

Westeinde 6
1334 BK Almere Buiten
Postbus 1380
1300 BJ Almere
Tel.: (036) 532 10 20
Fax: (036) 532 10 29
info@keurhout.nl
www.keurhout.nl



Keurhout

The background of the lower half of the page is a photograph of a forest with tall trees. The entire image is overlaid with a semi-transparent orange filter. The text is centered over this background.

Keurhout Protocol for the Validation of Sustainable Forest Management Certificates

Part I - V

Version May 31st, 2006

Keurhout Protocol for the Validation of Sustainable Forest Management Certificates

Part I

General Introduction
and
Procedure for the Validation of SFM-Certificates

Netherlands Timber Trade Association

Part I

General Introduction and Procedure for the Validation of SFM Certificates

Table of content

1) Introduction	3
1.1) About Keurhout	3
1.2) SFM Certificates vs SFM Certification Systems	3
1.3) Validation of SFM Certificates	4
2) Procedure for the Validation of SFM Certificates	4
2.1) Application procedure of validation	4
2.2) Assessment process	5
2.3) Decision making and validity	5
2.3.1 Decision making rules	5
2.3.2 Predicate and Keurhout logo	6
2.3.3 Validity	7
2.3.4 Public information	7
2.4) Monitoring and withdrawal procedure	7
2.4.1 Periodic inspections	7
2.4.2 Withdrawal of a certificate	8
2.5) Objections and Appeal	8
2.6) Establishing and changing the Validation Protocol	8
2.7) Procedure for situations not covered by the Rules	8

1) Introduction

1.1) About Keurhout

Keurhout is a Dutch initiative involving an independent validation process which may lead to the recognition of timber certificates which guarantee Sustainable Forest Management, SFM, (also referred to as responsible forest management) and/or third party verified claims of legal origin of the timber. The validation covers both the content of the standards against which the certification/verification has been conducted as well as the reliability of the certification/verification process. For the interpretation of terms, reference is made to the Keurhout List of Terms, as presented on the Keurhout website (www.keurhout.nl).

Keurhout undertakes the following activities:

- assessment of SFM certificates against the Keurhout SFM criteria that are originally based on the minimum requirements for SFM as originally formulated by the Dutch Government.
- assessment of claims of legal origin against the Keurhout legal origin criteria established by the Netherlands Timber Trade Association.
- establishment and administration of a Hallmark for timber which has been certified to originating from sustainable managed forests and/or legal origin, and which certificates meet the criteria set by Keurhout.
- admittance of the Hallmark timber to the Keurhout Chain of Custody (CoC) tracing system and tracing the flow of timber to the consumer.
- assessment of Certification Systems for Sustainable Forest Management, against the Keurhout protocol for the validation of Certification Systems (based on the Keurhout SFM criteria plus additional requirements for the organization, management and procedures of the certification system).

SFM certificates, third party verified claims of legal origin of timber and Certification Systems for SFM are being assessed on the basis of protocols. The protocols deal with the forest management issue as well as the Chain of Custody. The protocols have been established by the Netherlands Timber Trade Association (NTTA) and are publicly available. The assessment is carried out by the independently operating Board of Experts (BoE). In case of positive assessment of a SFM certificate, the particular certificate is admitted to the Keurhout Hallmark system for Sustainable Timber (in short: **KH Sustainable system**) and a Keurhout Sustainable Hallmark is being granted for timber originating from the defined area with defined management authority for a defined period of time (normally as long as the particular certificate remains valid). Similarly, a positive assessment of a third party verified claim of legal origin of timber will lead to admission to the **KH Legal system** and only refer to timber originating from the defined area with defined management authority for a defined period of time. In case of a positive assessment of a Certification System however, all certificates issued under the system will be admitted to the KH Sustainable system, provided these certificates remain valid. A Certification System is admitted to the KH Sustainable system for a period of 5 years; after that, a re-assessment has to take place.

1.2) SFM Certificates vs SFM Certification Systems

According to the experience of the BoE and supported by requests from the timber trade, the focus is gradually moving from assessing individual SFM certificates towards assessing the Certification Systems behind the SFM certificates. A Certification System is a complete system, which consists of the following components: a management organization with a constitution, a decision-making structure, rules and procedures for developing standards and certification procedures (accreditation, certification and logo use) and monitoring procedures to guarantee full implementation of the system requirements. A positive assessment of the quality and reliability of a Certification System would imply that all certificates delivered by the system would be equally acceptable. Inherent to a positive assessment of the system is that the system grants certificates for timber originating from a defined area with a defined management authority for a defined period of time. Acceptance of the system itself will in turn be bound to a certain time limit and conditional to acceptance of any changes in the system.

Certification Systems can be validated at different levels, the international level or a national or regional level. In case standards have been defined on the national level, this may turn out to be most practical in view of a clear legal and administrative context of operation.

In many cases however, such a locally best-fit standard is not (yet) available or the requirements for the Certification System go beyond what is actually achievable in short term. In such cases the validation of individual certificates will remain of importance.

1.3) Validation of SFM Certificates

This protocol applies to the validation of certificates which certify Sustainable Forest Management in- or excluding a Chain of Custody system. **The protocol integrates the assessment of compliance with the Keurhout requirements for forest management systems, forest management performance, legal origin, the chain of custody and certification bodies.**

The SFM protocol is originally based on the so-called minimum requirements of the Dutch Government for certificates for sustainably produced timber, as included in the government communiqué *Houtcertificering en Duurzaam Bosbeheer* (Timber Certification and Sustainable Forest Management), 1997, and derived from: the ITTO definition of Sustainable Forest Management, the *Forest Principles* (UNCED, Rio de Janeiro 1992) and the FSC principles.

The Keurhout protocol comprises five parts:

- I. Introduction and Procedure for the Validation of SFM Certificates,
- II. Requirements for Forest Management Systems (KH-SFM validation 1),
- III. Requirements for Forest Management Performance (KH-SFM validation 2),
- IV. Requirements for Certification Bodies (KH-SFM validation 3),
- V. Requirements for Chain of Custody systems (KH-SFM validation 4).

In this version of the KH-SFM protocol the KH-requirements for legal origin have been fully integrated in KH-SFM validations 1-4 of October 2002. Assessment objects have been identified and formulated in terms of principles, which are assessed on the basis of **criteria**. In turn the criteria are being assessed with the help of **indicators** which assist in assessing whether and to what extent a criterion is complied with.

The abovementioned requirements are validated on the basis of desk study of documents underlying the issuance of a certificate by the certifier. Whenever needed explanatory meetings may be scheduled with the BoE.

The Protocol for the Validation of SFM Certificates serves as the basis for granting the Keurhout Hallmark for Sustainable Timber and its logo to individual certificates.

2) Procedure for the Validation of SFM-Certificates

2.1) Application procedure of validation

1) Certificates for sustainable timber production and the related Chain of Custody (CoC) are being assessed upon request. The BoE will accept exclusively from Keurhout members a request for Keurhout validation of SFM certificates. The request must be formalised through the completion and signing of a Confirmation of Application Form.

2) The BoE will assess the sustainability of the timber and the CoC through the study of documents which should be made available by the submitter of the request or the third party which has established the sustainability of the timber. In some cases the BoE may consider fact-finding field checks necessary. The information required by the BoE will include at least the following:

- a copy of the relevant certificates (SFM, CoC, ISO)
- a copy of the full audit report(s), including appendices
- a copy of the standard(s) applied for forest management and for the CoC.
- information on the accreditation status and level of expertise of the certifier

3) All provided information which is not publicly available will be kept **confidential**. Any disclosure will be subject to written approval of the legal owner of the information.

4) Only upon receipt of all relevant information and documents the BoE will start the actual assessment process.

Duration of the assessment:

Once the eligibility of the application has been ascertained and all the necessary information is present, the applicant is entitled to have the application processed within a period of 8 weeks.

In case questions remain or rise after study of the received documents, the BoE may always ask for additional information (e.g. management plans, standard operation procedures, etc). This may affect the duration of the validation process.

