



# SECTION 9

## SFI STANDARDS DEVELOPMENT AND INTERPRETATIONS PROCESS

**October 7, 2021**

*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.*

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## 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

SFI is organized and operated for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Code), as stated in the Articles of Incorporation, to ensure the environmental, social, and economic sustainable development of the nation's forests, for the benefit of public and private stakeholders. *SFI Inc.* has sole responsibility for all activities necessary for the development, maintenance, implementation, promotion, and continual improvement of the Sustainable Forestry Initiative® standards.

- i. The standards-setting process is governed by the key principles of: *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 the [SFI website](#) or publicly available so interested parties can follow developments during and after the process.

### 1.3 Roles and Responsibilities

#### 1.3.1 SFI Board

SFI Board members include representatives of environmental, *conservation*, social professional and academic groups, independent professional loggers, small family forest owners, public officials, Indigenous peoples, 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, Indigenous organizations, 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. 3.2 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. 3.3 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®) while contributing to quality assurance and continuous improvement. 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. Its membership maintains a balance of technical skills and organizational experience, with 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 SFI. All *stakeholders* can suggest candidates to the SFI External Review Panel for consideration.

### 1.3.4 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.

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 and webinars 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.

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.

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.

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:

- a. finding a compromise through discussion and negotiation on the disputed issue within the task 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.

## 1.4 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 consensus<sup>1</sup> based and *SFI Inc.* Board decisions regarding final changes to the *SFI standards* shall be consistent with PEFC ST 1001: 2017 for consensus<sup>2</sup> based decision making. The *SFI Standards* review setting process shall begin with a public notice to all *stakeholders* prior to the start of the process. This announcement will include the end date of the review process and the effective date for the new standards. The start of the review process will be within five years of the SFI Board approval date of the current SFI Standards and Rules (April 15, 2021) and will be communicated on the SFI website, in newsletters and emails to all *stakeholders*. 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.

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. For the development of a new Standard SFI will develop a standard proposal document that includes:

- i. the scope of the standard,
- ii. justification of the need for the standard,
- iii. description of the intended outcomes,
- iv. assessment of potential negative impacts arising from implementing the standard, such as:
  - a. factors that could negatively affect the achievement of the outcomes,
  - b. unintended consequences of implementation,
  - c. actions to address the identified risks, and
- v. description of the stages of standard development and their expected timetable.

For a revision of a standard, SFI will develop a proposal that includes the scope of the standard and a description of the stages of the standards revision process.

*SFI Inc.* will initiate the periodic standards review process regardless of the information gathered from the gap analysis. Using the results from the periodic review, the SFI Board will direct whether a standard revision is warranted. If there is a circumstance

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<sup>1</sup> 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).

<sup>2</sup> 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.

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.<sup>3</sup> The *stakeholder* task 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.

The process shall include an initial 30-day public comment period (the enquiry draft), a second 60-day public comment period (the working draft). The announcement of the 60-day comment period shall include the start and the end date, shall be posted to the SFI website before the start date, and shall be communicated by e-mail to SFI stakeholders identified by the SFI. A final draft shall be sent to the SFI Board of at least 45 days in advance of their meeting as per SFI Inc. by-laws.

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 SFI. 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, Indigenous organizations, trade associations, landowner associations, academia and all other *stakeholders* shall be

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<sup>3</sup> 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.

invited to participate in the review process. The announcement of the start of the standards revision 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.<sup>4</sup> *SFI Inc.* will review the standards and standard-setting process based on feedback received during the public comment periods.

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. The Task Groups established by the Resources Committee may forward multiple recommended options to the Resources Committee. 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 of Director bylaws](#). 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, 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-certified organizations* and all other *stakeholders* at regional workshops conducted by *SFI Inc.* throughout the U.S. and Canada or via webinars. 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.

Formal complaints regarding the disposition of comments and standard-setting activities shall be submitted in writing to the [SFI External Review Panel \(ERP\) Secretariat](#) for review. The ERP shall 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 regarding complaints where additional review and potential action by the Resources Committee is warranted. Once resolved, the decision on the complaint and the complaint process shall be communicated to the complainant.

The final draft of the proposed changes to the *SFI standards* shall be delivered to the *SFI Inc.* Board of Directors who will meet 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.

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<sup>4</sup> 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 task groups.



Upon completion of the SFI Board 45-day advance review period the *SFI standards* shall be finalized and approved by the SFI Board and published to the SFI website. When approved standards are launched, they shall be posted to the SFI website with the effective date, a contact name and the address for SFI Inc. as the standard setting organization. The date of the start of the next periodic review of the standard will be posted to the SFI website. All *Certified Organizations* have one year to fully implement new and revised *SFI standards* elements adopted by the SFI Board of Directors. For PEFC endorsed standards, *Certified Organizations* shall have one year from the date of the SFI standard's launch to fully implement the new and revised SFI requirements.

*SFI Inc.* 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 *stakeholders* 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.

## 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 <i>SFI Inc.</i> 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																														
<i>SFI Inc.</i> 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																														
<i>SFI Inc.</i> 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/webinars - open to all stakeholders																														
<i>SFI Inc.</i> 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																														

### 3. SFI Standards Revision Process Table 2

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	2026	
	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	April	
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 <i>SFI Inc.</i> bylaws																															
SFI standards approved by the <i>SFI Inc.</i> Board of Directors																															
PEFC Assessment Process for SFI Forest Management Standard																															
New Standards published to SFI Inc website. <i>SFI Inc.</i> announces new SFI standards broadly via e-mails and press releases; effective date to begin implementation is January																															
<b>All SFI Certified Organizations required to conform to provisions in new SFI standards December 31, 2022.</b>																															
<b>Start of next Standards review period – April 15, 2026</b>																															

### 4. 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, SFI shall maintain a record of opinions and concerns available to both *Certified Organizations* 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*.