



***SFI Standards Development and
Interpretations Process
(Section 98)***

May 1, 2020

SFI 2022 Standards have been developed using an open, transparent, consultative and consensus-based process that included a broad range of stakeholders. These Standards are based on ISO/IEC Guide 59 and Guide 2. In addition, the ISEAL Code of Good Practice for Setting Social and Environmental Standards was taken into consideration.

Table of Contents

<u>1. PROCEDURES FOR <i>SFI</i> STANDARDS REVISION</u>	<u>3</u>
<u>1.1 NORMATIVE REFERENCES</u>	<u>3</u>
<u>1.2 SFI STANDARDS-SETTING PRINCIPLES</u>	<u>3</u>
<u>1.3 ROLES AND RESPONSIBILITIES</u>	<u>3</u>
<u>1.4 PROCEDURES</u>	<u>7</u>
<u>SFI STANDARDS REVISION PROCESS TABLE 1</u>	<u>11</u>
<u>SFI STANDARDS REVISION PROCESS TABLE 2</u>	<u>12</u>
<u>4. INTERPRETATIONS</u>	<u>16</u>

1. Procedures for *SFI Standards* Revision

1.1 Normative references

ISO Guides are normatively referenced in these standards. For dated references, only the cited edition applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

- i. ISO/IEC Guide 2, *Standardization and related activities – General vocabulary*.
- ii. ISO/IEC Guide 59, *Code of good practice for standardization*.
- iii. PEFC GD 1007, *Endorsement and Mutual Recognition of Certification Systems and their Revision*

1.2 *SFI Standards*-setting principles

The standards-setting process is governed by the key principles of:

- i. Stakeholder engagement – an opportunity for meaningful participation in the process that is open to all *stakeholders* through participation in task groups and public consultations.
- ii. Balanced representation – no single *stakeholder* group should dominate or be dominated in the process. While each individual is free to decide on their participation, *SFI Inc.* makes an effort to ensure that all relevant *stakeholder* groups are represented and considers an appropriate gender balance.
- iii. Consensus – standards are developed by consensus. Any sustained opposition to specific issues is resolved by means of dialogue whenever possible.
- iv. Improvement – periodic review of *SFI* standards seeks continual improvement and to ensure the standards continues to meet expectations of *stakeholders*.
- v. Transparency – *SFI Inc.* ensures relevant documents are posted to www.sfiprogram.org or publicly available so interested parties can follow developments during and after the process.

1.3.1 ~~Roles Actors~~ and Responsibilities

~~The *SFI* Board of Directors is responsible for standard development and revision and will convene the Forum of Stakeholders. The *SFI* Board of Directors, Resources Committee and the External Review Panel (independent oversight role) and other stakeholders groups identified in the stakeholder mapping exercise. The constitute the Forum and will be structured to ensure that the revision process includes economic, environmental and social representation equally. Any individual can suggest candidates to for the the nominations committee Forum of Stakeholders. The nominations committee considers suggestions and invites individuals to be considered by the Board. The Forum follows the procedures outlined in this document for *SFI* Standard Revision¹.~~

1.3.1.1 *SFI* Board

Commented [SFI 1]: This text is now redundant given the additional details in the rest of Section 9.

¹Section 8 – *SFI* Standards Development and Interpretations Process is publicly available and can be found on the *SFI* website.

SFI Board members include representatives of environmental, *conservation*, social professional and academic groups, independent professional loggers, small family forest owners, public officials, labor and the forest products industry. The 18 member *SFI* Board of Directors has representatives from the main geographic regions of the U.S. and Canada and includes:

- Six directors from non-profit environmental / *conservation* organizations representing the environmental sector;
- Six directors from community or social interest groups such as universities, labor, independent professional loggers, family forest owners or government agencies representing the social sector, and
- Six directors from the forest, paper and wood products industry or other for-profit forest ownership or management entities representing the economic sector.

SFI Board members are invited by the Board Nominations Committee to participate as directors and must be approved by the full Board. The Board is a voluntary Board.

1.31.2 *SFI* Resources Committee

Each *SFI Inc.* Board member appoints one person from their organization (or other organization they may choose) to serve on the *SFI Inc.* Resources Committee (RC) or the Board member may choose to represent themselves on the Resources Committee. As such, the Resources Committee has the same equal representation of social, environmental and economic interests and geographical scope as the *SFI Inc.* Board.