Communication with the initial applicant:

The BoE will inform the applicant who submitted the request of the provisional conclusions and the decision on acceptance of the formal request for validation of the certificate.

2.2) Assessment process

The independent BoE will assess the quality and the reliability of the issued certificates for SFM and/or CoC by assessing compliance of the elements of the standard(s) used for certification, information on the certifying body and the results of the audit, with the criteria and indicators listed in the Keurhout normative parts 2 to 5 of this Protocol.

The BoE may decide to commission the assessment - or part of it - to an external institute. In a such case, the BoE will notify the requesting party about that decision. Confidential treatment of provided information (see 2.1) is maintained as a condition for commissioning.

The assessment validates compliance with:

Part II: Requirements for the Forest Management System (KH-SFM validation 1), which focus on the organisation, which is responsible for the forest management and the systematic and strategic approach (management system) applied,

Part III: Requirements for the Forest Management Performance (KH-SFM validation 2), which focus on the relevant aspects (*i.e.* contents) and results of the forest management.

Part IV: Requirements for the Certification Body (KH-SFM validation 3), which aim at assessing whether the certificates have been awarded by a competent (*i.e.* officially accredited) certifying organisation.

Part V: Requirements for the Chain of Custody (KH-SFM validation 4), which assess the methodology applied, to prove that the timber from the managed forest remains traceable from its origin to the end-user, while no mixing with non-certified timber may occur.

If any specific criterion is not applicable in the particular circumstances under review, the BoE may decide to disregard the criterion.

2.3) Decision making and validity

2.3.1. Decision making rules

All criteria of the standards contained in Parts II to V are being assessed. Indicators serve as practical parameters to assess compliance with the criteria. Compliance with all criteria leads to a positive decision on the validation of the certificate. In cases where not all Keurhout criteria are being met, the BoE has various options to decide, depending on the nature of the criteria which are not (fully) met, and the degree of divergence of the used Certification System with respect to the Keurhout criteria.

The BoE may arrive at any of the following decisions in assessing a certificate:

- the certificate is accepted
- the certificate is rejected

- the certificate is conditionally accepted. This will apply to cases which show a positive overall compliance, but have some aspects which need improvement and which are not considered of such importance that rejection would be justified. Conditional acceptance implies the formulation of concrete milestones which have to be reached within a defined timeframe.

Decisions are taken by a majority of votes from a quorum of at least five members of the BoE. In the event of a tie the chairman will have a decisive vote.

Accepting the certificate

The certificate will always be accepted if the system meets all applicable criteria contained in part II to V, or equivalent criteria. This means that the owner of certified timber sourced from the validated forest and/or CoC is entitled to refer to the concerned timber as “Keurhout Sustainable admitted”. The timber and accompanied documents are recommended to carry the KH Sustainable logo. The logo use is governed by the rules of the KH Logo Guide. In case the used SFM system does not contain a CoC scheme, an additional and accepted CoC certificate is required. All participants in the timber chain need to be covered by a CoC certificate.

Rejecting the certificate

If a certificate does not comply with important requirements contained in Parts II, III or V and/or IV or V, it will be rejected. In this case, the timber concerned may not be given the predicate “Keurhout Sustainable admitted” nor may the Keurhout Sustainable logo be used.

Accepting the certificate conditionally

The certificate falls short when it comes to a limited number of forest management requirements equivalent to criteria contained in Parts II and III and/or CoC requirements equivalent to criteria contained in Part IV. In those cases the certificate may be accepted conditionally.

The certificate holder will be given the opportunity to provide ‘**supplementary evidence**’ that the missing forest management requirements have, in fact, been properly satisfied or do not apply or will be given a defined time frame, within which the specific requirements will have to be met. A realistic time frame needs to be agreed upon between Keurhout, the forest management and the Certifying Body, for the fulfilment of conditions. For this timeframe, the parties involved agree upon achieving clear milestones: the so-called Keurhout trajectory. Although the time frame described in the Keurhout trajectory depends on the management level of the company, it can never be longer than three years. The BoE decides whether evidence on compliance must be delivered directly to the the BoE or to the Certification Body responsible for surveillance audits. In the latter case compliance should be established by a Certification Body that meets the accreditation requirement for the Certification System concerned. The BoE will assess the Certification Body’s statement and decide on conditional acceptance. During conditional acceptance the certificate holder has the right to use the predicate “Keurhout Sustainable admitted” and the KH Sustainable logo.

Non-compliance of the certificate owner with the set KH-conditions at the end of the established period of time will lead to exclusion of the certificate from the Keurhout Sustainable system and suspension of the right to use the KH Sustainable logo and the predicate “Keurhout Sustainable admitted”.

Dutch importers may only use the KH Sustainable logo on this wood if and as long as the certificate is admitted to the Keurhout Sustainable system.

2.3.2. Predicate and Keurhout logo

After a positive decision by the BoE, the owner of the forest with the admitted certificate is entitled to refer to the timber sourced from the forest as “Keurhout Sustainable admitted”. In case timber is supposed to be sold as KH Sustainable timber, all documents accompanying the timber should clearly indicate the above phrase and the certificate number.

Keurhout logo use in external statements and/or on-product is subject to the conditions of the Keurhout Logo Guide. Any Keurhout logo use may only refer to products bearing certificates which have been validated by Keurhout.

Keurhout logo use in *external statements* is in principle limited to **Keurhout participants**. The use of external statements by **KH admitted companies** is subject to approval by the Keurhout administration after a detailed formal request. Only exporting manufacturers of wood products may be granted the right to use the Keurhout Sustainable logo *on product*. The use of the logo is submitted to control by the Certification Body responsible for the surveillance audits of the exporting company.

Companies importing, dealing in or processing wood and wood products in the EU may only use the Keurhout Sustainable logo in external statements and/or on product if they hold a valid certificate for CoC systems validated by Keurhout and are registered as Keurhout member.

Keurhout will control the permission to use the predicate “Keurhout Sustainable admitted” and the distribution of Keurhout logo’s. Permission is granted to individual parties in the Chain of Custody. These parties must have a valid Keurhout validated CoC certificate.

2.3.3. Validity

The permission to refer to “Keurhout Sustainable admitted” for timber which carries a KH Sustainable admitted certificate is granted for a period from the date of the BoE’s decision of acceptance until the expiry date of the admitted certificate, unless there are well-founded indications that the certificate is not complying with the KH-SFM requirements in practice. The owner of a validated and admitted certificate is obliged to provide the BoE yearly with a full copy of the surveillance report(s), in order to keep the BoE informed on the developments. In the case of a conditional admittance, the surveillance reports have to specifically address the progress on the KH-conditions, in addition to the compliance with the standard requirements. Failure to do so may result in exclusion of the certificate from the Keurhout Sustainable system.

2.3.4. Public information

The BoE compiles an internal assessment report clearly stating the findings relating to the validation elements and criteria from the Validation Protocol. In case of a negative outcome no public information will be made available.

In case of assessments with a positive outcome, public summary reports will be made available as Validation Reports through the secretariat of the BoE upon request. Validation Reports will also be made available through the KH-website (www.keurhout.nl).

Disclaimer: The correct use of the Keurhout logo’s and use of correct references to the Keurhout systems in public communications, advertisements and on websites is governed by the Keurhout Logo Guide and controlled by independent certifiers. In case of abuse the NTTA is responsible for actions to be taken.

2.4) Monitoring and withdrawal procedure

2.4.1. Periodic inspections

The BoE has the right at any time to perform random inspections to establish whether an admitted certificate is still complying with the requirements. This may include the following:

- random inspections by Certifying Bodies (SFM and/or CoC)
- on-site inspections by the BoE

The BoE will require at least an annual surveillance audit by an independent Certification Body.

2.4.2. Withdrawal of a certificate

The BoE may suspend a positive validation if there are well-founded indications that a certificate is not complying with the requirements and/or the KH-predicate or logo is not being used properly.

If the BoE observes a new shortcoming, the wood or wood products to which the shortcoming relates may no longer be marketed with the Keurhout Sustainable logo or other wise being referred to as “Keurhout Sustainable admitted”; existing batches of wood bearing the logo may in principle still be sold as such, but no new logos may be used from the day on which the decision is made.

