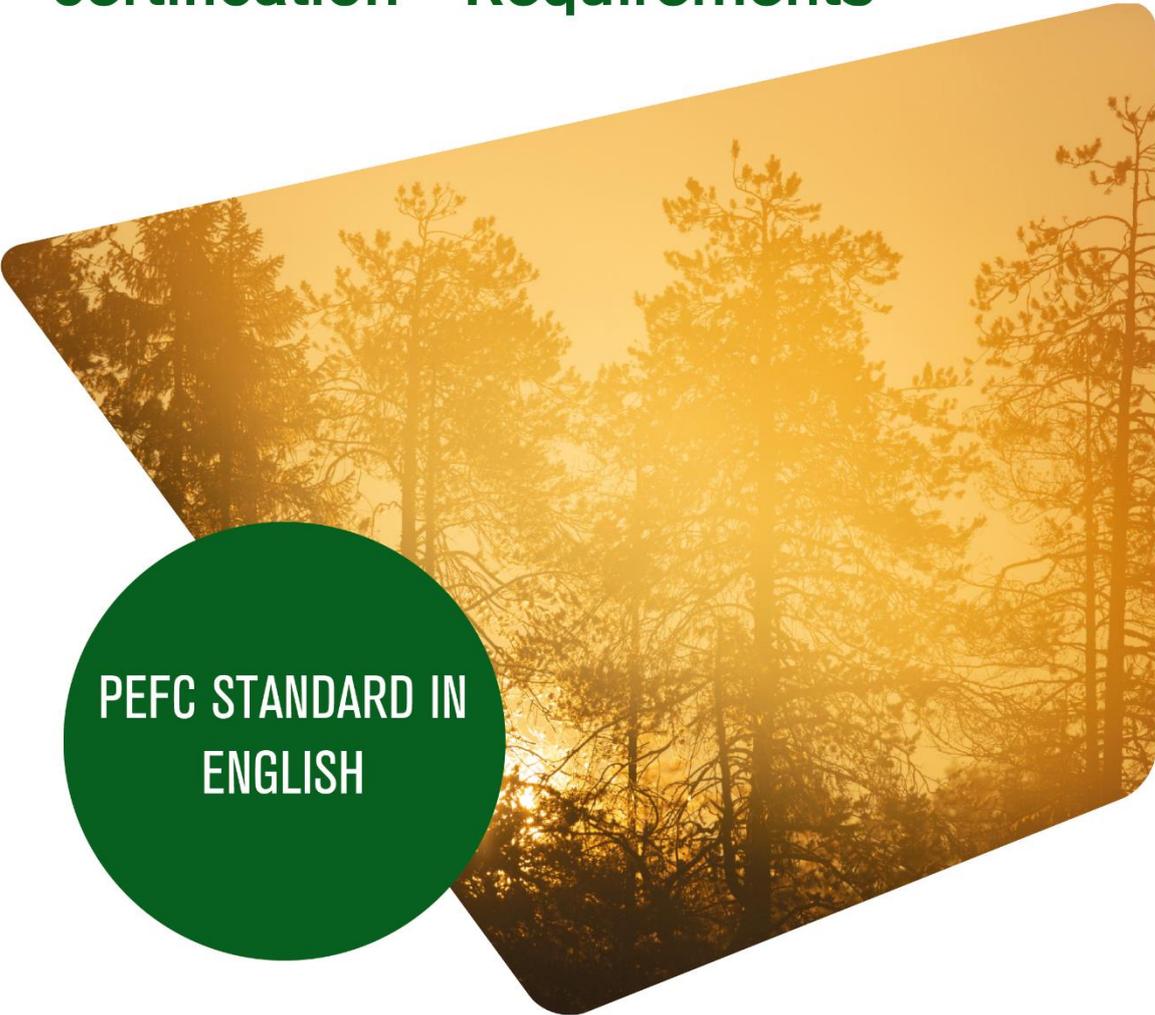




(PEFC FI 1001:2022)

Group forest management certification - Requirements



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Foreword

PEFC Council (Programme for the Endorsement of Forest Certification schemes) is an international forest certification system promoting ecologically, socially, economically and culturally sustainable forest management through forest management certification, chain of custody certification and labelling of forest-based products originating in certified forests.

