these provisions clearly set an expectation that Program Participants will seek to obtain known information about sites that may be on lands under their control and to cooperate in the development of additional information for their lands either through independent reviews or cooperation with qualified assessment programs at the state or regional level. There is not an expectation that a Program Participant be required to conduct surveys to determine the presence or absence of such sites prior to conducting management activities (July 2002).

Objective 5. Manage the visual impact of harvesting and other forest operations.

5.1 Define “adjacent” as set forth in 5.3.3 regarding harvests.

The term adjacent typically refers to the placement of two management units. Performance Measure 5.3 is clear in regards to possible methodologies to ensure that two clearcut harvests on a Program Participant’s land should be separated from the adjoining stand by regeneration that is 3 years old or which has reached 5 feet in height. The Performance Measure also allows Program Participants the option of developing their own “alternative methods that provide for visual quality” Thus, an alternative method might not meet the strict 3-year/5 feet rule and still be acceptable.

5.2 Performance Measure 5.1, Indicator (2) requires “Incorporation of aesthetic considerations in harvesting, road, and landing design and management and other management activities where visual impacts are a concern”. Can you provide a definition for “where visual impacts are a concern” that can be consistently applied?

This is a subjective requirement and processes that would be fall into these concerns will often differ from one area to another. The auditing firm should get some feel for problems of concern in the area as part of the pre-audit process. Conversations with the Program Participant will identify their concerns and appropriate stakeholders can be identified with their assistance. On the other hand there are hot-button issues that have the same impact anywhere in the country and these should be addressed in a manner that is locally appropriate. Examples include heavy rutting over a large are of the site, mud or sediment on public roads, erosion gullies in forest roads, harvest areas not screened from a major highway (February 2001).

Objective 6. Manage Program Participant lands of ecological, geologic, cultural or historic significance in a manner that recognizes their special qualities.

6.1 Performance measure 6.1 states that program participants shall “identify special sites and management them in a manner appropriate for their unique features.” Can a Program Participant manage just the sites that are known to them or documented on a public database, or do they have to perform surveys on their ownership and on tracts where they have management responsibility?

The SFIS does not require a “survey” before management can take place. Program Participants

should take the “reasonable man” approach where information or evidence suggests a more detailed review of a specific area is warranted (July 2002).

Objective 7. Promote the efficient use of forest resources.

No interpretations.

Section 8 – Procurement

Objective 8. Procurement programs broaden the practice of sustainable forestry.

8.1 Do verifiable monitoring systems need to track fiber from the consuming mill back to the harvested tract for monitoring purposes (regardless of whether the wood was acquired through stumpage purchase, purchase at plant/gatewood, or a dealer) or will state-wide monitoring programs that are not mill-specific suffice (ie. the state system being adopted by the SIC in Oregon)?

Program Participants must establish systems that generate verifiable information pertaining to wood purchased by Program Participant from lands not owned or controlled. Program Participants must be able to characterize the area from which their wood originates, and assess data that accurately reflects the conditions on the ground related to the wood coming to their facility. It is up to each Program Participant to establish a system to accomplish this, which may include a process of tracking wood supplies back to the tract of origin. State-wide monitoring programs and other regional data may be sufficient if the Participant can demonstrate that the data are a) credible and independently verifiable and b) relevant to and reflective of the Participant's specific operations.(July 2003)

8.2 If a program participant procures raw material from an organization that is certified to CSA Z809, can the procurement requirements under Objective 8 be lessened for these specific areas?

Performance measure 8.4 by definition recognizes that the certification status of a supplier qualifies as data that can be used in the characterization a Program Participant's wood and fiber supply area and as data on the use of BMPs and reforestation. As such, fiber from land under a CSA Z809 certification satisfies 8.1, 8.2 and elements of 8.4 for BMPs and reforestation for that specific supplier/operation. All applicable Objective 8 requirements would remain for fiber from the supplier that did not originate from the supplier's lands certified under CSA Z809 (June 2006).

