

<i>Normative Document</i>	5 October 2007	
Basis for Certification Schemes and their Implementation		Annex 3

Basis for Certification Schemes and their Implementation

TABLE OF CONTENTS

1.	OBJECTIVE	2
2.	SCOPE	2
3.	THE UNDERLYING ELEMENTS IN CERTIFICATION CRITERIA	2
3.1	Intergovernmental Processes for Sustainable Forest Management	2
3.1.1	Pan European Criteria and Indicators (PEC&I)	2
3.1.2	Pan European Operational Level Guidelines (PEOLG)	2
3.1.3	ATO/ITTO principles, criteria and indicators for the sustainable forest management of African tropical forests (ATO/ITTO PCI)	2
3.1.4	ITTO guidelines on sustainable forest management	3
3.1.5	Criteria and Indicators for Other Sustainable Forest Management Processes	3
3.2	Laws & regulations	4
3.3	International Labour Organisation (ILO) Conventions	4
3.4	Other International Conventions	4
3.5	Criteria for Forest Certification	5
4.	LEVELS OF IMPLEMENTATION	5
4.1	Forest Certification	5
4.2	Chain of Custody Certification	8
5.	IMPLEMENTATION OF CHANGES TO A SCHEME	8
6.	APPEALS, COMPLAINTS AND DISPUTE PROCEDURES	9
6.1	In the Implementation Arrangements	9
6.2	In the Certification Audits and Decisions	9

1. OBJECTIVE

The document *Basis for National Schemes and their Implementation* defines the minimum requirements a scheme shall meet and rules for its implementation. The document guides the standard setting and the definition of its implementation arrangements.

2. SCOPE

The document was adopted by the General Assembly of the PEFC Council on 22 November 2002 and amended on 31 October 2003, 29 October 2004, 28 October 2005, 27 October 2006 and 5 October 2007.

The document covers the base requirements, optional implementation framework and scheme documentation required for forest and chain of custody certification.

3. THE UNDERLYING ELEMENTS IN CERTIFICATION CRITERIA

3.1 Intergovernmental Processes for Sustainable Forest Management

3.1.1 Pan European Criteria and Indicators (PEC&I)

The certification criteria to be used in European schemes applying to the PEFC Council for endorsement and mutual recognition shall be based on the current Pan European Criteria and Indicators for Sustainable Forest Management of European Forests⁽¹⁾ as a common framework. The six criteria define the scope of Sustainable Forest Management (SFM) in describing the economic, environmental and social aspects of forest management as elaborated by the Ministerial Conference on the Protection of Forests in Europe.

The Pan European Process has identified a set of 27 quantitative and descriptive indicators for national monitoring and reporting.

3.1.2 Pan European Operational Level Guidelines (PEOLG)⁽²⁾

The Pan European Operational Level Guidelines form the reference basis when national and regional certification criteria are elaborated, amended or revised and assessed. The national certification criteria shall be compatible with the current PEOLG and any deviations, e.g., based on the non-adherence of an issue or its inclusion in normative regulation shall be justified.

3.1.3 ATO/ITTO principles, criteria and indicators for the sustainable forest management of African tropical forests (ATO/ITTO PCI)

ATO/ITTO PCI⁽⁹⁾ form the reference basis when national and regional certification criteria are elaborated, amended or revised and assessed in countries which are covered by the ATO/ITTO process (Angola, Cameroon, Central African Republic, Congo, Cote d'Ivoire, Equatorial Guinea, Gabon, Ghana, Liberia, Sao Tome and Principe, Tanzania and Zaire).

The national certification criteria developed in the countries covered by ATO/ITTO PCI shall be compatible with ATO/ITTO PCI and any deviations, e.g. based on the non-adherence of an issue or its inclusion in normative regulation shall be justified.