If the BoE observes that the shortcomings have been in place for some time, it may decide that wood already bearing the logo may no longer be offered with the logo from a specific date.

A decision to withdraw a certificate can only be made if the BoE has been convinced by demonstrable factual evidence that the certificate does not comply.

The owner of the certificate and the holders of CoC certificates in the country of origin and the EU are informed in writing about the suspension or withdrawal of the positive validation along with the reasons for doing so.

2.5) Objections and Appeal

Participants in the CoC of the relevant timber or any other party with an established interest in the relevant timber may raise an objection against BoE decisions. Objections shall be filed with the secretariat of the BoE within 4 weeks of the date of publication of a decision and must be substantiated by objective verifiable information, documented by an independent party. A deposit of € 2,000 shall be made by the party raising the objection in order to cover the costs of the objection procedure. The BoE will only discuss the objection after receipt of the deposit and will come to a judgement within 8 weeks. The BoE may reconsider its earlier judgement. In case the objection is considered justified, the deposit will be refunded and the earlier BoE decision will be annulled. In case the BoE declares the objection unfounded, the objecting party may start an appeal procedure with the independent Committee of Appeal. The final decision of the Committee of Appeal is binding. Details on the procedure to follow are given in the “KH Regulations for Board of Appeal”.

The NTTA shall provide for this Board of Appeal. The Board of Appeal consists of independent experts. The chairman is a lawyer. The other members have an affinity with the subject itself and an affinity with the legal context. The members of the Board of Appeal are independent and are sufficiently independent of any of the parties involved. The Board of Appeal is authorized to take the decision to annul the BoE and to make binding judgements regarding the resolution of disputes.

The Council for Accreditation in the Netherlands also accepts complaints in higher appeal but exclusively concerning the complaint treatment procedure that has been followed by an accredited CB. The Council does not give a verdict on the conclusion.

2.6) Establishing and changing the Validation Protocol

The Protocol is established and approved by the Netherlands Timber Trade Association, and with regular intervals will be surveyed and, if necessary, amended on the basis of comments and experience.

2.7) Procedure for situations not covered by the Rules

The NTTA will take decisions on situations not covered by the Validation Protocol.

////////////////

Version May 31st, 2006

Keurhout Protocol for the Validation of Sustainable Forest Management Certificates

Part II

Requirements for the Forest Management System

Netherlands Timber Trade Association

Part II

Requirements for the Forest Management System

Table of content

1) Introduction	3
2) Requirements for the Forest Management System.....	4
3) Group certification	7
4) Small-scale forest owners and operators	7

1) Introduction

Part II of the Keurhout Protocol for the Validation of SFM Certificates (hereafter: Keurhout Protocol) describes requirements for the Forest Management System.

The Keurhout protocol applies to the validation of certificates which certify sustainable forest management in- or excluding a Chain of Custody system. **The protocol integrates the assessment of compliance with the Keurhout requirements for forest management systems, forest management performance, legal origin, the chain of custody and certification bodies.**

The SFM protocol is originally based on the so-called minimum requirements of the Dutch Government for certificates for sustainably produced timber, as included in the government communiqué *Houtcertificering en Duurzaam Bosbeheer* (Timber Certification and Sustainable Forest Management), 1997, and derived from: the ITTO definition of Sustainable Forest Management, the *Forest Principles* (UNCED, Rio de Janeiro 1992) and the FSC principles.

The Keurhout protocol comprises five parts:

- I. Introduction and Procedure for the Validation of SFM Certificates,
- II. Requirements for forest management systems (KH-SFM validation 1),
- III. Requirements for forest management performance (KH-SFM validation 2),
- IV. Requirements for Certification bodies (KH-SFM validation 3),
- V. Requirements for Chain of Custody Systems (KH-SFM validation 4).

The KH-requirements for legal origin have been fully integrated in KH-SFM validations 1-4. Assessment objects have been identified and formulated in terms of principles. Assessment aspects are assigned to each assessment object (i.e. the intrinsic components of an assessment object). Aspects are assessed on the basis of **criteria**. In turn the criteria are being assessed with the help of **indicators** which assist in assessing whether and to what extent a criterion is complied with.

The abovementioned requirements are validated on the basis of desk study of documents underlying the issuance of a certificate by the certifier. The assessment is carried out by the independent Board of Experts (BoE), the role and procedures of which have been explained in Part I.

The Protocol for the Validation of SFM Certificates serves as the basis for granting the Keurhout Hallmark for Sustainable Timber and its logo to individual certificates. Positively validated certificates are admitted to the Keurhout Sustainable system.

Note: For the interpretation of terms, reference is made to the Keurhout List of Terms, as presented on the Keurhout website (www.keurhout.nl).

2) Requirements for the Forest Management System

Principle 1	The organisation responsible for the management of the forest shall act according to the law.
Criterion 1.1	<i>The company and any contractors operating on behalf of the company with the harvesting permit are registered according to national legislation and regulations, and therefore have a valid licence to operate.</i>
Indicators	<ul style="list-style-type: none"> • Legally authorised registration form and number showing that the company legally exists and meets the legal requirements to operate. • An authorised registration form and number can be provided showing that the subsidiary company or contractor legally exists and meets the legal requirements to undertake harvesting activities.
Criterion 1.2	<i>The entity (licence-holding company, owner of the land, community) which claims to have (the) timber harvesting rights on the area, can prove that it has valid and legally obtained rights to access and use the forest land.</i>
Indicators	<ul style="list-style-type: none"> • The concessionaire, owner or community holds a legally authorised harvesting licence and permit for a specified area. • Licence has been issued by the proper competent administrative authority, and, if legally required, through a transparent public procedure (in case another governmental authority challenges the competence of the authority, the independent third party should verify and report in what way the matter has been resolved. If deemed desirable, an agreement between the government of the exporting country and the government of the importing country may be reached to establish mutual understanding of the competent authority). • The anticipated issuing of the licence has been publicly announced (if legally required).
Criterion 1.3	<i>Area-based royalties and timber fees have been declared and paid.</i>
Indicators	<ul style="list-style-type: none"> • Official central and local government documents showing the royalties and fees to be paid, including dues to local communities. • Paid royalties, fees and dues that appear in the administration of the licence holder and of the recipient. • Acknowledgement of receipt of royalties, fees and dues by beneficiaries.
Principle 2	The organisation responsible for the management of the forest shall have an adequate forest management system.
Criterion 2.1	<i>A management body is responsible for the overall quality of the management with a view to the short, medium and long term.</i>
Indicators	<ul style="list-style-type: none"> • The management body is legally entitled and qualified to manage the forest. • The management body is responsible for the quality of the forest management for a period of at least one cutting cycle.
Criterion 2.2	<i>The forest management unit is clearly demarcated both in the field and on management maps. The various functions of the management unit and the national or regional land-use planning are known and recognised.</i>
Indicators	<ul style="list-style-type: none"> • The management unit and its boundaries are demarcated on maps. • The management unit and its boundaries are clearly demarcated in the field. • The boundaries of timber harvesting areas do not straddle areas where timber harvesting is prohibited. • The national and regional functions of the management unit are known by the management body and documented in the management plan.