Section 9 – Research

Objective 9. Improve forestry research, science and technology upon which sound forest management decisions are based.

9.1 If procurement organizations are required to financially support research, can this support come from the corporate or regional level?

Commitments to continuous improvement based upon the results of monitoring and scientific research are at the heart of the spirit and intent of the SFIS. The need for research to find new

ways to better manage forests to meet the array of desired outputs is no less critical for those organizations that gain wood and fiber from lands beyond their control than it is for organizations seeking scientific information so that they can better manage their own lands. Procurement organizations, individual facilities or regions within the corporate structure are components of an overall system. There are many aspects of the SFIS that can be satisfied by reviewing corporate activity and commitments. (October 2002)

Section 10 – Training and Education

Objective 10. Improve the practice of sustainable forest management by resource professionals, logging professionals, and contractors through appropriate training and education programs.

10.1 What constitutes a “trained logging crew” as set forth under Objective 10?

For a logging crew to be considered trained, it is not sufficient for just the owner to be trained. At least one “in woods” person on each crew must complete the SFI Implementation Committee (SIC) approved state or provincial logger training program (July 2000).

10.2 Performance Measure 10.2 states “Program Participants shall work closely with state logging and/or state forestry associations...” Is it necessary for there to be an active SFI Implementation Committee in place before a forestry organization could be certified to the SFI Standard in that state or province?

The Performance Measure does not refer to SFI Implementation Committees. The first indicator refers to SFI Implementation Committees as if they exist in each state, rather than recognize that they may need to be formed. The intent of the indicator is ensure the Program Participant is cooperating with the forestry community to support the development and administration of wood producer training courses. This participation must be balanced to consider the size and resources of the Program Participant. (February 2001).

10.3 Performance Measure 10.1, Indicator (1) SFI Standard requires “Written statement of commitment to the SFI Standard communicated throughout the organization, particularly to mill and woodland managers, wood procurement staff, and field foresters. “ Does this mean that every Program Participant employee must be aware of or trained in SFI program Standard objectives and performance measures?

The spirit of the SFI program suggests that there is an understanding or awareness of the SFI program “throughout” the organizations. However, the indicator is clear in this regard in stating that communication should occur “particularly to mill and woodland managers, wood procurement operations, and field foresters.” These phrases state the types of people that must be most intimately aware of the SFI program if it is to be fully implemented as noted in indicator 2 which states: “Assignment and understanding of roles and responsibilities for achieving SFI Standard objectives. A Program Participant shall identify such employees within their organization and ensure that they are fully trained on the elements of the SFI Standard and the organization’s policies and plans necessary for conformance to the SFI Standard. (July 2000)

10.4 A large integrated company has multiple primary mills over 5 jurisdictions and plans to participate fully in those SICs that are most critical to its SFI programs. Given that one of the mills is in a jurisdiction where only 2% of the company’s procured fiber is purchased and that >80% of the fiber used by that mill actually comes from the 4 remaining

jurisdictions, is it appropriate for the company to concentrate its membership on the SICs that cover the 4 most important jurisdictions from a procurement perspective and rely on these to address its obligations related to SICs in the SFI standard.

Performance Measure 10.2 can be met by participation in or support of SIC's in the regions where the majority of the participant's procurement occurs (June 2006).

Section 11 – Legal and Regulatory Compliance

Objective 11. Commitment to comply with applicable federal, provincial, state or local laws and regulations.

11.1 Performance Measure 11.1, indicator (4), requires “adherence to all applicable federal, state, and provincial regulations and international protocols for research and deployment of trees derived from improved planting stock and biotechnology”. What international protocols are applicable, that program participants are expected to follow?