1.31.3 *SFI* External Review Panel

The *SFI* External Review Panel is an independent panel of volunteer experts that provides diverse perspectives and expertise to the Sustainable Forestry Initiative® (*SFI*®) program while contributing to quality assurance and continuous improvement. ~~As part of the Forum, The External Review Panel is made up of external experts and has representatives from the main geographic regions of the U.S. and Canada where the *SFI* Standards are applied.~~ Panel members provide external independent oversight to ensure the standard revision process is objective and credible and that all comments are treated equally and fairly. ~~The volunteer External Review Panel is made up of 15-18 external experts and has representatives from the main geographic regions of the U.S. and Canada where the *SFI* Standards are applied.~~ Its membership maintains a balance of technical skills and organizational experience, with ~~four to six~~ members from each of the following categories – environmental/*conservation* groups, professional/academic groups, and public agencies (local, state, provincial, tribal or federal governments). Panel members can come from universities, government agencies, foundations, professional associations, and landowner/*conservation* organizations. The *SFI* External Review Panel selects its own members based on their individual expertise and experience, following an election process set out in its charter. It develops its own agenda to represent

the public interest as an outside observer of the *SFI program*. All *stakeholders* can suggest candidates to the *SFI* External Review Panel for consideration.

1.34.4 Standard Revision Task Groups

The SFI Standard Revision Task Group prepares the first and subsequent drafts of the revised SFI Standards for review by the SFI Resources Committee and ultimate approval of the SFI Inc. Board of Directors. The Task Group is established for the duration of the standard revision until completion in 2021. There are three Task Groups: Forest Management, Fiber Sourcing and Chain of Custody & Labels.

Commented [SFI 2]: Adapted from Standard Revision Task Group Terms of Reference (ToR).

The SFI Standard Revision Task Group membership will be based on nominations received. Acceptance and refusal of nominations shall be justified in relation to the requirements for balanced representation of the Task Groups, considerations of an appropriate gender balance, relevance of the organization, an individual's competence, an individual's relevant experience and resources available for standard-setting. For the 2022 SFI Standards revision process all task group nominations received were accepted.

Under the direction of the respective Task Group Chairs the Task Groups shall review all submitted comments from the first and second public comment periods and Standard Revision Workshops that correspond to each task group's focus area. The Task Groups will then prepare revised Standards text (first and subsequent drafts) for review by the SFI Resources Committee, incorporating their feedback as required.

To ensure a balanced representation of interests, the Task Groups shall:

- a. consist of the following interest groups:
 - Forest owner/manager
 - Manufacturer/processor/trader of forest-based products
 - Conservation organization
 - Customers & consumers
 - Scientific and technological community
 - Logging professionals
 - Workers & trade unions
 - Indigenous Peoples
 - Government
 - Education/academic group
 - Social-purpose organization
- b. include *stakeholders* with expertise relevant to the subject matter of the standard, those that affected by the standard, represent the geographical scope of the standard and those that can influence implementation of the standard.

In order to achieve balanced representation, to the extent possible, all identified stakeholder groups are represented. Participation targets of key stakeholders will be set and SFI, Inc. will proactively seek their participation by using outreach such as (but not limited to) personal emails, phone calls, meeting invitations etc. When a stakeholder group is not represented and key stakeholders cannot be encouraged to participate, the standardizing body may consider alternative options.

Commented [SFI 3]: Adapted from PEFC ST 1001, clause 6.4.3.

Activities of the Task Group shall be organized in an open and transparent manner where:

- a. working drafts shall be available to all members of the Task Group,
- b. all members of the Task Group shall be given meaningful opportunities to contribute to the development or revision of the standard and to provide feedback on working drafts, and
- c. feedback and views given by any member of the Task Group shall be considered in an open and transparent way where the outcome of these considerations is recorded.

Commented [SFI 4]: Adapted from PEFC ST 1001, clause 6.4.4.

The decision of the Task Groups to recommend the drafts for review and approval by the Resources Committee shall be taken on the basis of consensus. In order to determine whether there is any sustained opposition, the Task Group can utilize the following methods:

- a. face-to face meeting(s) where there is a verbal yes/no vote, a show of hands for a yes/no vote; a statement on consensus from the Chair when there are no dissenting voices or hands (votes); a formal ballot, etc.,
- b. telephone conference calls (s) where there is a verbal yes/no vote,
- c. email request to the Task Group for agreement or objection where the members provide a formal (written) response (vote), or
- d. combinations of these methods.

Commented [SFI 5]: Adapted from PEFC ST 1001, clause 6.4.4.

Where votes are used in decision-making, the SFI will determine and include decision-making thresholds that quantifies consensus. The threshold must be consistent with the consensus definition. However, a majority vote cannot override sustained opposition in order to achieve consensus.