Criterion 2.3 <i>The management body is committed to the long-term SFM objectives in the management area. This commitment is stated in an official, publicly available document.</i>	
Indicators	<ul style="list-style-type: none"> • The management body is committed to the SFM guidelines, as specified in the certification standard, by means of a signed and publicly available statement. • In its management activities, the management body takes into consideration the variety of ecosystems in the management area. • The management body has formulated both short and long-term goals, within the SFM framework. • The management body communicates its SFM policy and goals with local stakeholders and offer them opportunities to effectively influence the policy, goals and forest management plan. • The management body ensures that the forest management is conducted according to BMP (Best Management Practises).
Criterion 2.4 <i>The management body subscribes the international agreements relevant to forest management that are signed and ratified by the government it belongs to. The management body complies with the national legislation on forest management and in particular with legislation on forest and nature conservation and tenure requirements.</i>	
Indicators	<ul style="list-style-type: none"> • The management is aware of and implements national and international treaties relevant to forest conservation and -management. • The national laws on forest and nature conservation are complied with and concession guidelines are of particular importance. • An up-to-date register of national and local legislation and relevant international agreements is maintained. • Staff and contractors are aware of all implications of legislation, regulations and relevant international agreements.
Criterion 2.5 <i>A management plan exists which sufficiently demonstrates that attention has been paid to the integrity of ecological functions and the continuity of the socio-economic and socio-cultural functions of the forest, as described in Part III, Requirements for forest management performance.</i>	
Indicators	<p>There is a management plan and supporting documents which includes the following elements:</p> <ul style="list-style-type: none"> • A description of the forest resources, environmental limitations, socio-economic conditions and information on the surrounding lands. • Maps of the management area, indicating management area, protected areas, road network, planned activities and land ownership. • The management objectives and the means of achieving these objectives. • References to (inter)national legislation and to any relevant treaties. • A description of the silvicultural approach to be applied, with the rationale for its use, based on information gathered through resource inventories. • The annual rate of harvesting and species selection. • Provisions for monitoring forest growth and dynamics. • Plans for identification and protection of rare and endangered species. • A description and justification of the harvesting techniques applied.
Criterion 2.6 <i>The management body ensures that sufficiently trained personnel conduct the forest management.</i>	
Indicators	<ul style="list-style-type: none"> • All employees have the appropriate qualifications and receive additional training, if necessary. • External contractors meet the same requirements as the company personnel.

Criterion 2.7	<i>The management body operates a forest management system, according to ISO 9001 or ISO 14001 or based on a comparable systematic approach.</i>
Subcriterion 2.7.1	Planning part of the management system.
Indicators	<ul style="list-style-type: none"> • The aspects of the forest management activities are identified in order to determine whether these have a positive or negative impact on the environmental, social and economic functions of the forest area. • The organisation has identified and has access to all the relevant legal and other requirements, to which it subscribes. • The organisation has established and maintains a management programme to achieve its objectives.
Subcriterion 2.7.2	<i>The operational control part of the forest management system – The organisation shall carry out the necessary organisational measures to ensure that forest activities are adequately monitored.</i>
Indicators	<ul style="list-style-type: none"> • The organisation has established a clear management structure with a clear definition of the roles and responsibilities of its personnel with respect to forest management activities. • The organisation provides adequate internal communication processes. • The organisation documents key parts of the forest management system and ensures that these documents are adequately controlled. • The organisation ensures that operational procedures are established (e.g., procedures on RIL) to ensure adequate monitoring of forest activities that can have an impact on the environmental, social and economic functions of the forest area. • The organisation ensures emergency preparedness.
Subcriterion 2.7.3	<i>The measurement and monitoring part of the management system - The management activities and their social, economic and ecological impact need to be monitored., Where necessary, corrective or preventative measures are taken.</i>
Indicators	<ul style="list-style-type: none"> • A monitoring system of sufficient quality (eg following the guidelines of ITTO or CIFOR) is in place and implemented. • The organisation regularly monitors the key characteristics of its operations that can have significant influence on the environmental, social and economic functions of the forest area, consistent with the policy objectives. • The organisation follows the protocol of Ghazoul and Hellier for monitoring the impact of its operations on the forest ecosystem (forest structure, tree species composition, avian guilds, butterflies) • The organisation identifies non-conformities with measures and performance requirements and takes appropriate corrective and preventive actions. • The organisation periodically monitors compliance with applicable legislation and takes action in response. • The organisation establishes a procedure for periodically conducting management system audits. • The activities of third parties in the management area are documented.
Subcriterion 2.7.4	<i>The review and improvement part of the forest management system - The organisation periodically reviews the environmental management system to ensure its continuing adequacy and effectiveness.</i>
Indicators	<ul style="list-style-type: none"> • The management has developed a methodology for reviewing its management system. • Its adequacy and efficiency can be evaluated. • If necessary, the system is adapted.

3) Group Certification

Two forms of Group Certification are distinguished, namely:

Group Certification

Group Certification is a means by which several forest owners or managers can be certified together under a formally identifiable ‘Group’ – rather than as individual entities. In this case, the so-called group entity (the overall organisation) is certified, so that the certification only indirectly concerns the individual forest owners. The day-to-day management of the individual forestry enterprises remains the responsibility of the individual forest owners. Obviously, it is the responsibility of the overall organisation to ensure that the forest management of all participating units meets the certification requirements. It must therefore have an extensive internal management and monitoring system. The size of the group can vary from a limited number of small companies, which for example work together in order to share the costs of certification, up to a set of companies covering an extensive region. Within such a region, all or a large number of forest owners collaborate to such an extent in terms of management and policy and together they form such a homogeneous unity with accompanying institutions, that collective certification can be considered acceptable.

Resource Manager Certification

In this form of certification, it is the forest manager or the forest management body, which is responsible for the daily management of forest management units, on behalf of the owners. The basis for this form of certification is that each participating forest owner is committed, by means of a contract, to let his/her forest be managed according to the requirements of the certification standard. It is then the responsibility of the manager to ensure that his/her management over the entire area complies with the certification requirements.

4) Small-scale forest owners and operators

From experiences with pilot projects in Finland and Sweden, it has become apparent that this minimum requirement is difficult to apply in situations with lots of small-scale forestry operations. The costs of implementing a formal forestry management system are very high. The additional costs and administration requirements probably do not weigh up against the improvements in forest management.

It is suggested that the requirements for small-scale forest operators be simplified to criteria 1.1-1.3. Criteria 1.4 - 1.6 must be co-ordinated at a higher level, such as an association of forest owners or at a regional level. It is important that there are good links between the higher level and the individual forest owners.

This can be achieved by including the following criteria for the small-scale forest owners:

- The forest owner is committed to the guidelines and management requirements that come from the management plan and objectives at the higher level.
- The owner is committed to help with monitoring and evaluation activities and is actively involved.

The co-ordinating organisation has:

- A management system, operating according to ISO 9001 or ISO 14001 or based on a comparable systematic approach.
- A management plan formulated on the basis of participation by members.
- Additional guidelines for members committed to SFM.
- Regular monitoring and evaluation, to be conducted in conjunction with the members.
- An administrative body responsible for the appropriate documentation and administration.



Version May 31st, 2006

Keurhout Protocol for the Validation of Sustainable Forest Management Certificates

Part III

Requirements for the Forest Management Performance

Netherlands Timber Trade Association

Part III

Requirements for the Forest Management Performance

Table of content

1) Introduction	3
2) Requirements with regard to the Forest Management Performance ..	Fout! Bladwijzer niet gedefinieerd.

1) Introduction

Part III of the Keurhout Protocol for the Validation of SFM Certificates (hereafter: Keurhout Protocol) describes requirements for the forest management performance.

The Keurhout protocol applies to the validation of certificates which certify Sustainable Forest Management in- or excluding a Chain of Custody system. **The protocol integrates the assessment of compliance with the Keurhout requirements for forest management systems, forest management performance, legal origin, the chain of custody and certification bodies.**

The SFM protocol is originally based on the so-called minimum requirements of the Dutch Government for certificates for sustainably produced timber, as included in the government communiqué *Houtcertificering en Duurzaam Bosbeheer* (Timber Certification and Sustainable Forest Management), 1997, and derived from: the ITTO definition of sustainable forest management, the *Forest Principles* (UNCED, Rio de Janeiro 1992) and the FSC principles.

The Keurhout protocol comprises five parts:

- I. Introduction and Procedure for the Validation of SFM Certificates,
- II. Requirements for Forest Management Systems (KH-SFM validation 1),
- III. Requirements for Forest Management Performance (KH-SFM validation 2),
- IV. Requirements for Certification Bodies (KH-SFM validation 3),
- V. Requirements for Chain of Custody Systems (KH-SFM validation 4).