Forest industry continues to promote biotechnology as a process rather than a product. As a process, it does not require any special regulation related strictly to biotechnology. However, some of the products (e.g. pesticide resistance) are regulated. In the United States there are several “protocols” that affect genetically modified trees. Similar requirements exist in Canada as well. Organizations that participate in this research should be cognizant of, conform to, and be considering requirements such as:

- * USDA/APHIS, which regulates the import, transportation, research & development, field trials, and product approval
- * EPA, which regulates microbial/plant pesticides, new uses of existing pesticides, and novel microorganisms
- * Sanitary-Phyto-Sanitary agreement protocols that have been followed for years and will continue to be the foundation for moving forestry material across international boundaries.
- * International Plant Protection Convention that have several protocols regarding the movement of exotics and that oversee the international transboundary movement of products.

The industry is involved in developing the Biosafety Protocol and will continue to participate in its implementation. Countries ratifying the Protocol (it is expected to be ratified in the next two years) will be required to have appropriate regulations to meet their obligations (February 2001).

Section 12 - Public and Landowner Involvement in the Practice of Sustainable Forestry

Objective 12. 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.

No Interpretations

Section 13 - Management Review and Continual Improvement

Objective 13. Promote continual improvement in the practice of *sustainable forestry* and monitor, measure and report performance in achieving the commitment to *sustainable forestry*.

No interpretations.

Section 14. Interpretations for use of the SFIS in Canada

In 2000, The SFB established a SFIS Canadian Review and Interpretations Task Force (CTF) to review application of the SFIS in Canada. The Task Force extended a public call to provide input on specific operating conditions, cultural differences, and laws or regulations that may need interpretational adjustments to meet the intent of the SFIS when applied in Canada. The following findings and interpretations were released in November 2002.

14.1 Need for a Separate “Regional” Standard

The SFIS was originally written for the U.S. context. In 2000, application of the SFIS was extended to Canada. When deployed in the Canadian context, is the SFIS achieving its intent and purposes in ways that result in similar results on the ground as that found in the U.S. setting?

CTF Findings: In general, the Task Force finds that when the SFIS is deployed in the Canadian context, results achieved are similar to those in the U.S. That said, we do find that some changes are warranted for the SFIS to achieve its original spirit and intent.

Those will be elaborated in recommendations to other issues that follow and, if adopted, will negate the need for a separate standard for Canada.

Interpretation: Development of a “regional” SFIS for Canada is not warranted.

14.2 Allowable Annual Cut (AAC)

Does the Canadian process of establishing allowable annual cut (AAC) comport with the SFI commitment to long-term sustainable harvest levels?

CTF Findings: Regardless of how harvest levels are established, the SFIS states in Performance Measure 1.1 “Program Participants shall ensure that long-term harvest levels are sustainable and consistent with appropriate growth and yield models and written plans.” The SFIS does not dictate that long-term sustainable harvest levels must be based on a non-declining even-flow model. Thus, there are cases (especially where regulated forests conditions have not been met) where plans may call for harvests levels in the near-term that reduce total standing volumes in route to achieving a planned sustainable harvest. Where provincial lands constitute the basis of a forest tenure being certified, AAC is established by the Provincial Chief Forester to achieve a range of social and economic considerations. Once established, AAC’s are reassessed and modified every five years to reflect lands removed from the tenure and other silvicultural and social considerations. The issue of AAC is probably most controversial in British Columbia and in other areas with significant previously unmanaged forests. In BC the province is moving aggressively to implement a representation/protection strategy that to date constitutes some 11.7 million hectares or 13% of the provincial land base.

Interpretation: It appears that Program Participants and audit firms are appropriately interpreting and implementing the spirit and intent of the SFIS and specifically

Performance Measure 1.1, with an understanding that if AAC does not meet expectations of the SFIS, the area would be found to be in non-conformance with this provision of the SFIS and thus could not be certified.

14.3 Protection of Water Quality and Use of Best Management Practices

The SFIS was originally written with U.S. laws such as the Clean Water Act and the system of Best Management Practices (BMPs) in mind. As Canada does not have a directly comparable Clean Water Act, are Canadian waters being adequately protected to ensure water quality and protection of aquatic organisms?