When there is sustained opposition to a substantial issue, the issue shall be resolved using the following methods:

finding a compromise through discussion and negotiation on the disputed issue within the working group, finding a compromise through direct negotiation between the stakeholder(s) making the objection and other stakeholders with different views on the disputed issue, additional round(s) of public consultation (if necessary) where further stakeholder input can help to achieve consensus on

~~unresolved issues. The standardizing body determines the scope and duration of any additional public consultation.~~

- a. ~~finding a compromise through discussion and negotiation on the disputed issue within the working group,~~
- b. ~~finding a compromise through direct negotiation between the stakeholder(s) making the objection and other stakeholders with different views on the disputed issue, and~~
- c. ~~additional round(s) of public consultation (if necessary) where further stakeholder input can help to achieve consensus on unresolved issues. The standardizing body determines the scope and duration of any additional public consultation.~~

Commented [SFI 6]: Adapted from PEFC ST 1001, clauses 6.4.6 and 6.4.7.

1.42 Procedures

~~The Sustainable Forestry Initiative Standards setting process shall be on a five-year cycle, which is consistent with international protocols for forest certification standard revision cycles. The SFI Standards development process is open, transparent and consensus² based and SFI Inc. Board decisions regarding final changes to the SFI Standards shall be consistent with PEFC ST 1001:2010 2017 for consensus³ based decision making. The revision process shall begin in the first quarter of the year prior to the year the existing standard expires. The SFI Standards setting process shall begin with a public notice to all stakeholders prior to the start of the process. The start of the process will be communicated on the SFI website, in newsletters and emails to all stakeholders inviting comments. SFI shall identify stakeholders relevant to the objectives and scope of the standard-setting work. Stakeholders will be requested to nominate their representative(s) or themselves to Task Groups and the request to disadvantaged stakeholders and key stakeholders shall be made in a manner that ensures that the information reaches intended recipients and in a format that is easy to understand.~~

Commented [SFI 7]: Aligns with PEFC ST 1001, clause 6.3.1

²Consensus as defined by PEFC and ISO: General agreement, characterized by the absence of sustained opposition to substantial issues by any important part of the concerned interests and by a process that involves seeking to take into account the views of all parties concerned and to reconcile any conflicting arguments. NOTE – Consensus need not imply unanimity. Item 1.7 in ISO/IEC Guide 2:1991 and item 3.1 in PEFC Standard Setting Requirements PEFC ST 1001:2010 dated 2010-11-26. PEFC ST 1001:2010 and ISO Guide 59:1994, Code of Good Practice for Standardisation are normative references. General agreement characterized by the absence of sustained opposition to substantial issues by any important part of the concerned interests and by a process that involves seeking to take into account the views of all parties concerned and to reconcile any conflicting arguments.

NOTE Consensus need not imply unanimity (ISO/IEC Guide 2). General agreement characterized by the absence of sustained opposition to substantial issues by any important part of the concerned interests and by a process that involves seeking to take into account the views of all parties concerned and to reconcile any conflicting arguments.

NOTE Consensus need not imply unanimity (ISO/IEC Guide 2).

³ The SFI Inc. Board of Directors has a balance of stakeholders including representatives of environmental, conservation, social professional and academic groups, independent professional loggers, small family forest owners, public officials, labor and the forest products industry. The SFI Inc. Board of Directors voting structure in the SFI Inc. bylaws defines the consensus based approach used for final approval of revisions to the SFI Standard: a minimum of eighty percent of those present, which must include at least two representatives of each Sector [environmental, social, economic] is required to approve any action of the Board.

At the start of a review, SFI Inc. will evaluate the standard against appropriate PEFC International standards, national laws and regulations and other relevant standards to identify potential gaps in the standard.

SFI Inc. will consider the latest scientific knowledge, research and relevant emerging issues.

SFI Inc. will initiate a standard revision process every 5 years regardless of the information gathered from the gap analysis. If there is a circumstance whereby a need to revise the standard is not warranted, SFI Inc. will follow the requirements in PEFC ST 1001:2017, Sections 8.4 and 8.5 regarding stakeholder consultation and decision making.

A stakeholder mapping exercise will be used to identify which interest sectors-both public and private-are relevant (environmental, economic, social) including stakeholders who may not be able to participate by conventional means and what means of communications will best reach each stakeholder group. This mapping exercise will be done at the beginning of each standard review process and will define who the stakeholders are and what is necessary to ensure all can participate in the process if they so choose.⁴ The stakeholder working groups shall be based on nine major stakeholder groups as defined by Agenda 21 of the United Nations Conference on Environment and Development (UNCED) in Rio de Janeiro in 1992. At least the following groups shall be included in the stakeholder mapping:

- forest owners;
- business and industry;
- indigenous people;
- non-government organizations;
- scientific and technological community; and
- workers and trade unions.