The KH-requirements for legal origin have been fully integrated in KH-SFM validations 1-4. Assessment objects have been identified and formulated in terms of principles. Assessment aspects are assigned to each assessment object (i.e. the intrinsic components of an assessment object). Aspects are assessed on the basis of **criteria**. In turn the criteria are being assessed with the help of **indicators** which assist in assessing whether and to what extent a criterion is complied with.

The abovementioned requirements are validated on the basis of desk study of documents underlying the issuance of a certificate by the certifier. The assessment is carried out by the independent Board of Experts (BoE), the role and procedures of which have been explained in Part I.

The Protocol for the Validation of SFM Certificates serves as the basis for granting the Keurhout Hallmark for Sustainable Timber and its logo to individual certificates. Positively validated certificates are admitted to the Keurhout Sustainable system.

Note: For the interpretation of terms, reference is made to the Keurhout List of Terms, as presented on the Keurhout website (www.keurhout.nl).

2) Requirements for the forest management performance

The regulatory functions of the forest shall be preserved.	
Principle 1	
Criterion 1.1 <i>Soil quality is maintained.</i>	
Indicators	<ul style="list-style-type: none"> • Soil characteristics that are important for productivity are preserved. • Structural changes to the soil do not occur. • The risk of soil pollution is kept to a minimum. Therefore, the use of fuels, fertilisers and poisons is limited to specially designated areas, where contamination of the soil is impossible. • Waste products are disposed of in an environmentally sound manner.
Criterion 1.2 <i>Quality and quantity of the ground and surface water regime is maintained.</i>	
Indicators	<ul style="list-style-type: none"> • Storage of solid and liquid waste products occurs in specially designated containment areas where leakage into groundwater is not possible. • The placement of new vegetation types and infrastructure which could affect the quality and quantity of the groundwater is kept to a minimum. • An Environmental Impact Assessment is required in case a certain infrastructure that might cause disruption to the environment is unavoidable. • No infrastructural works are allowed in areas where the groundwater regime results in a site-specific ecosystem. Such works could irreversibly alter the specific conditions of the ecosystem. • Harvest residues and other organic waste products are treated in such a way that eutrophication of the local groundwater is avoided. • The quantity and quality of the ground and surface water is monitored and evaluated. This information is made available to interested parties, in the form of reports.
Criterion 1.3 <i>Watersheds are managed appropriately.</i>	
Indicators	<ul style="list-style-type: none"> • The influence of the forest management practices on waterways and water bodies in the management unit is kept to a minimum. • Buffer zones are placed in the vicinity of the waterways and are managed appropriately (no-go area for harvesting). • The buffer zones are wide enough to protect the water courses. The breadth of these zones should be based on BMP for the region in question. • Poison, fertilisers or other chemicals are not used within these zones. • New infrastructure designed to regulate the drainage patterns in these zones is not permitted. The admittance of water from other drainage areas is restricted unless there is direct evidence of its necessity.
Criterion 1.4 <i>Erosion prevention measures are implemented.</i>	
Indicators	<ul style="list-style-type: none"> • Activities that could result in large-scale erosion are not permitted. • Measures are taken to prevent erosion by placing new infrastructural works. • Relevant Government prescribed guidelines on road and infrastructure construction are available and applied. • Waterway crossings are kept to a minimum and the necessary infrastructure is of a good quality. • Roadside drainage is reduced and slowed down by means of vegetation. • Erosion-sensitive areas are surrounded by buffer zones, within which management practices which could cause erosion are not conducted. • Buffer zones and steep slopes are marked as protected areas in the management plan, on management maps and in the field and are excluded from regular management (no-go area for harvesting). • Harvesting practices are conducted in such a way as to minimise the risk of erosion. • Harvesting is done during the season when the risk of erosion is lowest and/or takes into consideration weather conditions

Principle 2 The biodiversity of the various ecosystems shall be preserved.	
Criterion 2.1 <i>The main ecosystem(s) and species found on site have been identified.</i>	
Indicators	<ul style="list-style-type: none"> • The locations of special ecosystems within the management unit are known and indicated in the management plan. These areas are excluded from the regular forest management (no-go area for harvesting). • An inventory is made of the red list species present in special ecosystems and the remaining production forest. • The legal requirements concerning these species are respected, as well as any relevant international agreement (Ramsar, CITES, IUCN red list). • The habitats of red list species have been identified. • The management practices take into account the presence of red list species, whenever reasonably possible.
Criterion 2.2 <i>Measures are taken for the conservation, protection, management and restoration of special ecosystems and red list species.</i>	
Indicators	<ul style="list-style-type: none"> • The management units are arranged in such a way that special ecosystems are protected by means of buffer zones. • In order to protect special ecosystems in management units, buffer zones are appropriately managed and production within these areas is limited. • Conservation areas are identified. The size of these areas is at minimum 5% of the total surface of the management unit. This percentage is based on the quality of the protected area and the minimum area required to maintain the respective ecosystem. • The habitats of red list species are excluded from regular forest harvest operations (no-go area for harvesting). • Nationally protected species are neither harvested nor used. • When developing the management plan for the area, the management respects the UN list of protected areas and applies the strictest classes for protected zones. • Red list species and species listed by CITES are marked during inventories. • Red list species are not among the harvested trees. Harvested trees belonging to species which appear on one of the CITES lists are labelled as such and should follow the CITES protocol in case of export. • There are measures to restrict poaching activities. The harvest and use of species protected by national legislation is prohibited. The impact of hunting on wildlife populations is monitored. • Information about the species that can be hunted is made available to the personnel and the general public. Where relevant, training on the preservation and management of the species is given. • The region's biodiversity is improved by such measures as leaving dead or dying trees stand in the forest. Some trees and snags from the original stand are left after the harvest. • When replanting or up-beating the original stand, preference is given to the use of native species instead of exotic species.
Criterion 2.3 <i>The forest management has an adequate monitoring system, focussing on the impact on the residual stand, in line with the size and impact of its operations.</i>	
Indicators	<ul style="list-style-type: none"> • Inventories of red list species as well as endemic species are conducted periodically. If management practices appear to have a negative influence, then they are adapted accordingly. • The effect of management activities on ecosystems is monitored. • To the extent possible, the mean annual increment of the forest is monitored.

Principle 3 <i>Adverse side effects, resulting from forest management, shall be prevented.</i>	
Criterion 3.1 <i>Social (SIA) and Environmental Impact Assessments (EIA) are conducted, in line with the size and impact of the operations.</i>	
Indicators	<ul style="list-style-type: none"> • SIA and/or EIA are conducted for all the relevant management practices and are included in the management plan or annual operational plan. • An EIA is required before introducing new management activities. If the EIA indicates that the activity has a negative impact on the environment, then the activity is only implemented if the management can provide compelling evidence of the necessity of the proposed activity. • SIA and/or EIA are accepted by the competent authority.
Principle 4 <i>The timber production capacity of the forest shall be preserved.</i>	
Criterion 4.1 <i>Harvest and management data are maintained.</i>	
Indicators	<ul style="list-style-type: none"> • Records of the mean annual increment of the forest are maintained. • Harvest planning is based on these growth and yield records. • The management aims to maintain the current composition of tree species, unless the management objective is to convert plantation-like vegetation to more natural vegetation.
Criterion 4.2 <i>The natural regeneration capacity of the management area is preserved.</i>	
Indicators	<ul style="list-style-type: none"> • Natural regeneration is the preferred means of regeneration, unless this is impossible due to site-specific conditions. • Natural regeneration is monitored regularly, preferably on an annual basis. If the regeneration is insufficient, then appropriate measures are taken. • The competitiveness of exotic species with prolific regeneration, which can threaten the regeneration of local species, is reduced, unless the manager can provide compelling evidence of the need to retain such species. • The forest contains sufficient mother trees in order to provide good-quality seed. These trees are registered, both in the stands and on management maps, and are excluded from harvesting activities.
Criterion 4.3 <i>Appropriate silvicultural and harvesting systems are implemented.</i>	
Indicators	<ul style="list-style-type: none"> • The silvicultural system does not harvest more than the mean annual increment. • A silvicultural system based on the natural regeneration of local species is preferred. • The silvicultural production and rotation do not negatively affect the other functions of the forest. • The silvicultural system maintains the forest stability, which refers to the ecological and physical stability (the natural ability of the forest to cope with disturbances such as pests or storms). • The silvicultural approach covers preferably regeneration tactics that mimic natural processes of the ecosystem. If conditions are not suitable however a phased approach with help of plantations may enhance achievement of proper conditions. • A certain percentage of the trees is allowed to mature beyond the harvesting cycle, in order to maintain biodiversity and to preserve seed trees (a minimum of X mature trees, based on BMP, is left standing for at least one further rotation). • Timber harvesting plans and operational plans meet legal requirements with respect to the inventory and identification of trees to be harvested and have been approved by the competent forest authority. • Trees selected for harvesting are marked on maps or listed in a felling register. Trees exceeding the allowable diameter range are not included. • All trees that have been harvested come from the legally agreed upon annual cutting area and comply with the marked trees on the map