Forest certification verifies the sustainable management and use of forests. PEFC certification supports society's goals for the sustainable use of forests and offers citizens a wide range of opportunities to enjoy forests. For companies and consumers PEFC assures the responsible origin of forest products.

PEFC Finland - Finnish Forest Certification Council promotes and governs PEFC certification in Finland and organises the standard setting of sustainable forest management in an open, transparent, consultative and consensus-based stakeholder process.

The Finnish PEFC system has been approved by the international PEFC since 2000.

Acceptance by the international PEFC requires that the national forest certification system meets the requirements of PEFC's international standards and governance.

This standard is part of the series of PEFC FI standards owned by PEFC Finland.

This document replaces PEFC FI 1001:2014 standard with the application date on 16 February 2023 and the transition period until 16 February 2024.

Therefore:

- a) No certification is allowed against this document (PEFC FI 1001:2022) between the publication date (17 February 2022) and the application date (16 February 2023);
- b) All new certifications issued after the application date (16 February 2023) shall comply with the requirements of this document (PEFC FI 1002:2022);
- c) All (regional) group organisations that have been certified prior to the application date (16 February 2023) shall comply with the requirements of this document (PEFC FI 1002:2022) by the transition date (16 February 2024). The conformity with the requirements of PEFC FI 1002:2022 is then evaluated by the certification body as part of the external audits following the transition date.

Introduction

Forest certification confirms that management on a defined forest area is in compliance with the requirements for sustainable forest management. Together with the certification of chain of custody of forest-based products, forest certification offers forest owners and other actors in the supply chain opportunities to meet the demands of product markets.

The Finnish PEFC scheme offers forest owners and managers individual certification, but also group certification and regional certification for a group of forest owners and other actors.

Small forest holdings are the dominant form of forest ownership in Finland. Small-scale ownership is characterised by limited forest incomes, non-regular forestry operations, and limited access to information and knowledge related to the ecological, social and economic aspects of forest management.

Therefore, group certification and regional group certification are the most suitable approaches of forest certification within the Finnish context, allowing forest owners to apply for certification together on a voluntary basis and share the obligations arising from forest certification jointly as participants of a certification group.

Regional group certification promotes the flow of information and co-operation between forest owners and companies and entrepreneurs who provide their services to forest owners and carry out forestry work, and thus effectively promotes sustainable development in Finnish forestry.

The term “shall” is used throughout this standard to indicate provisions that are mandatory. The term “should” is used to indicate provisions which, although not mandatory, are expected to be adopted and implemented. The term “may” used throughout this standard indicates permission expressed by this standard, whereas “can” refers to the ability of a user of this standard or to a possibility open to the user.

1. Scope

1.1 This document contains mandatory requirements for actors involved in regional and group certification, in particular, for the regional group entity that represents the regional certification group and its participants.

1.2 Chapters 5, 6 and 7 define requirements that shall be applied in regional group certification. Chapter 8 defines the requirements for group certification.

2. Normative references

The following documents are mandatory for the application of this document. For both dated and undated references, the latest edition of the document referred to (including any amendment) shall apply:

- PEFC FI 1000
- PEFC FI 1002
- PEFC ST 2002

3. Terms and definitions

Certified area

An area of forestry land and other forested lands covered by a forest certificate.

NOTE 1: Forestry land includes forest land (i.e. land with a high potential of annual increment of growing stock), poorly productive forest land (i.e. scrubland), unproductive land (i.e. nearly treeless forestry land) and other forestry land (i.e. forest vehicle roads and other forestry maintenance areas). Individual categories of forestry land are defined by the Natural Resources Institute Finland (LUKE).

NOTE 2: Other forested lands cover e.g. Christmas tree plantations on agricultural land.

NOTE 3: In the (regional) group certification context, the certified area is the sum of areas of forest holdings of the participating forest owners / managers that are covered by a (regional) group forest management certificate.

NOTE 4: The holder of the forest management certificate maintains the data concerning the certified area. Certification covers the whole forest area of each forest holding.

Certification group

A group of participants represented by a group entity for the purposes of implementation of the sustainable forest management standard and its certification. A binding written agreement shall be established between a participant and the group entity.

NOTE 1: The term “certification group” is equivalent to the term “regional certification group” used in chapters 5, 6 and 7.

Certification requirements

Applicable requirements for sustainable forest management defined in the PEFC FI 1002 standard and applicable requirements for group certification defined in the PEFC FI 1001 standard.