CTF Findings: While Canada does not have a single piece of legislation that is directly equivalent to the U.S. Clean Water Act, taken collectively at the federal and provincial levels, there are a number of laws and regulations that appear to have the same effect on the ground. The Fisheries Act at the federal level establishes riparian protection measures based upon stream order (size) and presence of fish. This act applies to both provincial and private lands. Additionally, Forest Practices Codes and other provincial acts (e.g. Ontario's Clean Water Act) provide protection measures designed to protect water quality and fisheries. As is the case under the U.S. laws, protection specifics vary widely across the provinces, with Manitoba having relatively few specific regulations to address needs.

Interpretation: As is the case in the U.S., it would be inappropriate to establish a one size-fits-all approach to riparian protection needs across Canada. However, to ensure that all Program Participants operate under a similar expectation about the SFIS intent on protection of water quality and fisheries, the following interpretation was adopted (revised in January 2005 to reflect new SFIS language):

“Objective 3 sets expectations and intent to protect water quality in streams, lakes and other water bodies. Performance Measure 3.1 explicitly references BMPs developed under “U.S. Environmental Protection Agency-approved state water quality program or other federal, provincial, state, or local programs. Performance Measure 3.2 also requires Program Participants to develop, implement and document riparian protection measures. An additional indicator under this Performance Measure states that the Program Participant must also have a program for “management and protection of streams, lakes, and other water bodies and riparian zones”. These obligations among others under Objective 3, taken with existing federal and provincial laws and regulations, set an approach to protection of water quality and fisheries in Canada that is equivalent to that expected under the U.S. Clean Water Act and use of BMPs.

14.4 Protection of Threatened and Endangered Species The SFIS was originally written with U.S. laws such as the Endangered Species Act in mind. As Canada does not have a similar federal endangered species act, what assurances are in place that threatened and endangered species are being appropriately protected?

Findings: Canada does not have a federal law that is directly comparable to the ESA. The Species At Risk (SAR) act applies to federal lands and operations which represent only a small portion of habitats. However, the Canadian Council of Wildlife Ministers has stated that they plan to seek adoption of provincial legislation such that SAR's provisions would affect provincial lands and operations. At least one province, Quebec, already has a provincial ESA. Canada has several other laws and regulations across various provinces (e.g. Wildlife Act in British Columbia) and a wide array of forest practices codes that address protection needs for some species and habitats.

Even with adoption of these laws, some view the U.S. “citizen suit provisions” of the ESA as offering assurance of ESA implementation that would not be granted under any laws being considered in Canada. While that is true, on provincial lands, Program Participants are subjected to extensive outreach and public input during which the management and protection of listed species can be considered.

Forest land managers manage for biodiversity through compliance with government policies and procedures that support regulatory requirements. In addition, SFI program participants demonstrate their pledge to sustainable forestry through organizational policies, agreements with local resource groups and other commitments.

Regardless of the differences in laws, SFIS Objective 4 sets expectations for protection of biodiversity and specifically T&E species. Additionally, provisions in the SFIS to protect critically imperiled (G1) and imperiled species (G2) go well beyond the U.S. ESA to protect plants as well as animals that are not federally listed. Canada and the U.S. are both signatories to the Convention In Trade in Endangered Species (CITES) and therefore both maintain lists of threatened and endangered species at the federal level. Too, Canadian provinces, just as U.S. states, have their own lists of T&E species. Finally, the Task Force viewed the topic of threatened and endangered species as an over-arching issue that also covered concerns about conservation of forests often termed old-growth. Recent changes in the SFIS to address old-growth forests and forests with exceptional conservation value, particularly those defined as critically imperiled or imperiled species or communities, will no doubt further conservation of some forests that fit the old-growth term. That said, we believe that societal decisions to identify and designate larger areas for conservation go well beyond the scope of forest certification systems. Canada has a number of federal and provincial processes under way that are yielding additional land management strategies including designation of forests for protection. With Canada’s heavy concentration of publicly-owned forests, we believe those processes are the appropriate vehicles to determine landscape-level conservation objectives.