In addition to ATO/ITTO PCI the national certification criteria shall address the following issues if relevant in the nation/region:

- maintenance, increase and monitoring of forest health and vitality including biotic risks (e.g. fire),
- use of fertilizers,
- management and prevention of damages caused by animal grazing in forests (domestic and wild animals),
- maintenance of adequate quantity and quality of old, dead and decaying trees in forests to safeguard biological diversity.

3.1.4 ITTO guidelines on sustainable forest management

The following ITTO guidelines, which are based on ITTO C&I, have been developed by ITTO for the management of natural tropical forests and tropical planted forests and will form the reference basis when national certification criteria are elaborated or revised in the ITTO producing member countries except those which are covered by the ATO/ITTO PC&I as per chapter 3.1.3.

The forest certification criteria for forest management of natural tropical forests shall be compatible with:

- ITTO guidelines on the sustainable management of natural tropical forests (1992)⁽¹⁰⁾ and
- ITTO guidelines on the conservation of biological diversity in tropical production forests (1993)⁽¹¹⁾.

In addition to the above requirements of the ITTO guidelines for the natural tropical forests the certification criteria for natural tropical forests, shall be compatible with PEOLG 2.1a, 2.2a, 3.2d, 6.1a, 6.1e, 6.2b.

The forest certification criteria for forest management of planted tropical forests shall be compatible with ITTO guideline for the establishment and sustainable management of planted tropical forests (1993)⁽¹²⁾. In addition to the requirements of the ITTO guidelines for the tropical planted forests, the certification criteria shall be compatible with PEOLG 2.2b, 4.2f, 4.2i and 6.1a.

For the purposes of the PEFC assessment and endorsement process, the provisions of the ITTO guidelines shall be interpreted as normative and obligatory. Any deviations in the certification criteria compatibility with the requirements above (e.g. based on the non-adherence of a specific issue) shall be explicitly justified.

3.1.5 Criteria and Indicators for Other Sustainable Forest Management Processes

The other inter-governmental processes listed below have produced criteria and related indicators for sustainable forest management. These criteria should establish the basis for the development of national certification standards in the countries participating in the relevant process(es).

As these processes have not, to date, produced operational level guidelines, the applicant shall indicate documentation equivalent to the PEOLG⁽²⁾ and have it approved by the PEFC Council prior to the endorsement and mutual recognition assessment. If such documentation is not

indicated and approved by the PEFC Council, the PEOLG shall be used as a reference basis in the endorsement and mutual recognition assessments (see *Annex 7, Endorsement and Mutual Recognition of National Schemes and their Revision*).

This applies to sustainable forest management processes such as

- Montreal Process (Criteria and Indicators for the Conservation and Sustainable Management of Temperate and Boreal Forests),
- Near East Process, Lepaterique Process,
- Regional Initiative of Dry Forests in Asia,
- Criteria and Indicators for Sustainable Management in Dry-zone Africa,
- Tarapoto Proposal: Criteria and Indicators for the Sustainable Management of Amazonian Forests.

3.2 Laws & regulations

National laws, regulations, programs and policies shall be respected in forest management and certification. Certification schemes may not contradict legislation and any apparent violations of the legislation shall be taken into consideration in internal and external audits.

3.3 International Labour Organisation (ILO) Conventions

The fundamental Conventions of the ILO, (outlined below) as amended, whether ratified or not, shall be respected in the implementation of SFM.

The fundamental ILO Conventions⁽³⁾ are as follows:

- No 29: Forced Labour, 1930
- No 87: Freedom of Associations and Protection of the Right to Organise, 1948
- No 98: Right to Organise and Collective Bargaining, 1949
- No 100: Equal Remuneration. 1951
- No 105: Abolition of Forced Labour, 1957
- No 111: Discrimination (Employment and Occupation), 1958
- No 138: Minimum Age for Admission to Employment, 1973
- No 182: Worst Forms of Child Labour, 1999

If the country in which the scheme is operational has ratified the fundamental ILO Conventions, their requirements shall be considered to be covered by the legislation. In cases where the fundamental ILO Conventions are not ratified, their requirements relevant to forest management shall be covered by the certification criteria.