Confirmation of participation

A document made available to a participant that refers to the forest management certificate of a certification group and confirms that the participant is covered by the scope of the group forest management certificate.

Documented information

Information required to be controlled and maintained by an organisation, using any format and media, from any source.

Forest management certificate

A document confirming compliance with the requirements of a sustainable forest management standard and other applicable requirements of the forest certification system.

NOTE 1: In case of (regional) group certification, the forest management certificate confirms compliance by the whole certification group and is issued to the group entity.

Forest owner / manager

An individual or an organisation that has the registered property rights over a forest area and other similar bodies which have a right to make decisions regarding forest management.

Group entity

A legal entity that represents the participants, with overall responsibility for ensuring the conformity of forest management in the certified area with the sustainable forest management standard and other applicable requirements of the forest certification system.

NOTE 1: Group entity refers to an applicant for forest management certification and a holder of the forest management certificate.

NOTE 2: A single group entity may represent several certification groups.

NOTE 3: The term “group entity” is equivalent to the term “regional group entity” used in **chapters 5, 6, and 7**.

Group forest certification

Certification of the certification group under one group forest management certificate.

NOTE 1: The term “Regional group forest certification” is equivalent to the term “group forest certification” used in **chapters 5, 6 and 7**.

Participant

A forest owner/manager covered by the group forest management certificate, who has the ability to implement the requirements of the sustainable forest management standard in a certified area, and other actors affecting compliance with the sustainable forest management requirements and enabling implementation of the group certification.

NOTE 1: The term “ability to implement the requirements of the sustainable forest management standard” refers to a long-term legal right, tenure right or traditional or customary tenure rights to manage the forest.

NOTE 2: “Other actors”, such as entrepreneurs or forest industry procuring raw material (see **Diagram 1, categories B, C and D**) do not have long-term rights to manage the forest, but their activities and responsibilities regarding the certified area have a direct impact on compliance with the SFM requirements. The participation of “other actors” in group forest certification does not allow those entities to sell raw material as PEFC certified without a valid PEFC chain of custody certification.

4. Context and general principles of regional and group forest certification

4.1 Forests cover 23 million hectares which represents about $\frac{3}{4}$ of the total area of Finland.

According to the most recent inventory data, the total growing stock of Finnish forests is about 2,500 million cubic metres, and the annual increment is 108 million cubic metres. In the past hundred years the volume of the growing stock has doubled, thanks to the increment increasing by clearly more than fellings.

In addition to increment and growing stock, Finnish statistics contain detailed data on the amount of timber harvested. In the 2010s, actual accumulated fellings of stemwood were about 60–70 million cubic metres per year. The increment of Finnish forests exceeds fellings and natural drain by about 20 million cubic metres.

Finnish forests are important for protecting biodiversity, water protection, mitigation of negative effects of climate change as well as for their economic and social contribution to society.

Private forest owners, ordinary families, own 60 percent of the forest land and 70 percent of forest growth. They deliver about 80 percent of the domestic wood supply to the industry.

The state forests, managed by Metsähallitus, cover a quarter of the forest land, but the state accounts for only one tenth of the fellings.

Forest companies own just under ten percent of forest land, and their share of fellings is about the same. Local authorities, church parishes, foundations and forest collectives own the rest, or about five percent of the forest land.

NOTE 1: More information about the Finnish forestry and its economic, ecological and social aspects is included in the PEFC FI 1002 standard.

4.2 Implementation of the (regional) group certification in Finland is based on the following principles:

- **Voluntariness:** participation of forest owners/managers as well as other actors in (regional) group certification is voluntary.
- **Openness:** participation in (regional) group certification is open to all forest owners/managers regardless of the size of holdings or type of ownership, management objectives or management intensity.
- **Efficiency:** especially regional group certification is a cost-efficient model of certification and promotes effectively the sustainable management and use of forests on areas.
- **Use of existing data:** (regional) group certification allows the use of information collected and analysed within existing programmes and initiatives.
- **Collaboration:** in (regional) group certification participants including forest owners, forest management associations, forest industry companies, wood procurement organisations, forest entrepreneurs work together to promote the sustainable management and use of forests.

4.3 Regional group forest certification and group forest certification are approaches that address the specific conditions of the Finnish forestry sector and allow the certification of a number of participants under one forest management certificate.