	<p>and/or the felling register. Trees beyond the allowed diameter range are not among the harvested trees.</p> <ul style="list-style-type: none"> • The aggregated volume for each tree species to be harvested and of trees actually harvested is within the authorised volume of the specified annual cutting area. Log measurement is in accordance with the prevailing rules and legislation. • Harvested trees/logs are numbered/marked and registered in accordance with legal requirements and can be traced back to the stump or origin area. • The harvesting takes place such that the disruption to the environment is kept to a minimum, in both time and space. • Harvesting systems are based on BMP and thus open to new developments in this field. • Adequate provisions are taken to prevent harvesting, by any party, of other trees than the legally authorised ones within the licence area.
Criterion 4.4 <i>The damage caused by harvesting is minimised.</i>	
Indicators	<ul style="list-style-type: none"> • The harvesting system is such that a minimal amount of damage is caused to the residual stand. The harvesting is conducted in a way that is suitable to the site-specific conditions. • The continuity of the forest as an ecosystem is not jeopardised by harvesting. • Operational activities have no negative impact on the terrain conditions that are of special importance for the management goals of the residual stand. • The personnel or contractor conducting the harvest are trained in techniques that are aimed at minimising the damage to the forest (RIL). Additional training and refresher courses in RIL techniques are offered. • Areas that are sensitive to the harvesting techniques applied are not harvested or are harvested in a way that is more suitable for the site. • The harvesting operations are designed in such a manner as to avoid damage to protected trees. • Harvesting is planned in such a way that it occurs in the most efficient manner. • The harvesting operations are continuously monitored and improved, where necessary.
Principle 5 The production capacity of non-timber forest products (NTFPs) shall be preserved.	
Criterion 5.1 <i>Harvest and management data on NTFPs are maintained.</i>	
Indicators	<ul style="list-style-type: none"> • The parties involved in NTFPs monitor the production of these products. Based on these results, a report is compiled which forms the basis of decisions on production volumes of these products. The reports shall be available to interested parties. • The harvestable volume of these products depends on how the product is produced and on the amount that can be sustainably harvested. • The management of NTFPs is integrated in the forest management plan. Interested parties indicate how the production of NTFPs can be stimulated in the forest management. • Where necessary, education about the use and production of NTFPs is provided.
Criterion 5.2 <i>The local processing of NTFPs is actively stimulated.</i>	
Indicators	<ul style="list-style-type: none"> • The company has an active policy to stimulate the local processing of NTFPs.
Criterion 5.3 <i>Development of the local economy is supported.</i>	
Indicators	<ul style="list-style-type: none"> • There is an active policy to develop the local processing capacity of both NTFPs and wood. Some additional assistance from the forest management may be necessary. • Other development activities are also stimulated, if they do not conflict with management objectives or local laws. Such activities could include privatisation and decentralisation of certain management activities. The company could also help improve the market opportunities for locally manufactured products.

Principle 6 The participation of the local population shall be ensured.	
<i>Criterion 6.1 Stakeholders are consulted and given the opportunity to participate.</i>	
Indicators	<ul style="list-style-type: none"> • All stakeholders are consulted in the process of developing and implementing the management plan. • All stakeholders have the ability to influence the management and exploitation depending on the land use and ownership of the land. • The rights of the different parties, including the forest managers, are known and respected. • There is a dispute settlement commission, when necessary. • When handling disputes, the rights of minorities are respected. • The solutions to disputes are based on consensus, in accordance with local legislation. • The various parties ensure that their activities are in line with the management plan. • The rights, responsibilities, duties and obligations of the interested parties are as much as possible harmonised. A committee with executive powers is responsible for this.
<i>Criterion 6.2 Opportunities exist for profit sharing.</i>	
Indicators	<ul style="list-style-type: none"> • The management ensures that the activities of the various parties are incorporated in the management plan, where possible. • The rights, responsibilities, duties, and obligations of the interested parties are harmonised. A committee with executive powers is responsible for this. • The rights of minorities are respected and supported during negotiations, to the extent possible.
<i>Criterion 6.3 The rights and responsibilities of the various stakeholders are known and respected.</i>	
Indicators	<ul style="list-style-type: none"> • Reports indicating the rights, responsibilities and obligations of the various actors are publicly available. These reports form the basis for the settlement of disputes by an arbitration committee. • The workers and local inhabitants are aware of their responsibilities and obligations. They are informed about any change in their responsibilities and obligations and are able to obtain impartial information when necessary. • A consultative body monitors the implementation of these responsibilities.
Principle 7 The social and economic well being of the local population and employees shall be ensured.	
<i>Criterion 7.1 Job opportunities are provided to the local population.</i>	
Indicators	<ul style="list-style-type: none"> • The management ensures that job opportunities are filled by local people, as much as possible. • The management provides appropriate training, where necessary.
<i>Criterion 7.2 Working conditions are conform national and international guidelines.</i>	
Indicators	<ul style="list-style-type: none"> • The manager ensures that the personnel are provided with the appropriate insurance(s). • The manager provides the appropriate equipment for the given working conditions, unless otherwise agreed. • The manager ensures that the personnel adhere to the appropriate safety regulations, as stipulated in the local laws or by ILO (International Labour Organisation). The manager also ensures that the personnel have access to the appropriate safety equipment required to conduct their work in a safe manner. • The manager ensures that the personnel are able to perform their work without being exposed to high risks.

Criterion 7.3 <i>The company supplies sufficient training, health and safety provisions.</i>	
Indicators	<ul style="list-style-type: none"> • The personnel are trained in the use of machinery, chemicals and first aid, in order to ensure their optimal functioning and safety. • The need for training is regularly evaluated by the management and the personnel. • The personnel are appropriately trained when new machinery or techniques are introduced. • Customised training is available and can be repeated, when necessary. • The management stringently stipulates and monitors the use of protective clothing and safety techniques. • A sufficient number of workers have been trained in first aid techniques. This training is available to all interested personnel and is repeated as often as necessary. • Local medical care, of a sufficient standard, is available.
Criterion 7.4 <i>Legislative instruments and regulations are known and respected.</i>	
Indicators	<ul style="list-style-type: none"> • The forest management is aware of and implements all relevant legislation with regards to health and safety, employment, forestry legislation etc. • All interested parties have knowledge of the relevant local forest management legislation. • Where relevant, an active policy ensures that the local forest legislation is understood and put into practise. • The relevant legislation is available at the head office and is accessible to all interested parties. • The rights and obligations of the employer and employee are known and respected. Documentation is available and described in an understandable way. • There is a clear system for imposing sanctions if these rules are breached, which is done transparently by means of an independent arbitration board.
Principle 8 <i>Socio-cultural forest functions and utilisation by indigenous and other people living in and around the forest shall be respected.</i>	
Criterion 8.1 <i>Traditional land-use rights are acknowledged and respected.</i>	
Indicators	<ul style="list-style-type: none"> • Ancestral domain claims of indigenous peoples are taken into account. • The land-use rights of all the different stakeholders, including those related to forest management, are known and respected. • These rights have been documented and included in the management plan, if relevant. • Agreements with the relevant community(-ies) have been established on volumes to be harvested under customary rights. Timber harvested under these agreements is considered legal. • The rights, responsibilities, duties and obligations of the interested parties are harmonised as much as possible. A committee with executive powers is responsible for this. • Reports indicating the rights, responsibilities and obligations of the various actors need to be publicly available. These reports form the basis for the settlement of disputes by the arbitration committee. • An arbitration commission settles disputes with regard to land-use rights. • The rights of minorities are respected when handling disputes. • The solutions to disputes are based on consensus in accordance with local legislation.
Criterion 8.2 <i>The traditional use of NTFPs are known and respected.</i>	
Indicators	<ul style="list-style-type: none"> • The rights of the local inhabitants to gather NTFPs in the forest are respected and well regulated with the parties involved. • The zones within which such activities may occur, are clearly indicated in the management plan. • The management is aware of the type of products involved and periodically conducts inventories.

