

SFI Rejects the September 2024 Reuters Special Report - Replete with Baseless Allegations and Erroneous Facts

The Sustainable Forestry Initiative (SFI) is aware of the Reuters Special Report titled “‘Sustainable’ logging operations are clear-cutting Canada’s climate-fighting forests,” published on September 7, 2024.

The allegations and insinuations about SFI in the Reuters Report are fundamentally based on wholly inaccurate facts related to SFI’s governance, standard-setting and revision process, the SFI 2022 Forest Management Standard, and in particular, requirements relating to old-growth forests, the process of certifying an organization to the SFI Standards and the entities involved in such certification processes, and the SFI 2022 Forest Management Standard itself.

This note corrects the most glaring false and unfounded allegations about SFI in the Reuters Report.

1. Contrary to the Allegations in the Reuters Report, the Governance of SFI is Purposefully Structured to Ensure Equal Voting Power to Conservation, Social and Private Sector Interests

- Contrary to the allegation that SFI is an “industry-friendly” organization and that its Standards are driven by industry, SFI’s governance is purposefully structured to ensure equal voting power to conservation, social and private sector interests.
- SFI is (and has been since 2007) governed by an 18-member board which sets SFI’s strategic direction and is responsible for overseeing the development and continuous improvement of the internationally recognized SFI Standards. The composition of SFI’s Board is purposefully structured to provide for representative voting power. Each of the industry (private) sector, conservation sector and social sector have one-third of the representatives on the SFI Board, as follows:
 - conservation sector: six directors from conservation organizations or environmental non-profits;
 - Indigenous and community sector: six directors from community, Indigenous or other social interest groups (e.g., universities, family forest owners or governments agencies, or labour unions); and
 - private sector: six directors from the forest, paper and wood products industry or other for-profit forest ownership or management entities.
- In accordance with the bylaws quorum for a SFI Board meeting requires the presence of 60% of the directors, with a minimum of two attendees from each sector. Further, to avoid even the remote possibility of SFI Board representatives of only one sector being able to block a decision that the other two sectors supported, the SFI Board operating procedure provides that: “If the SFI Board ever finds itself in a situation with a quorum where the votes of any board chamber block a proposal supported by the other two sectors, then the issue is to be automatically deferred to a subsequent board meeting where attendance is such that no one sector can block a proposal.”
- Accordingly, no sector controls the SFI Board, and no sector can either enact or veto a proposed SFI Board action.

2. Contrary to the Allegations in the Reuters Report, SFI Standards are all subject to a Rigorous, Inclusive and Transparent Continuous Improvement Process based on the International Organization for Standardization Guidance

- Pursuant to a continuous improvement process, the SFI Standards and Rules are updated every five to seven years. The SFI standards revision process follows international standard development guides established by the International Organization for Standardization (ISO).
- The standards revision process is subject to multiple layers of continuous, transparent review and scrutiny involving thousands of people. Broad involvement from [technical experts](#) in the conservation community, Indigenous groups, forest products industry, private forest landowners and public forest

managers, Canadian government agencies (including Natural Resources Canada), representatives from provincial Ministries, U.S. government agencies, trade associations, environmental non-profits, labour unions, academics, and others are integral to the development of the SFI Standards and Rules.

- During the most recent standards revision process, which produced the SFI 2022 Standards and Rules, nearly 2,300 individuals and organizations submitted comments or participated in webinars. [New requirements](#) emerged from this transparent and open revision process, which covered many themes including but not limited to climate smart forestry, fire resiliency and awareness, species management and recovery, and Indigenous Peoples' rights, recognition, and training. A summary of major enhancements, that resulted from this revision process, was published online.¹

Public Comment

- The standards revision process commences with two public comment periods which invite comment from any interested participants. SFI posts each comment and SFI's proposed response on its website.²
- SFI invites further input through webinars and interactive sessions. The process in 2022 included ten different webinars on topics ranging from climate change to the conservation of biodiversity and dedicated webinar to solicit input from Indigenous people residing in Canada and the United States.

Task Groups

- Following SFI's solicitation of public comment, task groups review SFI's responses to the public comments.³ The task groups are comprised of individuals from a range of interest groups, including stakeholders from conservation groups, customers, academics, forest associations, forest owners and managers, government actors, Indigenous groups, manufacturers, and public benefit non-profits. SFI also seeks balanced representation of expertise, gender, and geographic location in the task group's composition. The task groups provide draft recommendations to the SFI Board.