4.4 Regional group forest certification is a type of group forest certification that is established for a specified geographical region. The boundaries of the regions take into account the administrative boundaries as well as the availability of forest-related data.

The participants in regional group forest certification are not only forest owners or other entities making forest management decisions, but also bodies that can affect the implementation of forest management, such as forest management associations, forest industry companies, and other wood procurement organisations, entrepreneurs providing harvesting, logistics and forestry services, associations of employees and workers and other organisations promoting forest certification.

Collaboration between the participating bodies benefits regional group certification to promote sustainable forest management.

4.5 Regional and group forest certification allows the demonstration of compliance with sustainable forest management requirements at the level of individual forest holdings, but also at the level of the (regional) certification group.

The requirements of the forest management standard PEFC FI 1002 shall be complied with by the whole group as set out in this standard. The (regional) group forest certification can use material available from different data sources and systems.

5. Organisational aspects

5.1 Regional group entity

5.1.1 General requirements

5.1.1.1 A regional group entity shall be established as a legal entity to manage and represent a regional certification group.

5.1.1.2 The regional group entity shall define the geographical boundaries for regional group forest certification.

5.1.2 Regional certification committee

5.1.2.1 The regional group entity shall establish a regional certification committee that comprises representatives of participants in the regional certification group (5.2) and shall nominate a chairperson for the committee.

5.1.2.2 The regional certification committee is responsible for tasks assigned by the regional group entity, in particular:

- a) Commitment to regional group management and procedures (6.2);
- b) Consideration of results of management review (6.7.1);
- c) Consideration of results of complaints resolution (6.5.3);
- d) Promotion of implementation of the PEFC certification system.

5.1.2.3 To perform its tasks, the regional certification committee:

- a) chooses among itself a vice-chairperson and a secretary for the period of one year at a time;
- b) convenes at least twice a year upon receiving an invitation from the chairperson or the vice-chairperson not later than seven days in advance, in accordance with procedures approved by the committee;
- c) has a quorum when at least half of the members of the committee, in addition to the chairperson or vice-chairperson are present at the meeting;
- d) adopts decisions on the basis of a consensus;
- e) may invite experts, who shall have the right to attend meetings.

5.1.2.4 The regional certification committee meetings shall be documented in minutes that are signed by the chairperson and secretary of the meeting.

5.2 Participants in regional certification group

5.2.1 The following entities may participate in a regional certification group:

- a) Forest owners / managers (such as private forest owners, municipalities, parishes, forest collectives, Metsähallitus - state forest administration, companies and other entities holding forest ownership rights);
- b) Wood buyers, including wood procurement and forest industry companies;
- c) Entrepreneurs providing harvesting, logistics and forestry services;
- d) Other organisations having interests in forest management and promoting forest certification (such as associations of employees and workers and users of non-wood forest goods and services).

5.2.2 Forest owners / managers (5.2.1a) can participate in regional group certification either:

- a) Directly via submission of a document of admittance (A1); or
- b) via membership in forest management associations, or via a document of admittance (A2) submitted by forest industry companies or other organisations representing forest owners on contractual basis.

5.2.3 The regional group entity may authorise an organisation representing forest owners / managers in regional group certification (5.2.2b) to keep records of the forest owners / managers participating in regional group certification through this organisation.