Interpretation: While there is no direct equivalent in Canada for the ESA, the SFIS requires each Program Participant to have plans in place to protect federally listed threatened and endangered species. There is no exception in Canada.

14.5 First Nations’ Rights

First Nations have a number of unsettled land claims pending over forested areas in parts of Canada. Should the SFIS certify operations where such claims are pending?

Findings: While there are unsettled land claims for First Nations pending in parts of Canada, the issue is especially common in British Columbia. As is the case in the U.S. settlement of land claims can only be addressed by the federal government. There are a number of legislative as well as judicial actions moving forward; however, it could be decades before all claims are settled. A recent Appeals Court decision in B.C. stated that license holders, in addition to the government, regardless of whether those claims have been settled should consider First Nations. It is important to note that the standard operating procedure followed by most SFI program licensees in Canada is to approach First Nations within their operating area to seek input in planning that ranges from informal agreements to full-blown joint ventures.

The certification of sustainable forestry is primarily directed towards land stewardship practices. It is the role of governments to develop policies that recognize people’s rights including those of First Nations. Sustainable forestry certification should ensure that program participants are complying with those policies.

Interpretation: “Land claims between sovereign nations cannot be resolved through certification programs. Where Program Participants have legal license to areas that are in dispute, they should make every reasonable effort to involve those interests in review and planning considerations. However, we recognize that only the federal government can settle land claims. While certification cannot settle such claims, it is an affirmation that the lands in question are being well managed and should help ensure that when such claims are ultimately settled, the long-term owner – whether they are provincial or First Nation governments -- obtains a forest that is of high quality.”

Section 15 - Audit Procedures and Qualifications

15.1 Can a Program Participant complete a 3rd-party audit against “selected” components of the SFIS and claim conformance to the standard?

No. Program Participants must conform with all components of the SFIS that apply to the scope of their operations. As set forth in SFI-2005-2009, the Program Participant and the certifying organization must agree on the scope of the audit, which shall include an analysis to determine if the Program Participant’s operations are relevant to all of the SFI Standard objectives, performance measures and indicators. For instance, if the Program Participant does not use forest chemicals at all, that performance measure and the associated indicators would not be applicable for that particular audit. Similarly, there may be cases where situations arise that have not been addressed in the Standard or any guiding documents. One such situation is the case where the Program Participant does not own nor control mineral rights associated with his property. The Program Participant and certifying organization would be expected to set clear audit expectations about those instances where there is limited or no control over a particular issue (July 2000).

15.2 Can a Program Participant that owns forestland under a subsidiary or joint venture arrangement exclude those lands from the scope of a 3rd party audit and claim conformance to the SFIS?

No. A Program Participant that owns and controls lands under another subsidiary, joint venture or other arrangement, and then procures wood from that subsidiary would have to complete a full 3rd-party audit for those lands to ensure compliance against all aspects of the SFIS (July 2000).

15.3 What is the definition of Program Participant’s forests?

Program Participant’s forests include fee lands and long-term leases as reported on the annual SFI program compliance survey (July 2000).

15.4 Are timber deeds, short-term contracts, etc. considered a part of a Program Participants’ forests?

No, but some components of the SFIS may be applicable (July 2000).

15.5 What happens to an SFI program certification of a property when another Program Participant acquires those lands or operations?

To a great extent the answer is determined by the status of the acquiring organization. If one SFI program certified operation is acquired by another SFI Program Participant, then the certification status should stand subject to appropriate recertification procedures.

However, if a non-SFI Program Participant acquires that same operation, then the acquiring organization would have to notify the SFB of their intent to become an SFI Program Participant within 30 days, become an SFI Program Participant within 90 days, and fully subscribe to all tenants of the SFI Standard, including surveillance audits, for the certification to remain valid.

In addition, an organization may choose to third-party certify the conformance of all its operations to the SFIS requirements or choose to third-party certify the conformance of discrete operating units. These organizations may be geographically distinct and/or separate management units with different species, product lines, and/or customers. Thus, it is possible that a single property or operation could be transferred and the third-party certification to remain valid without the acquiring organization seeking third-party certification of all its operations. (February 2005).

