



*Certified Organizations* are not restricted in their decision making regarding the purchase of or sale of forest land, or in the movement of forest land (or the quantity) in or out of the scope of an *SFI 2022 Forest Management Standard* certificate. *Certification bodies* must ensure that lands within the scope of an *SFI 2022 Forest Management Standard* audit are being managed in conformance with the *SFI 2022 Forest Management Standard* to protect the integrity of the *SFI 2022 Standards and Rules*. Furthermore, *certification bodies* and *Certified Organizations* must ensure that there is absolute clarity on which forest lands — whether owned, managed or controlled (see Control of Decision Making below) — are included in the scope of the *SFI 2022 Forest Management Standard* certificate.

### Control of Decision Making

The level of control of decision making by the *Certified Organization* is the central factor when determining which forest land should be scoped out of an *SFI 2022 Forest Management Standard* certificate. When a *Certified Organization* knowingly intends to convert forest land to a non-forest land use and has control over the process, then the forest lands should be scoped out of the certificate when the decision is made to convert.

When forest land is being sold or purposefully converted to non-forest land use it is relatively straight-forward when it comes to identifying who has control of decision making. However, there are other examples where control of decisions over management practices is less clearly defined, or where control of decisions regarding forest land use shifts to a different party after a fixed period of time. Examples of these more ambiguous circumstances include *long-term* leases and timber deeds.

As in the forest land sale example, the decision whether to scope forest land in or out of an *SFI 2022 Forest Management Standard* certificate still rests with the organization who has control over the decisions related to management of the forest land in conformance with the *SFI 2022 Forest Management Standard*. More specifically, if a *Certified Organization* has forest management authority over Objective 1 of the *SFI 2022 Forest Management Standard* then such lands can remain within the scope of the *SFI 2022 Forest Management Standard* certificate until such time as control of forest management decisions is relinquished. Likewise, in the case of *long-term* leases or timber deeds, if a *Certified Organization* has a reasonable expectation the lands will remain in a forested condition after its lease or deed expires, then such lands can remain within the scope of the *SFI 2022 Forest Management Standard* certificate until such time as control of forest management decisions is relinquished.

Mining and drilling activities are other examples of where *Certified Organizations* may have control over forest management but may not have control over the ultimate fate of the land use. In this example, if the *Certified Organization* is not the party doing the mining or drilling, and it has not engaged into a contractual relationship with a third party to do so, the lands being managed in accordance with the *SFI 2022 Forest Management Standard* may remain within the scope of an *SFI 2022 Forest Management Standard* certificate until such time as forest management control is relinquished.

### Accounting for Non-Certified Forest Content

Despite efforts to scope out forest lands intended to be converted to non-forest land uses, small parcels of land intended for conversion may remain in the scope of an *SFI 2022 Forest Management Standard* certificate (e.g., utility right-of-way, well drilling pad). It may be impracticable to account for the *conversion sources* from such small inclusions within a larger SFI-certified forest. Therefore, to meet the spirit and intent of Performance Measure 1.3, *Certified Organizations* should make reasonable efforts to separate *conversion sources* from *certified forest content* where the volume of *conversion sources* is more than a minimal amount (e.g., 1% of the harvested volume).

## DEFORESTATION

Forests are essential to all life on earth, contributing to the maintenance of biodiversity, the sequestration of carbon and regulation of the earth's climate, the production of oxygen worldwide, the purification of fresh water, the production of a wide range of forest products, and the provision of a variety of spiritual, aesthetic, and recreational values. Forests and the benefits they provide to the world are immeasurable.

Permanent loss of forest cover is a global concern that society has been struggling to prevent for many years, with government, industries and NGOs working in many countries to detect, prevent, and de-incentivize forest cover loss, and incentivize forest conservation, restoration, and protection. Several market-based initiatives have been developed to reduce deforestation, and foremost among them is forest certification.

In North America, deforestation reduction efforts have largely been effective, with U.S. forestland area stabilized since roughly 1910-1920<sup>2</sup>, and deforestation in Canada is reported as being less than ½ of 1% over the last decade<sup>3</sup>, averaging 0.1 to 0.14%<sup>4</sup>.

Credible forest certification programs like SFI are an important element in achieving no-deforestation. The SFI 2022 Forest Management Performance Measure 1.3 specifies SFI's commitment to no-deforestation, indicating that "Forest lands converted to other land uses shall not be certified to this SFI Standard." These restrictions are intended to apply to the conversion of forest land and recently deforested land that is capable of regenerating to forest but is preventing from doing so.