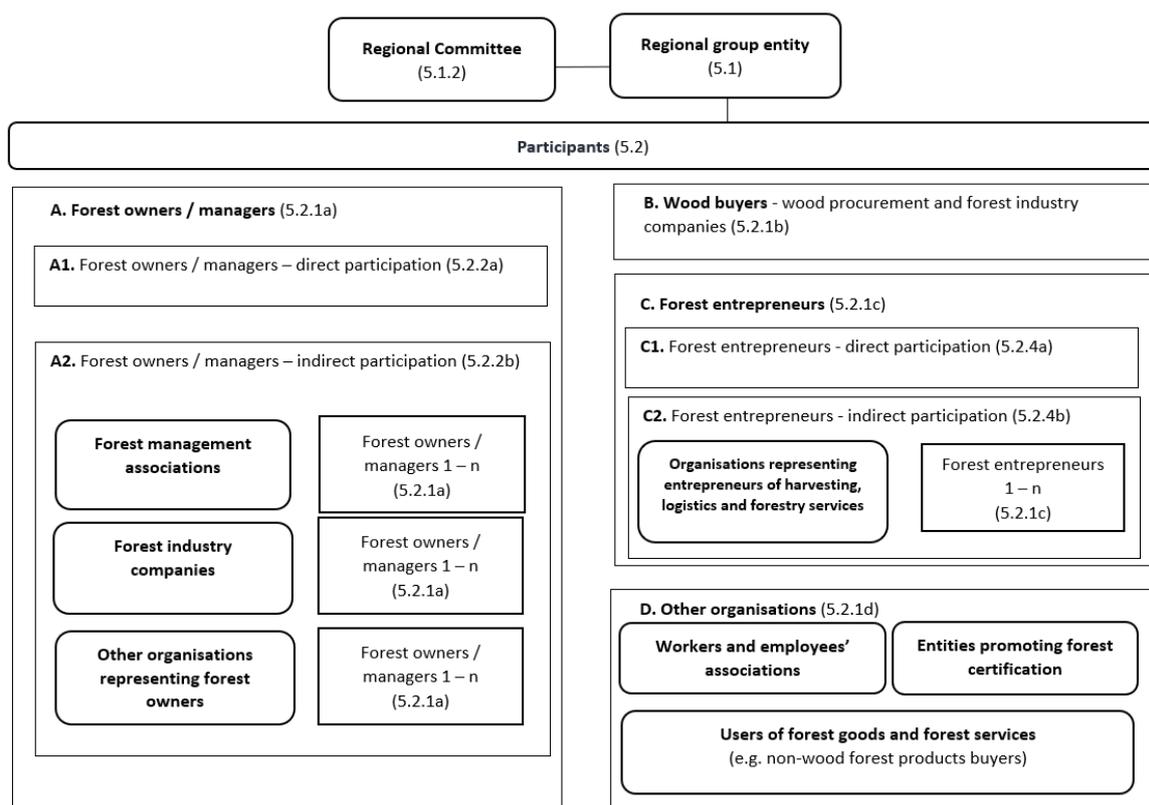
5.2.4 Entrepreneurs (5.2.1c) can participate in regional group certification either:

- a) directly via submission of a document of admittance (C1); or
- b) via membership in forestry-related associations of entrepreneurs or via a document of admittance (C2) submitted by another entity representing that entrepreneur.

5.2.5 The group entity may authorise an organisation representing entrepreneurs in regional group forest certification (5.2.4 b) to keep records of the entrepreneurs participating in regional group certification through this organisation.

5.2.6 The participation of organisations representing forest owners / managers (5.2.2b), wood buyers (5.2.1b), entrepreneurs (5.2.1c) and other organisations (5.2.1d) shall not be used as justification for the organisations to sell forest-based products as PEFC certified. For this purpose, such organisations shall have a valid PEFC chain of custody certificate based on the PEFC ST 2002 standard.

Diagram 1. Organisation of regional certification group.



6. Requirements for regional group entity

6.1 General requirements

6.1.1 The regional group entity shall have an overall responsibility for the implementation of the requirements of this document and for the participants’ compliance with the requirements for sustainable forest management defined in the PEFC FI 1002 standard.

For this purpose, the regional group entity shall establish a management system that covers its own processes and participation of all participants. The regional group entity shall plan its activities, including changes to the management system.

6.1.2 The regional group entity shall demonstrate compliance with the requirements for sustainable forest management that are defined in the PEFC FI 1002 standard, as regards both the certificate holder and the regional level. The regional group entity shall plan and implement activities for monitoring, and review compliance with the relevant requirements, their objectives and thresholds.

6.1.3 The regional group entity shall continuously improve the suitability, adequacy and effectiveness of its activities and the sustainable management of the forests of the regional certification group.

6.1.4 The regional group entity shall represent the participants of the regional certification group in the certification process, shall be responsible for communication and contacts

with the certification body, for the application for certification and for concluding an agreement for the provision of certification services.

6.1.5 Where the regional group entity also trades in forest-based material originating in forests not covered by its regional group certification, it shall have in place a certified chain of custody in accordance with the PEFC ST 2002 standard.

6.1.6 The regional group entity shall submit the following information to PEFC Finland for publishing:

- a) without delay, information on the issuance of the certificate, any changes in its validity period and on its eventual withdrawal;
- b) contact information of the person responsible for responding to enquiries concerning certification and eventual complaints;
- c) annually, up-to-date information on the certified area; and
- d) annually, a report on the results of an external audit, including documented non-conformities due to activities incompliant with the certification requirements.