15.6 Our organization has just merged with another SFI Program Participant. We remain fully committed to the SFI program, however we find that maintaining the planned recertification audit schedule with the new operations – some to be combined; others not – will be costly and inefficient from an operational standpoint. Please provide guidance as to flexibility and parameters under which we might modify our recertification schedule?

In cases where mergers or acquisitions yield new operating units, Program Participants may have up to 12 additional months beyond the pre-merger/pre-acquisition recertification schedule to integrate the operations. In special cases where a Program Participant needs to exceed the 12 month extension for a single operation or unit to balance recertification schedules or address budget issues, the Program Participant must institute a surveillance audit as an interim measure. Such an extension would allow the Program Participant to extend the period between recertifications for the affected operating unit for a period not to exceed 2 years beyond the original recertification schedule. Note: Where operations being integrated were both certified, the period for extension is based upon the earlier of the two certifications (April 2002).

15.7 Objective 1 involves the issue of alternate industrial activity on public land. For example, we are aware of cases where oil & gas development is causing a significant impact on timber supply and forest ecology, and it is apparent that the impacts will continue. Is it possible to certify a forest operation where alternate industrial activity is adversely affecting sustainability?

In many cases, the Program Participant may not have direct influence on this activity, as in the case you suggest, it is governments that permit oil & gas exploration and development. The impact of the oil & gas development would have to be reviewed in the context of the entire forest under review. Similarly in certain cases, Program Participants do not own mineral rights. In those cases, the Program Participant's activities would be viewed in the context of rights owned/controlled. The Program Participant may show evidence of their efforts to work with the development activities as a good faith example of how they are working to minimize or otherwise mitigate unrelated impacts (July 2002).

15.8 Is it possible to complete a certification to the SFI Standard on an organization before they become a Program Participant by joining the American Forest & Paper Association

(AF&PA) as a member or by becoming an SFI program licensee?

For a certification to be completed, the auditee must be a Program Participant or in the process of becoming one (in which case the final verification is conditioned on becoming a Program Participant). It should be noted that the SFIS is a publicly-available document and, as such, anyone who wants to can offer their "opinion" on an organization's conformance to it. However, because "Sustainable Forestry Initiative" and "SFI" are registered service marks, an entity would infringe on this ownership in violation of the federal intellectual property laws if they were to use the service marks in a public claim about the "opinion" without becoming a SFI Program Participant. (July 2003)

15.9. The SFIS states that surveillance audits shall normally be annual, yet also indicates the interval shall not exceed 18 months. Does this mean that the default time period is 18 months?

Answer: No. The SFIS states that the surveillance audits shall normally be annual and consistent with International Accreditation Forum Guidance on the Application of ISO/IEC Guide 66. The ISO/IEC Guide 66 states: "Surveillance of an organization's EMS shall take place on a regular basis, normally it should be undertaken at least once a year."

The expectation is that the surveillance audit schedule shall be annual. However, under some circumstances, the SFIS provides for a variance to ISO/IEC Guide 66 allowing an extension of the audit interval, not to exceed 18 months. An auditor's decision to extend the interval beyond 12 months should consider the effectiveness and maturity of the participant's management system and internal audit program; third party audit history; complexity of the participants' operations; the advantage of auditing during a different season; and frequency and extent of changes to the participant operations, personnel, suppliers, and the SFI Standard. (February 2005)

15.10. A program participant was initially certified to the Sustainable Forestry Initiative Standard during November 2002. Are they required to undergo a recertification before November, 2005 (3 years) or November, 2007 (5 years)?"

Answer: The participant was issued a three year certificate, which expires in November 2005. Recertification is required prior to November 2005 (April 2005).

15.11. "...if this program participant chooses "Continuous Certification" would they be able to count assessments conducted prior to January, 2005 (which would have been performed against the 2002-2004 SFIS) as part of the full assessment of conformance with each SFI Standard objective, performance measure, and indicator?"