<sup>2</sup> USDA, USFS 2001, "U.S. Forest Facts and Historical Trends" FS-696-M

<sup>3</sup> NRCan 2022, "The State of Canada's Forests: Annual Report 2022." [https://natural-resources.canada.ca/sites/nrcan/files/forest/sof2022/SoF\\_Annual2022\\_EN\\_access\(4\).pdf](https://natural-resources.canada.ca/sites/nrcan/files/forest/sof2022/SoF_Annual2022_EN_access(4).pdf)

<sup>4</sup> UN FAO 2010, "State of the World's Forests"



Note that the definition of deforestation does not apply to activities needed to achieve sustainable forest management which includes forest lands used for forest and wildlife management such as wildlife food plots or infrastructure such as forest roads, log processing areas, trails etc. This is consistent with Performance Measure 1.3, Indicator #1 in the *SFI 2022 Forest Management Standard*.

The *SFI 2022 Fiber Sourcing Standard* and the *SFI 2022 Chain of Custody Standard* also require SFI-certified organizations to assess the risk of sourcing forest fiber from controversial sources including from conversion sources originating from regions experiencing forest area decline. If a SFI-certified organization determines they are sourcing from such sources, they will need to mitigate this risk of sourcing this forest fiber.

**FOREST DEGRADATION**

Recently, discussion points around forests have shifted from deforestation to the less well defined, “forest degradation.” Forest degradation is a much more nuanced concept than “forest cover loss” and requires a more detailed review and analysis.

While there are well over 100 published definitions of “forest degradation”<sup>5</sup>, the concept can be broadly defined when anthropogenic disturbance impacts a forest landscape to the point where it is unable to recover and deliver its expected range of ecosystem services.

Any list of ecosystem services provided by a forest would be lengthy but suffice it to say it would include the filtering and recharge of freshwater, flood control, carbon sequestration, oxygen production and air filtration, wood fiber production, biodiversity maintenance, provision of non-timber forest products, along with the provision of recreational, aesthetic, and spiritual values.

While metrics do not exist to readily measure all of these, there are indicators for many of them, and one must presume that the more of them that are maintained, the higher the likelihood of the others being maintained.

Further, many of these values are variable in space and time, and several are not coincidental in space; a regenerating fire scar or clear cut may have low aesthetic value for a few years but still have reasonably high carbon sequestration rates, especially after silvicultural treatment, and an old-growth stand may have low carbon sequestration, but high spiritual value. Further, the diversity of a young stand may be similar to an old stand, but have very different species composition, meaning that at a broader scale, both are required to maintain biodiversity. In short, many of these ecosystem values need to be considered over large spatial and temporal scales covering the entire life-cycle of the forested landscape.

Catastrophic large-scale disturbance such as fires, insect outbreaks and windthrow are not considered forest degradation, if the forest is restored, even though some may have root causes in anthropogenic climate change or past forest management decisions. Where these disturbances do occur, silvicultural activities such as salvage logging and regeneration activities can have a positive effect on forest health.

Some forest management activities may be considered to have lasting and direct positive anthropogenic effects. These may include positive impacts on biodiversity through restoration, assisted migration, or fire management, among others. Such activities would not be considered degradation, although they may differ from natural processes.

The SFI 2022 Forest Management Standard prevents forest degradation through five core areas which act to limit lasting and significant direct anthropogenic impacts to the structure, composition, or function of the forest.

Below are those areas and the key requirements of the SFI 2022 Forest Management Standard.

1. **PRODUCTIVITY** (e.g., growing stock, non-timber forest products)
  - Prompt forest regeneration after harvest: Performance Measure (PM) 2.1.
  - Maintenance of forest soils and stocks: PM 2.3.
2. **BIOLOGICAL DIVERSITY** (e.g., ecosystem state, forest fragmentation, species, species functional groups)
  - Protection and maintenance of native biodiversity: PM 4.1.
  - Conservation of species at risk and rare communities: PM 4.2.
  - Identification and protection of ecologically important sites: PM 4.3.
3. **DISTURBANCES** (e.g., alien invasive species, fire, water quantity)
  - Protection of water values: PM 3.2.
  - Avoidance of negative effects of biological agents: PM 2.4.
  - Limitations of forest degradation from wildfire and restore forest post-wildfire: PM 10.1.
4. **CARBON STORAGE**
  - Enhancement of opportunities for carbon capture on forests that are owned or managed: PM 9.2.

<sup>5</sup>Lund 2009, “What is a degraded forest?”, White Paper on Forest Degradation Definitions Prepared for FAO.