	<ul style="list-style-type: none"> • These inventories form the basis of management decisions concerning the amounts that can be harvested in a sustainable manner. • The legal regulations concerning using and harvesting of these products are known. An active policy ensures that the local forest legislation is understood and put into practise, where relevant. • There is a clear system to impose sanctions if these rules are breached. This is done in a transparent manner by means of an independent arbitration board.
--	---

Criterion 8.3 <i>The religious or cultural areas of importance are known and respected.</i>	
Indicators	<ul style="list-style-type: none"> • Sites of religious or cultural importance are known. • Such sites are clearly indicated on maps, in the management plan, and in the field. • If necessary, these sites are surrounded by a buffer zone for protection and are excluded from the regular forest management (no-go area for harvesting).
Criterion 8.4 <i>The aesthetic value of the area is maintained.</i>	
Indicator	<ul style="list-style-type: none"> • The forest management is applied in such a way that damage to the landscape and cultural values of the management area is minimised.
Principle 9 <i>Negative social impacts caused by forest exploitation shall be reduced.</i>	
Criterion 9.1 <i>Compensation is given for damaged property.</i>	
Indicators	<ul style="list-style-type: none"> • Forest management is conducted in such a way as to minimise the negative impacts caused by forest exploitation. • If negative impacts occur there is a clear system for the compensation of damage caused by forest management. • The rights of minorities are respected when negotiating settlements. • The appropriate laws are observed during negotiations. • The rights, responsibilities, duties and obligations of the interested parties are harmonised, as much as possible. A committee with executive powers is responsible for this.
Criterion 9.2 <i>Legislative instruments and regulations are known and respected.</i>	
Indicators	<ul style="list-style-type: none"> • The appropriate legislation is known and applied. • If the local legislation is considered insufficient, additional regulations can be formulated.

Disclaimer: If any specific criterion is not applicable in the particular circumstances under review the BoE may decide to disregard the criterion.



Version May 31st, 2006

Keurhout Protocol for the Validation of Sustainable Forest Management Certificates

Part IV

Requirements for Certification Bodies

Netherlands Timber Trade Association

Part IV

Requirements for Certification Bodies

Table of content

1) Introduction.....	3
2) Requirements for Certification Bodies.....	4

1) Introduction

Part IV of the Keurhout Protocol for the Validation of SFM Certificates (hereafter: Keurhout Protocol) describes requirements for Certification Bodies.

The Keurhout protocol applies to the validation of certificates which certify Sustainable Forest Management in- or excluding a Chain of Custody system. **The protocol integrates the assessment of compliance with the Keurhout requirements for forest management systems, forest management performance, legal origin, the chain of custody and certification bodies.**

The SFM protocol is originally based on the so-called minimum requirements of the Dutch Government for certificates for sustainably produced timber, as included in the government communiqué *Houtcertificering en Duurzaam Bosbeheer* (Timber Certification and Sustainable Forest Management), 1997, and derived from: the ITTO definition of Sustainable Forest Management, the *Forest Principles* (UNCED, Rio de Janeiro 1992) and the FSC principles.

The Keurhout protocol comprises five parts:

- I. Introduction and Procedure for the Validation of SFM Certificates,
- II. Requirements for Forest Management Systems (KH-SFM validation 1),
- III. Requirements for Forest Management Performance (KH-SFM validation 2),
- IV. Requirements for Certification Bodies (KH-SFM validation 3),
- V. Requirements for Chain of Custody Systems (KH-SFM validation 4).

The KH-requirements for legal origin have been fully integrated in KH-SFM validations 1-4. Assessment objects have been identified and formulated in terms of principles. Assessment aspects are assigned to each assessment object (i.e. the intrinsic components of an assessment object). Aspects are assessed on the basis of **criteria**. In turn the criteria are being assessed with the help of **indicators** which assist in assessing whether and to what extent a criterion is complied with.

The abovementioned requirements are validated on the basis of desk study of documents underlying the issuance of a certificate by the certifier. The assessment is carried out by the independent Board of Experts (BoE), the role and procedures of which have been explained in Part I.

The Protocol for the Validation of SFM Certificates serves as the basis for granting the Keurhout Hallmark for Sustainable Timber and its logo to individual certificates. Positively validated certificates are admitted to the Keurhout Sustainable system.

Note: For the interpretation of terms, reference is made to the Keurhout List of Terms, as presented on the Keurhout website (www.keurhout.nl).

2) Requirements for Certification Bodies

Principle 1	
The certification body shall be able to demonstrate that it is capable of assessing forest management and the management system and/or the Chain of Custody.	
Aspect 1 Third party assessment	
<i>Criterion 1.1 The certification body, and any subcontracted party, is independent.</i>	
Indicators	<ul style="list-style-type: none"> The certifying body can demonstrate that the organisation and its personnel have no commercial, financial or other interests that could influence the assessment, in any way. Documentation on the organisational structure, indicating the responsibilities of the certification body, can be supplied upon request. Additional information about the company, ownership and sources of income shall also be provided, if required.
<i>Criterion 1.2 The certification body, and any subcontracted party, complies with international guidelines for organisational structure and operating procedures.</i>	
Indicators	<ul style="list-style-type: none"> The certification body meets the requirements as specified in the ISO/IEC Guide 62 and/or ISO/IEC guide 66 and/or ISO/IEC guide 65 (CoC) and the additional guidelines specified by the IAF, for the application of these guides. The certifying body is accredited by an accreditation body which demonstrably meets the requirements of the ISO 17011 guide and/or is a member of the IAF. Developments with regard to standards and legislation are kept up to date and evaluated with regard to their applicability to the certification body. Upon request, these evaluation reports are available. The certification body applies an acceptable assessment procedure, which shall be documented and made available to interested parties, upon their request. Confidential information is handled in an appropriate manner. New standards and/or guidelines with regard to certification procedures are carefully monitored. If necessary, these procedures are adapted to meet new requirements.
<i>Criterion 1.3 The certification body has the necessary expertise in SFM and/or Chain of Custody.</i>	
Indicators	<ul style="list-style-type: none"> The certification body is competent with respect to the certification of forest management activities. These areas of expertise shall include: auditing, management information and process systems, environmental issues, legislation concerning certification, relevant silvicultural and socio-economic knowledge, and relevant sampling techniques. The audit team has professional knowledge of CoC, in particular as far as timber and timber products are concerned, and is acquainted with national and local conditions related to forest management objectives. The CV's of the team members provide evidence that they have sufficient professional knowledge and experience.
Aspect 2 Validation of the third party assessment scheme	
<i>Criterion 2.1 The audit procedures applied comply with ISO/IEC Guide 62 and/or ISO/IEC guide 66 and/or ISO/IEC guide 65 (CoC)</i>	
Indicators	<ul style="list-style-type: none"> The normative document, against which the CoC has been assessed, is available (the normative document shall preferably include requirements for technology-based timber product tracking systems, <i>i.e.</i> unique identification and electronic data processing and communication systems). The assessment process with the various parties in the CoC is elaborated on.