The ILO Code of Practice on Safety and Health in Forestry Work⁽⁴⁾ is recognised as a helpful document, which should be considered when developing national and regional certification criteria.

3.4 Other International Conventions

Other international conventions relevant to forest management and ratified by the country will be respected through the legislative framework. Such conventions include, amongst others, e.g., Convention on Biological Diversity⁽⁵⁾, Kyoto Protocol and Carbon Sinks⁽⁶⁾, Convention

on International Trade in Endangered Species of Wild Fauna and Flora⁽⁷⁾ and Biosafety Protocol⁽⁸⁾.

The requirements agreed upon in the conventions, even if they are not ratified by the country, will be respected in the certification criteria to the degree that they are covered in PEOLG or other reference basis approved by the PEFC Council.

3.5 Criteria for Forest Certification

Forest certification criteria shall cover all relevant aspects of sustainable forest management, including economic, social and ecological functions as stated in intergovernmental Criteria and Indicators for SFM or in the related operational level guidelines. The criteria shall be relevant to all types of forests and management systems that exist in the nation/region they are elaborated for.

Certification criteria shall be auditable and express clearly the objectives for forest management that can be verified unambiguously by different auditors.

The national certification criteria shall

- be compatible and consistent with the current PEOLG or ATO/ITTO PCI (only for countries covered by ATO/ITTO PCI) or the relevant ITTO guidelines (only for ITTO producing member countries except those covered by ATO/ITTO PCI) and any deviations, (e.g., based on the non-adherence of a specific issue) shall be explicitly justified.
- include management and performance requirements that are applicable at the level of a forest management unit and optionally also at multisite (i.e. group and regional) level.
- require compliance with national legislation.
- be in compliance with the fundamental International Labour Organisation (ILO) Conventions⁽³⁾. If the requirements of the Conventions are incorporated into national legislation, which is the case when a country has ratified the Conventions, the certification criteria shall require compliance with the national legislation relevant to the core ILO conventions.

4. LEVELS OF IMPLEMENTATION

4.1 Forest Certification

With due regard to principles of non-discrimination, voluntariness, credibility and cost-effectiveness, certification units are defined as appropriate in national conditions. The following implementation levels or combinations are possible:

- a) Regional certification
- b) Group certification
- c) Individual certification

For all alternatives, the scheme documentation shall clearly indicate and define who the applicant is, the certified area, and participating forest owners/managers/other actors.

All actors involved or operating on the certified area shall comply with the certification requirements. Rules and control mechanisms applied at the national/sub-national levels to ensure compliance shall be demonstrated during the PEFC endorsement and mutual recognition process and continue to be monitored by certification bodies.

All actors individually certified or participating in regional/group certification are responsible for ensuring that contractors' activities and operations meet the respective forest management criteria. Forest certification schemes can include criteria for contractors and rules for the involvement of the contractors in group or regional certification. In the latter case the contractors are participants in regional certification or participating group members in group certification.

Data on certification is communicated to the PEFC Council in accordance with the *Internal Rules for the PEFC Registration System*.

a) Regional certification

Regional certification is the multi-site certification of forests within delimited geographic boundaries, being applied for by the authorised organisation (the applicant) for the specified region; and providing access for the voluntary participation of individual forest owners and other actors.

The forest certification standard shall include criteria defined for the regional level and also for the forest management unit level. The assessment of the certification criteria defined for the regional level shall cover the whole region to be certified. Sampling for the assessment of the certification criteria defined for the forest management unit level shall cover forest owners/managers/other actors participating in the regional certification.

In regional certification the applicant organisation shall be a legal entity and should represent forest owners/managers managing more than 50 % of forest area of the region. The applicant is responsible:

- to assure the compliance of all participants with the certification requirements,
- to ensure that credible registers are kept of participants to certification and of the certified forest area,
- to implement rules for regional certification.