Other groups shall be added if relevant to the scope of standard-setting activities.

Disadvantaged stakeholders and key stakeholders will be identified and any constraints to their participation in standard-setting activities will be addressed.

SFI Inc. will review the standard-setting process based on feedback received in response to the public announcement.

The process shall include an initial 360-day public comment period (the enquiry draft), a second 60-day public comment period (the working draft) and a final draft review period (the final draft) of at least 45 days for the SFI Inc. Board.

Commented [SFI 8]: Incorporated from PEFC ST 1001, clause 8.3

Commented [SFI 9]: Aligns with ST 1001, clause 8.4 and 8.5 in PEFC (procedures for NOT revising a standard).

Commented [SFI 10]: Alignment with PEFC ST 1001, clause 6.2.1

Commented [SFI 11]: Alignment with PEFC ST 1001, clause 6.2.2.

Commented [SFI 12]: Alignment with PEFC ST 1001, clause 6.3.2

⁴ Stakeholders will be identified by doing a stakeholder mapping exercise that includes defining which interest sectors are relevant and why, and for each sector what are likely to be the key issues, who are the key stakeholders including those who may not be able to participate by conventional means, and what means of communication will best reach them.

The External Review Panel shall independently monitor the entire process including a review of all comments received on draft standards and their disposition.

Broad public and *stakeholder* involvement is important to the *SFI program*. The *SFI Standards* review process shall be conducted on a national level in Canada and in the United States. *Stakeholders*, including disadvantaged and key *stakeholders* and those from the environmental community, forest products industry, private forest landowners, customers, local and federal government agencies, trade associations, landowner associations, academia and all other *stakeholders* shall be invited to participate in the review process. The start of the standards review process and all subsequent public review periods shall be communicated publicly to all interested *stakeholders* with an invitation to provide comments on the standards and standard setting process.⁵

The Standards Revision process is intended to be collaborative. While consensus on proposed *SFI Standards* revisions is desirable there may be issues for which consensus cannot be achieved. ~~In these scenarios the~~ *Task Groups* established by the Resources Committee may forward multiple recommended options to ~~a Steering Committee, also established by the Resources Committee, who will review and prepare recommendations for the Resources Committee's review.~~ *Task Group chairs* shall be fair to all viewpoints; however, they are charged with moving the process forward in a timely manner. If consensus is not achieved by the *Task Groups and the* Resources Committee, the issue (s) will be moved forward to the *SFI* Board of Directors for final resolution either by consensus or according to voting procedures outlined in the *SFI* Board Director bylaws (<https://www.sfiprogram.org/wp-content/uploads/SFI-Inc-Bylaws-2013.pdf>~~http://www.sfiprogram.org/about-us/sfi-governance/~~). All recommendations developed by the *Task Groups* will be reviewed by the Board and may be accepted as is, modified, or returned to the *Task Groups* with instructions for additional consideration and discussion.

The draft of proposed changes (*working draft*) to the *SFI Standards* shall be released and published to the *SFI* website ~~during the first quarter of the second review year~~, followed by an additional 60 day public comment period to allow all *stakeholders* an opportunity to provide additional comments regarding proposed changes.

This draft will also be presented and discussed with *SFI Program Participants* and all other *stakeholders* at regional workshops ~~or via webinars~~ conducted by ~~the Forum and SFI Inc.~~ throughout the U.S. and Canada. All *stakeholders* who have commented on proposed changes or who have proposed changes to the *SFI Standards* 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.

Commented [SFI 13]: Aligns with PEFC ST 1001, clause 6.5

Formal complaints regarding the disposition of comments ~~and standard-setting activities~~ shall be submitted in writing to the External Review Panel Secretariat (<https://www.sfiprogram.org/erp/>~~http://sfierp.org/erpfag~~) for review.⁶ The ERP shall

⁵ The public announcement will include where to find the publicly available standards-setting procedures, the objectives, scope and steps of the standards setting process including key dates, information on how stakeholders can participate in the process, information on how to submit comments on the standards and how to be involved in standards revision workshops and working groups.