Answer: Continuous certification is an alternative permitted under the 2005-2009 Edition of the APQ. Although some SFI Standard objectives, performance measures and indicators may mirror the 2002-2004 Edition of the Standard, assessments of conformance to satisfy a continuous certification must be performed against the 2005-2009 Edition of the Standard (April 2005).

15.12. "Is it possible to issue a 5 year certificate for an initial registration under 2002-2004 to facilitate the continuous certification model?"

Answer: No. The 2002-2004 Edition of the SFI Standard does not provide beyond three years for an initial certification (April 2005).

15.13. “For audits completed in 2003 where we have done 3 surveillance audits since then (2 in 2004 and 1 in 2005) is it appropriate to move to the continuous certification model at this point? A public report will be issued in 2005 summarizing our surveillance audits to date and we will cover off all elements of the SFI Standard prior to the proposed certification date.”

Answer: All participants must conform to the requirements of the 2005-2009 Edition of the SFI Standard prior to initiating the continuous certification model allowed under Section 6.6.2 of the SFI Audit Procedures and Qualifications. Certified program participants can verify conformance to the 2005-2009 Edition of the Standard through a third party surveillance audit, provided all new requirements contained in the Standard are assessed.

Therefore, an initial audit completed in 2003 requires re-certification to the 2005-2009 Edition of the SFI Standard in 2006. After verification of conformance to the 2005-2009 Standard, the participant may implement the continuous certification model with appropriate annual surveillance audits (April 2005).

15.14. “Can the inconsistent practices process for a dispute between an external party and a program participant be suspended if there is litigation between the two involved parties?”

Answer: 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 non conformance issues remain (April 2006).

15.15 If a participant owns land, can they certify their procurement system only?

No, a participant must be certified against all portions of the standard relevant to their operations (June 2006).

15.16 Section 4 of the APQ includes the clause:

“To satisfy the requirements for independence and objectivity an auditor shall ensure that the services it provides are free from conflict of interest...”

A basic principle of all certification systems is that consulting for and auditing the same client constitutes a conflict of interest.

At least one SFI certification firm has recently made a public claim that such a conflict of interest could be avoided by having an audit firm subcontract to a client’s consultant, who could then help the client prepare for the audit and respond to any nonconformances found in the audit. One could also imagine equally creative arrangements like having the consultant subcontract to the audit firm or having both subcontract to a third firm.

Would any such arrangement be acceptable under the APQ “conflict of interest” clause?

Impartiality and conflict of interest are addressed extensively in ISO/IEC Guides 62 and 66, related IAF guidance, ISO/IEC FDIS 17021 has a section with 13 requirements related to impartiality, and ANAB Advisories 4, 15, and 16 also relate to this subject.

SFI program certification bodies are expected to adhere to all of the relevant ISO, IAF, ANB and ANSI documentation to maintain their accreditation. Questions around conflict of interest should be addressed directly by the certification body with the appropriate accreditation body to ensure continued maintenance of the accreditation (June 2006).

15.16 Given the recent changes to the SFI program and the certification bodies accreditation programs established by ANAB, ANSI and SCC, does a lead auditor have to be RAB/CEAA accredited or is it sufficient for the certification body to be accredited by ANAB, ANSI and SCC?

The requirement is for the certification body to be accredited by ANAB, ANSI or SCC, as the lead auditor qualification falls within the ANAB and ANSI accreditation (November 2006).

Section 16 - General

16.1 Are SFIS “historical interpretations” listed on the SFB web-site that predate the 2005-2009 standard still applicable?

Some older interpretations may still be applicable, although changes to the SFIS subsequent to the interpretation may have rendered the interpretation irrelevant. The drafting process for the 2005-2009 SFIS Standard attempted to integrate some of the interpretations. As such, this current listing of interpretations does not include older interpretations that no longer appear to be necessary due to language changes in the latest version of the SFI Standard. Specific questions concerning the applicability of an older interpretation can be directed to the SFB Interpretations Committee.