The forest owners/managers/other actors may join the regional certification by either (i) entering into an individual signed commitment or (ii) based on the majority decision of a forest owner's organisation on behalf of forest owners they represent in the region. Only the forests of participating forest owners/managers shall be considered as certified; their area counted as certified area; and the forest raw material coming from thereof will be considered as certified raw material.

Forest owners should submit all the forest area under his/her management in the region for certification. Possible exclusions of protected areas may be incorporated into a national scheme

The forest certification scheme shall define the authorities and responsibilities of the applicant and participating forest owners/managers including the procedures for (1) inclusion of new participants and informing the relevant certification body thereof, (2) internal control of conformity and follow up corrective and preventive measures.

In cases of regional certification, a forest management certificate is issued to the applicant (a certificate holder). Participants in regional certification shall receive either a copy of the re-

gional certificate including the appendix (when applicable) listing all participating forest owners/managers or an individual attestation issued by the certification body or the applicant which refers to the regional certificate.

b) Group certification

Forest owners, forest owners' organisations or forest managers and others responsible for the management of forests can apply for multi-site certification as a group (multi-site organisation). The applicant shall be clearly defined. The applicant is responsible:

- to ensure the compliance of all participating group members with the certification requirements,
- to ensure that credible registers are kept of participating group members and of the certified forest area,
- to implement rules for group certification.

The total forest area participating in group certification shall be recorded.

Forest owner should submit all the forest area under his/her management in the catchment area for the group certification

The forest certification scheme shall define the authorities and responsibilities of the applicant and participating group members, including the procedures for (1) inclusion of new participants and informing the relevant certification body thereof, (2) internal control of conformity and follow up corrective and preventive measures.

In case of group certification a forest management certificate is issued to the applicant (a certificate holder). Participants in group certification shall receive either a copy of the group certificate including the appendix (when applicable) listing all participating forest owners/managers; or an individual attestation issued by the certification body or the applicant, which refers to the group certificate.

c) Individual certification

A forest owner or forest manager or forest organisation applying for individual certification shall do so directly to a certification body that fulfils the basic requirements established by PEFC Council (see *Annex 6, Certification and Accreditation Procedures*).

The individual forest owner should submit all the forest area under his/her management in the catchment area of the certification scheme in the certification.

National or sub-national schemes shall define in more detail the optional implementation levels and their operational aspects and have the right to choose the options applied in a national scheme.

4.2 Chain of Custody Certification

Chain of custody certification is required from suppliers of forest based products which use the PEFC claims and declarations (including labelling) on the content of PEFC certified raw material in their products.

Chain of custody certification recognised by the PEFC Council shall be carried out against:

- (a) *Annex 4 (Chain of Custody of Forest Based Products - Requirements)* including appendix 1 (or an alternative PEFC Council Appendix to Appendix 1) of this Annex or
- (b) *Annex 4 (Chain of Custody of Forest Based Products - Requirements)* and a scheme specific definition of the origin which has been endorsed by the PEFC Council as compatible with Appendix 1 (or an alternative PEFC Council Appendix to Appendix 1) of this Annex or
- (c) a scheme specific chain of custody standard which has been endorsed by the PEFC Council as compatible with the *Annex 4 (Chain of Custody of Forest Based Products - Requirements)* including appendix 1 (or an alternative PEFC Council Appendix to Appendix 1) of this Annex.

Options (b) and (c) are applicable only in case of those forest certification schemes which have developed chain of custody rules for their own label(s) and /or declaration(s).

5. IMPLEMENTATION OF CHANGES TO A SCHEME

When changes to the endorsed scheme have been made as a result of the periodic review process or any initiative prior to the periodic review, the scheme documentation shall define a transition period for the implementation of such changes.

The length of the transition period should take into account the time required for introducing the changes, information dissemination and training as well as for the endorsement of the changes by the PEFC Council. Unless specified otherwise by the PEFC Council, the transition period shall not exceed 12 months for all new certifications and re-certifications. For certificates issued before the end of the transition period the changes have to be implemented by the time of their next surveillance audit.