⁶ The ERP process for reviewing complaints is posted on the ERP website.

acknowledge receipt of all complaints, gather and verify all necessary information to validate the complaint or appeal and impartially and objectively review all complaints and provide feedback to the Resources Committee Forum regarding complaints where additional review and potential action by the Resources Committee Forum is warranted. Once resolved, the decision on the complaint and the complaint process shall be communicated to the complainant.

Commented [SFI 14]: This section as modified aligns with PEFC ST1001, clause 5.3.

~~A-The final draft of the proposed changes to the *SFI Standards* shall be delivered to the *SFI Inc.* Board of Directors during the third quarter of the final review year. The *SFI Inc.* Board who will meet in the third quarter of the final review year at the *SFI* annual conference to discuss the *SFI Standards* draft and begin the 45-day advance notice to review proposed changes to the standards before Board approval can occur. The proposed changes to the *SFI Standards* draft will be presented at the *SFI* annual conference in September.~~

Upon completion of the *SFI* Board 45-day advance review period the *SFI Standards* shall be finalized ~~by the Forum~~ and approved by the *SFI* Board and published to the *SFI program* website. ~~Printed copies will be available during the first quarter of the following year.~~ All *Program Participants* have one year to fully implement new and revised *SFI Standards* elements adopted by the *SFI Board of Directors* Forum.

~~*SFI Inc.* The Forum~~ shall maintain records regarding all comments and their disposition for review by the independent External Review Panel. All comments will be considered carefully, and records of their disposition maintained for a minimum of five years and posted to the *SFI* website. As in any review process, it is not necessary to agree to every suggestion, but it is important that all comments be given consideration.

These written procedures shall be publicly available to all interested parties. Additional information on the *SFI Standards* Development process, regional workshop reports and *stakeholder* comments submitted during both public comment periods and how they were addressed shall be publicly available and also maintained for a minimum of five years.

Printed copies of the standard will be available to participants and may incur a minimal charge to cover printing and shipping costs. The Standards will be published in English and may be translated into other languages; if there are inconsistencies, the English version of the standard is the reference.

Commented [SFI 15]: This section as modified aligns with PEFC ST1001, clause 5.2.