<i>Criterion 2.2 The procedure to identify relevant legislation and existing (customary) rights has been clearly formulated.</i>	
Indicators	<ul style="list-style-type: none">• Legislation applicable to ownership and management or use of the particular forest unit has been identified through consultation with Government agencies, the licence holder and local authorities and communities.
<i>Criterion 2.3 The assessment scheme contains guidelines on the content of the audit report.</i>	
Indicators	<ul style="list-style-type: none">• The audit report will at least present:<ol style="list-style-type: none">1. the composition of the audit team and its competence2. the normative document3. the actual implementation of the assessment procedure4. a systematic overview of the findings regarding all criteria and more detailed key findings with solutions for any conflicting issues5. any non-compliance issues with the normative document used by the third party.6. the decision making process.
<i>Criterion 2.4 The third party assessment scheme contains guidelines for the execution of checks.</i>	
Indicators	<ul style="list-style-type: none">• The contract between the third party and the certificate holder shows the duration of validity of the claim of sustainability and/or legal origin.• The contract stipulates the frequency (at least once a year, planned) and method of monitoring.

////////////////

Version May 31st, 2006

Keurhout Protocol for the Validation of Sustainable Forest Management Certificates

Part V

Requirements for Chain of Custody

Netherlands Timber Trade Association

Part V

Requirements for Chain of Custody

Table of content

1) Introduction	3
2) Requirements for the Chain of Custody	4
3) Implementation of the Chain of Custody	5
4) KH-levels for sustainable timber	5

1) Introduction

Part V of the Keurhout Protocol for the Validation of SFM Certificates (hereafter: Keurhout Protocol) describes requirements for the Chain of Custody.

The Keurhout protocol applies to the validation of certificates which certify Sustainable Forest Management in- or excluding a Chain of Custody system. **The protocol integrates the assessment of compliance with the Keurhout requirements for forest management systems, forest management performance, legal origin, the chain of custody and certification bodies.**

The SFM protocol is originally based on the so-called minimum requirements of the Dutch Government for certificates for sustainably produced timber, as included in the government communiqué *Houtcertificering en Duurzaam Bosbeheer* (Timber Certification and Sustainable Forest Management), 1997, and derived from: the ITTO definition of Sustainable Forest Management, the *Forest Principles* (UNCED, Rio de Janeiro 1992) and the FSC principles.

The Keurhout protocol comprises five parts:

- I. Introduction and Procedure for the Validation of SFM Certificates,
- II. Requirements for Forest Management Systems (KH-SFM validation 1),
- III. Requirements for Forest Management Performance (KH-SFM validation 2),
- IV. Requirements for Certification Bodies (KH-SFM validation 3),
- V. Requirements for Chain of Custody Systems (KH-SFM validation 4).

The KH-requirements for legal origin have been fully integrated in KH-SFM validations 1-4. Assessment objects have been identified and formulated in terms of principles. Assessment aspects are assigned to each assessment object (i.e. the intrinsic components of an assessment object). Aspects are assessed on the basis of **criteria**. In turn the criteria are being assessed with the help of **indicators** which assist in assessing whether and to what extent a criterion is complied with.

The abovementioned requirements are validated on the basis of desk study of documents underlying the issuance of a certificate by the certifier. The assessment is carried out by the independent Board of Experts (BoE), the role and procedures of which have been explained in Part I.

The Protocol for the Validation of SFM Certificates serves as the basis for granting the Keurhout Hallmark for Sustainable Timber and its logo to individual certificates. Positively validated certificates are admitted to the Keurhout Sustainable system.

Note: For the interpretation of terms, reference is made to the Keurhout List of Terms, as presented on the Keurhout website (www.keurhout.nl).

2) Requirements for the Chain of Custody

Principle 1 The timber shall be traced and monitored from the moment of felling through all its possible stages of processing and transport up to the moment of being imported in the EU.	
Criterion 1.1	<i>The parties in the CoC are registered according to national legislation and regulations and have a valid license to operate.</i>
Indicator	<ul style="list-style-type: none"> Legally authorised registration form and number showing that the parties legally exist and meet the legal requirements to operate.
Criterion 1.2	<i>The parties in the CoC have an ISO 9001 certificate or have an internal management system that meets the requirements of ISO 9001.</i>
Indicators	<ul style="list-style-type: none"> An (internal) management system for sound tracking of third party verified legal timber products is documented. The management system for sound timber product tracking is effectively implemented.
Criterion 1.3	<i>There is a well-documented procedure in the forest.</i>
Indicators	<ul style="list-style-type: none"> All timber products that leave the forest are identified and marked and the organisation applies a registration and control system which includes all commercially logged timber. There is clear segregation (identification and/or physical separation) between certified and non-certified timber products at any transport facility and transformation or storage side in the forest. The registration of production, processing, storage, transport and sales is transparent and distinguishes between certified and non-certified timber products. The forest boundaries are clearly identified and established in the field. The certified output is clearly identified and can be traced back to its origin.
Criterion 1.4	<i>There is a well-documented procedure for the tracing of timber through processing.</i>
Indicators	<ul style="list-style-type: none"> A registration system with a clear stock and storage registration is applied. A conclusive administration for incoming and outgoing products is available. There is clear segregation (identification and/or physical separation) between certified and non-certified timber products at any critical control point (transport, transformation or storage site). There are procedures in place for determining the share of certified timber in mixed products or cargo's (proportionality principle). The certified output is clearly identified and can be traced back to its origin. A manageable product labelling system is applied.
Criterion 1.5	<i>In case of mixed products or a percentage based system, the percentage of certified output is established, while the certified timber is at least mixed with legal origin timber.</i>
Indicators	<ul style="list-style-type: none"> The average percentage of certified material is calculated, clearly identified in the sales documents and reported by the auditor. Mixed timber from non SFM-certified sources complies with the KH standard for legal origin timber.

3) Implementation of the CoC

The CoC can be implemented in two ways:

- I. Through (physical) segregation of flows of certified and uncertified timber.
- II. On the basis of a percentage based system, wherein the % Input = % Output (also known as the proportionality principle).

Keurhout encourages the implementation of physical segregation, but is at the same time aware of the logistic problems that the system may create. For the KH-sustainable system, Keurhout therefore also accepts the implementation of a procedure based on the proportionality principle. The latter can be illustrated with the following example:

X% certified log input in the sawmill or other processing point within the processing chain results in the right to have X% output of certified timber.

A sawmill processes 100.000 m³ round wood per year. It receives 30% (30.000 m³) of logs from certified forests. The conversion rate is 60%, which results in a total production of 60.000 m³ sawn timber. The sawmill now has the right to sell 30% of 60.000 m³ = 18.000 m³ of sawn timber as 100% certified product. The percentage calculation should reflect the same timber species, product and quality categories as the certified input, in order to avoid mixing with uncertified timber.

Concerning the application of the proportionality principle, Keurhout has set the following additional and binding requirements, in order to avoid possible abuse of the system:

- A. The proportionality principle may not under any circumstances detract from the principles of the Keurhout validation procedure.
- B. The monitoring of the supply and production calculation shall always relate to the period of one full year, in order to provide a reliable estimate of the production on the basis of a meticulous registration.
- C. The proportionality principle shall only be applied to the same type of timber, within the same size and quality group, in order to prevent mixing of certified and uncertified origins.
- D. The percentages calculated shall be monitored by the certifying body as part of the CoC audit.

4) KH-levels for sustainable timber

The KH-Sustainable system distinguishes two levels:

- KH-Sustainable level 1: 100 % KH-sustainable timber
- KH-Sustainable level 2 : at least 70 % KH-sustainable timber

The level shall be indicated clearly on the KH-Sustainable logo and all relevant documents.

In December 2004, when the KH-Legal system was introduced, the NTTA decided that **the sustainable timber of KH-Sustainable level 2 may only be mixed with KH-Legal timber**. So, KH-Sustainable level 2 timber shall contain at least 70 % KH-Sustainable timber and the rest KH-Legal timber (validated against the KH-LET protocol for legal origin timber).

Additional requirements:

- In the case of KH-Sustainable level 1 timber, the audit report shall indicate that the timber is 100% KH-Sustainable.
- in the case of KH-Sustainable level 2 timber the percentages KH-Sustainable and KH-Legal shall be specified and compliance with the KH-LET requirements shall be confirmed by the Certification Body in the audit report.

////////////////