6. APPEALS, COMPLAINTS AND DISPUTE PROCEDURES

6.1 In the Implementation Arrangements

The PEFC National Governing Bodies shall establish and have documented procedures for an independent dispute settlement body, either permanent or ad hoc, that takes care of those complaints arising from forest management or chain of custody scheme implementation that cannot be addressed in the dispute settlement procedures of the relevant certification or accreditation body.

6.2 In the Certification Audits and Decisions

Accredited certification bodies have procedures for dispute settlement. All grievances between an applicant and a certification body on the audits, issuance, suspension, withdrawal or denial of a certificate will be handled through these procedures that are applied in each kind of certification carried out by a certification body.

The relevant accreditation body, whose accreditation covers the certification, deals with disputes and complaints concerning observance of the accreditation requirements.

⁽¹⁾ **Pan-European Criteria and Indicators for Sustainable Forest Management – PE C&I** (PEFCC reference document C) adopted by the Third Ministerial Conference on the Protection of Forests in Europe in Lisbon/Portugal in June 1998 as annex 1 of the Resolution L2 (Pan-European Criteria, Indicators and Operational Level Guidelines for Sustainable Forest Management (<http://www.mcpfe.org>))

⁽²⁾ **Pan-European Operational Level Guidelines for Sustainable Forest Management - PEOLG** (PEFCC reference document B) adopted by the Third Ministerial Conference on the Protection of Forests in Europe in Lisbon/Portugal in June 1998 as annex 2 of the Resolution L2 (Pan-European Criteria, Indicators and Operational Level Guidelines for Sustainable Forest Management (<http://www.mcpfe.org>))

⁽³⁾ **The fundamental ILO Conventions** (PEFCC reference documents D) as adopted by the International Labour Organisation (www.ilo.org).

⁽⁴⁾ **Safety and Health in Forestry Work: ILO Code of Practice.** As adopted by a meeting of experts held in Geneva from 23 to 30 September (Published in 1998, ILO, Geneva, International Labour Office, ISBN 92-2-110826-0).

⁽⁵⁾ **Convention on Biological Diversity** as adopted on June 5, 1992 at the UN Conference on Environment and Development in Rio de Janeiro (<http://www.biodiv.org/convention/articles.asp>)

⁽⁶⁾ **Kyoto Protocol and Carbon Sinks** as adopted at the third session of the Conference Parties to the UNFCCC (the United Nations Framework Convention Climate Change) in Kyoto, Japan, on 11 December 1997 (<http://www.unfccc.int/>)

⁽⁷⁾ **Convention on International Trade in Endangered Species of Wild Fauna and Flora** (CITES) as adopted at a meeting of 80 countries in Washington DC., United States of America, on 3 March 1973, and entered in force on 1 July 1975. (<http://www.cites.org/eng/disc/text.shtml>)

⁽⁸⁾ **Biosafety Protocol** (Cartagena Protocol on Biosafety) as adopted at the Conference of the Parties of the Convention on Biological Diversity as a supplementary agreement to the Convention on 29 January 2000 (<http://www.biodiv.org/biosafety/protocol.asp>)

⁽⁹⁾ **ATO/ITTO Principles, criteria and indicators for the sustainable forest management of African natural tropical forests** (<http://www.itto.or.jp>)

⁽¹⁰⁾ **ITTO guidelines on the sustainable management of natural tropical forests** as adopted by International Tropical Timber Organisation in 1992 (<http://www.itto.or.jp>)

⁽¹¹⁾ **ITTO guidelines on the conservation of biological diversity in tropical production forests** as adopted by International Tropical Timber Organisation in 1993 (<http://www.itto.or.jp>)

⁽¹²⁾ **ITTO guidelines for the establishment and sustainable management of planted tropical forests** as adopted by International Tropical Timber Organisation in 1993 (<http://www.itto.or.jp>)