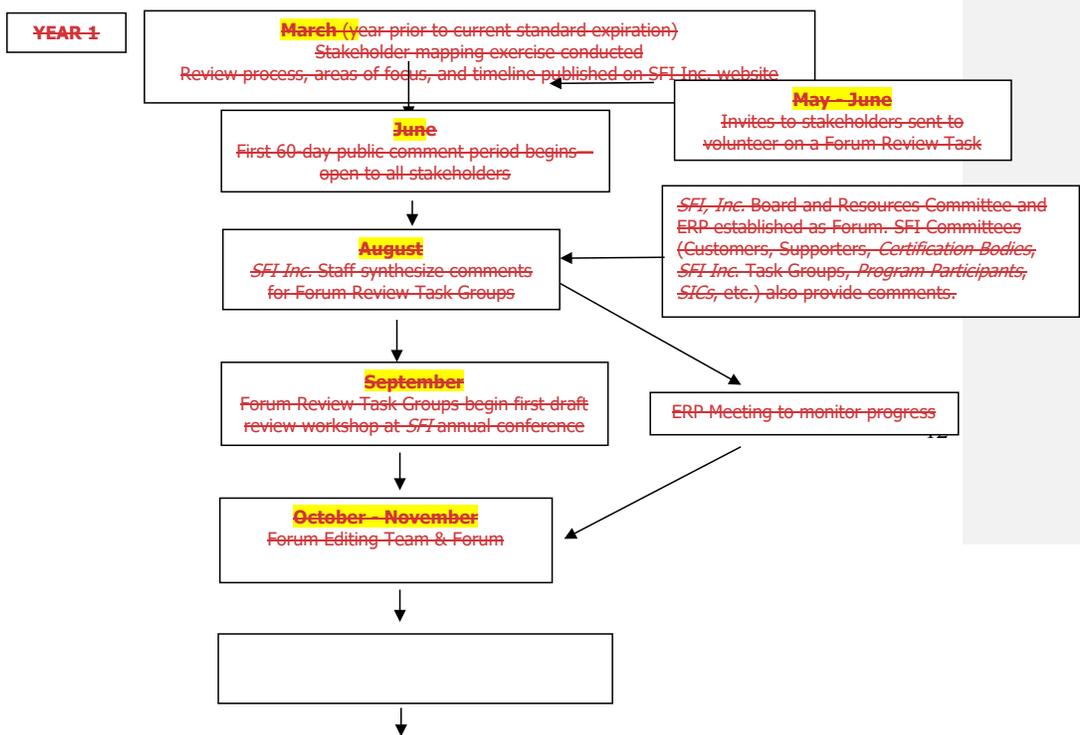
SFI Standards Revision Process Table 1

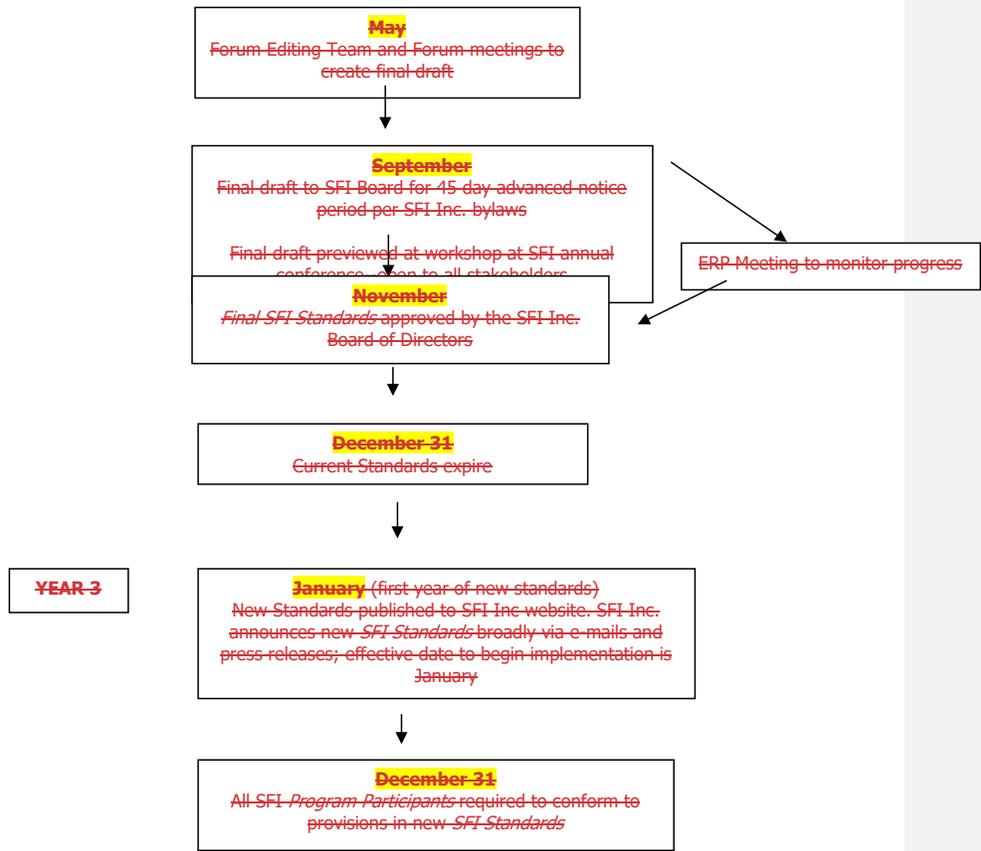
Duration (in months) and order of the steps in the SFI Standards Revision Process (Table 1 of 2) (Process 2019-Dec 2020)	2019			2020												2021												2022		
	pre-Oct	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	
Stakeholder mapping exercise conducted, review process, areas of focus, and timeline published on SFI Inc. website	█																													
Invites to stakeholders sent to volunteer on a Forum Review Task	█																													
30-day public comment period begins—open to all stakeholders		█																												
First open standard revision workshop at SFI Annual Conference		█																												
SFI Inc. Staff synthesize comments for Standards Revision Task Groups			█	█																										
Standards Revision Task Groups meet and prepare first draft					█	█	█																							
SFI Resources Committee reviews first draft of SFI Standards incorporating work of the Task Groups							█																							
SFI Inc. Board meeting to review first draft								█																						
Post comments from the first review period and their disposition, publish any complaints and their status/resolution									█	█																				
Second (final) comment period begins for 60 days - open to all stakeholders									█	█																				
Regional review workshops-open to all stakeholders									█	█																				
SFI Inc. Staff synthesize comments for Standards Revision Task Groups										█	█																			
Standards Revision Task Groups meet and prepare second draft											█	█																		
SFI Resources Committee reviews second draft of SFI Standards incorporating work of the Task Groups												█	█																	
SFI Board updated on key changes in the second draft of the SFI Standards													█	█																
Task Groups work on final draft of SFI Revised Standards														█	█															
Board reviews draft SFI Standards															█	█														

SFI Standards Revision Process Table 2
Figure 1: Procedure Used For SFI Standards Revision

Commented [SFI 16]: To be replaced with a chart showing timeline for key steps/phases in the revision process.