External Review Panel: Additional Check and Balance

- The ERP is a group of external experts which provides independent advice, opinions, and ongoing review of the SFI Standards.⁴ The ERP appoints its own members and specifically does not appoint any representative from SFI staff or the forest industry. It is comprised of representatives in conservation, Indigenous affairs, academia, and the government.⁵
- With respect to the Standards Revision Process, the ERP provides independent review of SFI's response to public comments and reports its findings to the Board. It's important to note that the Board has

¹ Sustainable Forestry Initiative, "Major Enhancements in the SFI Forest Management Standard Address Key Sustainability Challenges," April 2021, available online: <https://forests.org/wp-content/uploads/SFI_Standard_MajorEnhancements_FM_April_2021.pdf>.

² Regarding the public comments on the revision process that led to the current 2022 SFI Standards and Rules, for the first comment period, see Sustainable Forestry Initiative, "SFI Standards Revision Public Comment Survey" 2019, available online: <https://forests.org/wp-content/uploads/First-Round-2015-2019-SFI-Standard-Revision-Public-Comment-Survey_FINAL-July-2020.pdf>. and for the second comment period, see Sustainable Forestry Initiative, "SFI Standards Revision Public Comment Survey" 2020, available online: <https://forests.org/wp-content/uploads/Second_Public_Comment_Period_2022_Standards_Revision_Final.pdf>.

³ See Sustainable Forestry Initiative, "SFI Forest Management Task Group Members", available online: <<https://forests.org/wp-content/uploads/ForestManagementTaskGroup.pdf>>.

⁴ See Sustainable Forestry Initiative, "SFI External Review Panel", available online: <<http://sfierp.org/>>.

⁵ A list of the current ERP members together with their biographies may be found online at: <<http://sfierp.org/panelmembers.>>

never made a decision related to the SFI Standard revision or requirement that runs counter to a recommendation by the ERP. The ERP reviews each comment submitted to SFI during the revision cycle to ensure comments receive equal treatment and are considered on their merits. The ERP can request that SFI refer comments back to the task groups for additional consideration.

3. Contrary to the Allegations in the Reuters Report, the SFI Forest Management Standard Has Rigorous Requirements for the Protection of Old Growth Forests

- Contrary to the allegation in the Reuters Report, the SFI 2022 Forest Management Standard has rigorous performance-based requirements for the protection of old growth forests.
- The SFI 2022 Forest Management Standard promotes sustainable forestry based on 13 Principles, 17 Objectives, 41 Performance Measures and 114 Indicators. An "Objective" is defined as a fundamental goal of sustainable forest management. Each Objective corresponds with multiple "Performance Measures" which are outcomes that determine whether an Objective has been fulfilled. In turn, each Performance Measure contains "Indicators" which are methods, processes, or specific metrics by which the outcome (the Performance Measure) is achieved.
- SFI-certified organizations need to ensure old-growth forests are being protected and conserved. Objective 4 in the SFI 2022 Forest Management Standard requires SFI certified organizations to protect areas of high biodiversity such as old growth, threatened and endangered species, and critical wildlife habitat. To demonstrate that this objective has been fulfilled, an organization must establish that it has protected old growth forests under Performance Measure 4.2 in the SFI 2022 Forest Management Standard:

"Certified Organizations shall protect threatened and endangered species, critically imperiled and imperiled species (Forests with Exceptional Conservation Values), and natural communities, and old-growth forests."

- Protection (protect) is defined as, "*Maintenance of the status or integrity, over the long term, of identified attributes or values including management where appropriate and considering historical disturbance patterns, fire risk and forest health when determining appropriate conservation strategies.*"
- What this means in practice is that SFI-certified organizations need to ensure old-growth forests are being protected and conserved. A typical forest management plan consists of mapping old-growth forests, and then developing measures to manage those stands in a manner that considers their unique features under Objective 6 – protection of special sites or protect the stand under Objective 4 – protection of biological diversity, which identifies ecologically important sites for protection.
- These particular requirements are the product of the rigorous and inclusive SFI standards revision process is described above. There is absolutely no basis to allege, as the Reuters Report suggests, that SFI's FM Standard does not encourage the protection of old growth forests, nor that these requirements are the product of the industry's lobby or supposed power within SFI and the standard-setting and improvement processes.