Duration (in months) and order of the steps in the SFI Standards Revision Process (Table 2 of 2) (Process Jan 2021-Jan 2022)	2019			2020												2021												2022			
	pre-Oct	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan		
Re-convene Standards Revision Task Groups and SFI Resources Committee for any relevant discussion																															
Resources Committee reviews final draft standards prior to Board review																															
Final draft to SFI Board for 45-day advanced notice period per SFI Inc. bylaws																															
SFI Standards approved by the SFI Inc. Board of Directors																															
PEFC Assessment Process for SFI Forest Management Standard																															
New Standards published to SFI Inc website. SFI Inc. announces new SFI Standards broadly via e-mails and press releases; effective date to begin implementation is January																															
All SFI Certified Organizations required to conform to provisions in new SFI Standards December 31, 2022.																															

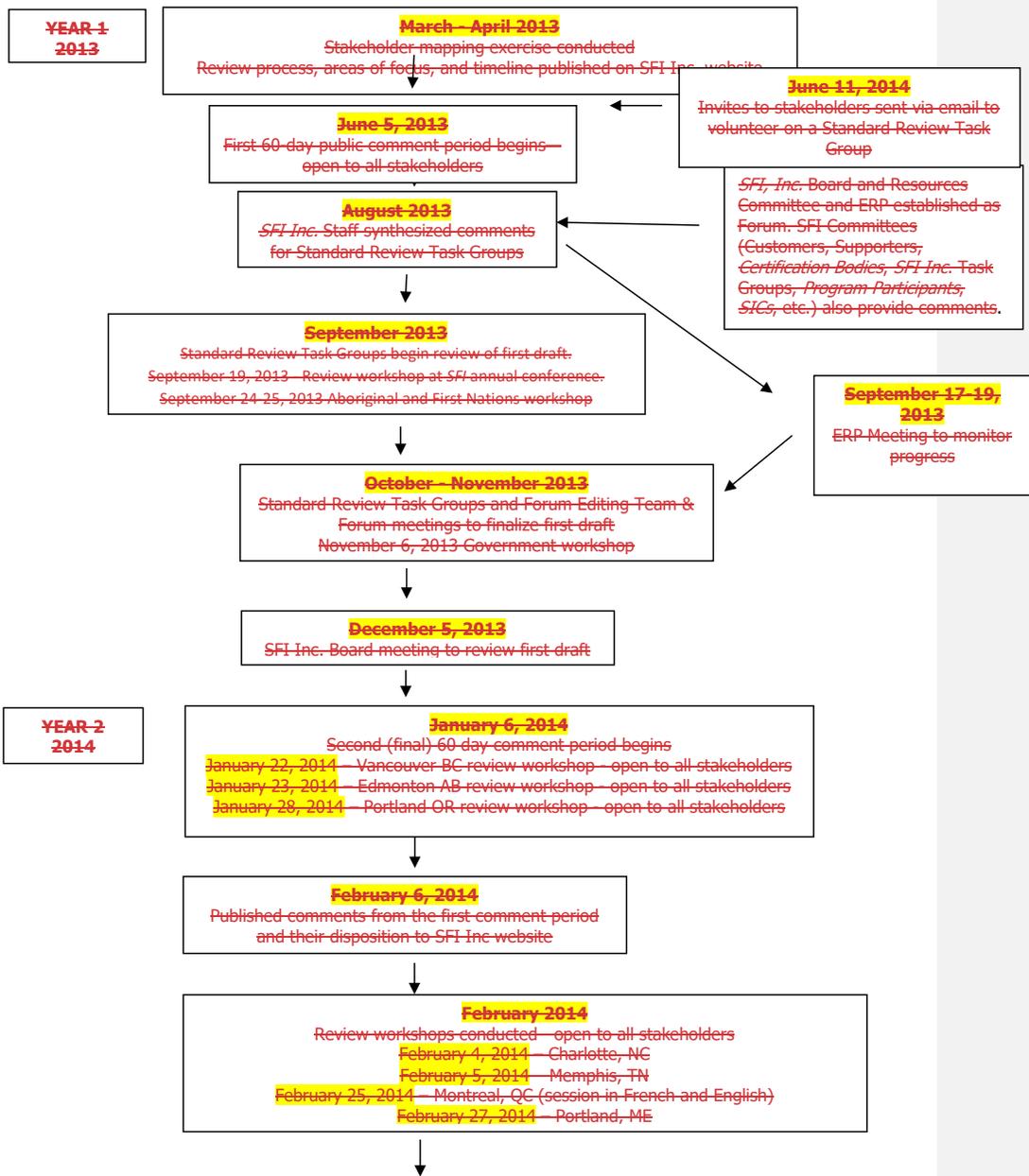


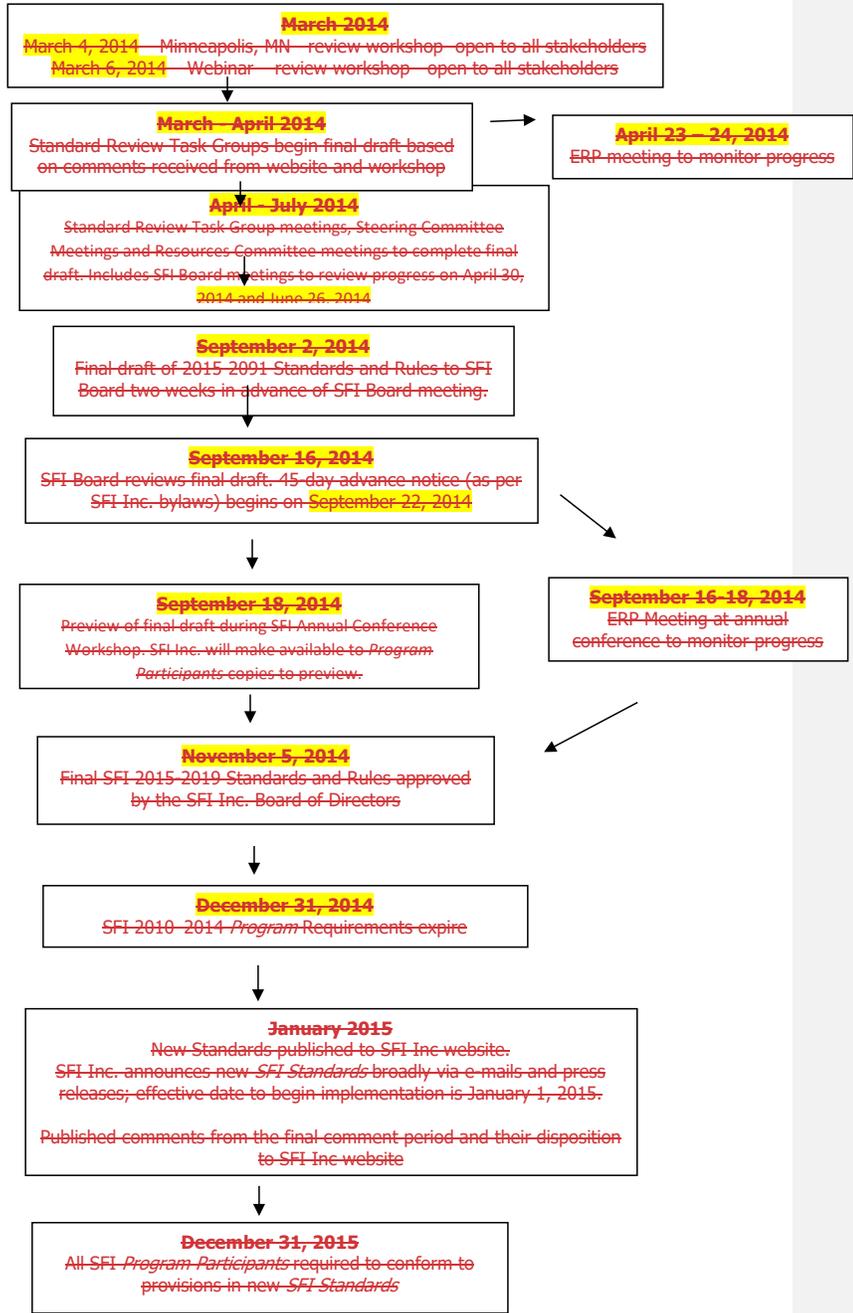


2. — Development of the *SFI 2015–2019 Standard*

Figure 2: Procedure Used for the 2015–2019 SFI Standards Development

Commented [SFI 17]: Recommend removing. Much of what is here (process, timeline) is or will be available via the website. That wasn't really the case in 2014.





**YEAR 3
2015**

34. Interpretations

From time to time, a formal process may be needed to interpret the *SFI Standards* and supporting documents. As part of *SFI Inc.*'s commitment to continual improvement of both the *SFI certification* process and the *SFI Standards*, 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 *Certified Organizations 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 Standards* or *SFI* audit procedures.