4. Contrary to the Allegations in the Reuters Report, Certification to SFI Standards is Robust and Undertaken by Independent Certification Bodies Accredited by the Standards Council of Canada or ANSI-ANAB National Accreditation Board

SFI Has No Role in the Certification Process, the Accreditation of the Certification Body, or the Appointment of the Certification Body

- SFI does not certify operations, processes or products as conforming to the SFI Standards.
- Certification of the organization to the SFI Standards requires a successful audit by an accredited certification body. All certification bodies who conduct audits to certify against an SFI Standard must be

first accredited under the Standards Council of Canada (SCC) or by ANSI-ASQ National Accreditation Board (ANAB). SFI has no role in accreditation.

- There is no basis for the insinuation in the Reuters Report that the certification process lacks robustness or integrity.

Accreditation Bodies and Accreditation Process

- Audits and certifications to the SFI Standards occur across Canada and the United States. SFI relies upon both SCC and ANSI-ANAB to accredit the Certification Bodies that conduct audits to the SFI Standards in Canada and the USA.
- SCC is a body established pursuant to the *Standards Council of Canada Act* and is recognized as “a leader and Canada’s voice on standards and accreditation on the national and international stage.” ANSI-ANAB is a non-governmental, non-profit organization that provides accreditation and training services to the certification body, validation and verification body, inspection and laboratory related communities and is “the largest multi-disciplinary accreditation body in the western hemisphere, with more than 3000 organizations accredited in approximately 80 countries”.
- SCC and ANSI-ANAB are both national members of the International Accreditation Forum (IAF). The SFI Standards require that accreditation bodies accrediting Certification Bodies for audits to the SFI Standard must be signatories to the *IAF Multilateral Recognition Arrangement* and, in turn, the IAF requires that the accreditation bodies maintain audit processes and conduct audits consistent with the requirements of the current versions of the ISO requirements:
 - ISO/IEC 17021-1: Conformity assessment - Requirements for bodies providing audit and certification of management systems; and
 - ISO/IEC TS 17021-2: Competence requirements for auditing and certification of environmental management systems.
- As part of the accreditation process, SCC and ANSI-ANAB do witness audits of the actual Certification Bodies while they are conducting audits (i.e. an audit of an audit) to ensure appropriate measures are taken when collecting evidence to support conformance or non-conformance to the requirements of the SFI Standards.
- It is also important to understand that the ISO requirements flow directly to the SFI Standards certification process itself (i.e., must be applied by the Certification Bodies accredited by SCC and ANSI-ANAB when conducting audits).

Certification Process Undertaken by Independent Accredited Certification Body

- Certification of the organization to the SFI Standards requires a successful audit by an accredited certification body. Each certification body’s audit team includes a lead auditor and technical experts, which conduct an on-site operations audit and a desk audit of relevant documentation and plans. The procedures and protocols for conducting the audit are prescribed in Section 10 of the SFI Standard which incorporates by reference the ISO requirements. Certification is a rigorous and onerous process. A certificate is only issued after the certification body determines that a specific organization or operation of an organization conforms to the SFI Standard.
- The certification body prepares a report to the organization undergoing certification which describes conformities, non-conformities, corrective action plans together with timelines for implementation, opportunities for improvement, and exceptional practices. The certification body must prepare and release of a public summary of the audit report. The public audit summary report must be posted to the SFI website within 90 days of the certificate being issued. The SFI publishes these public summaries on its website for transparency (<https://sfidatabase.org/search/search-forest-area>) and this database is searchable by organization or by certification body.

- Importantly, to maintain certification to the SFI Standards, organizations are required to undergo annual surveillance audit by the certification body. This ensures that organizations continue conformance to the SFI Standards or undertake any corrective action within prescribed periods. Full re-certification audits are required every five years.
- If individuals or organizations believe the SFI Standard was not met, SFI has a formal process to facilitate the investigation of complaints made by individuals or organizations regarding the validity of a certification to the SFI Standard. Each complaint is openly and independently investigated initially by the certification body and upon appeal, to the accreditation body (i.e., SCC or ANSI-ANAB). SFI has no role in this process.

5. Recognition of SFI by the Canadian Federal and Provincial Governments

SFI has been long recognized by the Government of Canada as one of “the internationally recognized forest certification organizations...used in Canada” and specifically by the [Canadian Council of Forestry Ministries](#) (CCFM) (whose membership is composed of fourteen federal, provincial, and territorial ministers). The CCFM specifically said:

"All three set high thresholds that forest companies must clear, in addition to Canada's tough regulatory requirements. Moreover, they are tailored to consider global forestry issues as well as circumstances specific to the Canadian landscape, such as the livelihood of local communities and the interests of Indigenous people.

The CCFM recognizes CSA, FSC and SFI as being consistent with national and international agreements related to SFM and meeting criteria for balancing interests, being objective and science-based, implementable, and practical."