6.1.7 The regional group entity shall submit to PEFC Finland information about cases where a participant, through incompliant activity, caused a non-conformity with the forest management standard (PEFC FI 1002).

NOTE 1: PEFC Finland provides information on the non-conformity in order to be addressed in any other forest management certification that covers the respective participant.

6.1.8 The regional group entity shall submit a description of the regional group's management procedures to PEFC Finland.

6.2 Commitment and policy

6.2.1 The regional group entity shall provide, as part of the certification group's policy or separately, a written commitment:

- a) to comply with the certification requirements, i.e. requirements of the sustainable forest management standard (PEFC FI 1002) and requirements for regional group certification (PEFC FI 1001);
- b) to establish and continuously improve a management system, so as to ensure the consistent and compliant implementation of the certification requirements across the whole regional certification group;
- c) to continuously support the improvement of the sustainable management of forests covered by the regional group certification.

NOTE 1: The commitment made by the regional group entity on behalf of the whole regional group organisation satisfies the requirement for commitment required in the PEFC FI 1002 standard.

6.2.2 The written commitment (6.2.1) shall be publicly available.

6.3 Management of participation

6.3.1 Participation in the regional certification group shall be based on a written agreement between the regional group entity and the participant.

NOTE 1: A document of admittance submitted by the participant together with a written confirmation on participation issued by the regional group entity correspond to the written agreement mentioned above.

6.3.2 The regional group entity shall establish written procedures for the management of the participant's membership, that shall cover:

- a) making the document of admittance to the regional certification group publicly available;
- b) receiving, evaluating and registering the documents of admittance received from potential participants. The evaluation of the document of admittance shall cover at least the verification of the participant's contact details and clear identification of the enrolled forest holding(s) and forest area;
- c) Making available a confirmation on participation in regional group certification;
- d) Suspension and exclusion of participants from the regional group certification owing to persistent and significant non-conformity with the certification requirements. Participants excluded from group certification shall not be re-admitted within 12 months after exclusion. They shall be internally audited by the regional group entity before re-admittance to regional group certification; the internal audit shall not take place earlier than 12 months after the exclusion.

6.3.3 The document of admittance shall include:

- a) Participant's contact details, identification of enrolled forests holding(s) and forest area.
- b) Explicit commitment of the potential participant to comply with the certification requirements, i.e. the forest management standard (PEFC FI 1002) and the requirements for regional group certification (PEFC FI 1001);
- c) Statement authorizing the regional group entity to implement requirements of the regional group certification (PEFC FI 1001) with respect to the participant, to implement and enforce any corrective actions, and to initiate suspension or exclusion of the participant from the regional certification group;
- d) Confidentiality and data usage clause allowing the regional group entity to use information received by it within the certification process as specified by the certification scheme. The confidentiality and data usage clause shall comply with the GDPR regulation in force.

NOTE 1: For documents of admittance submitted by forest owners' associations, forest industry companies or forest service companies (**5.2.2b**), the document covers all forest

owners represented in regional group certification by the respective organisation submitting the document.

6.4 Resources

6.4.1 The regional group entity shall provide sufficient resources, personnel and material, required for the implementation, maintenance and continuous improvement of the regional group certification.

6.4.2 The regional group entity shall ensure that the personnel conducting its tasks has sufficient competencies and knowledge.

NOTE 1: Competencies of internal auditors are defined in chapter **6.6.3.1.5**.

6.5 Communication and complaints resolution

6.5.1 Stakeholder mapping

6.5.1.1 The regional group entity shall identify affected stakeholders that are relevant to sustainable forest management and the regional group certification, and their relevant expectations.

NOTE 1: The requirements for stakeholder mapping are identical with the requirements for certificate holders in the PEFC FI 1002 standard and are implemented by the regional group entity on behalf of the whole regional group

6.5.2 Communication

6.5.2.1 The regional group entity shall communicate the following information and guidance to the participants and provide them with access to the relevant documentation:

- a) Regional certification group commitment or policy (**6.2**);
- b) Relevant standards of the PEFC Finland scheme, in particular the PEFC FI 1001 and PEFC FI 1002 standards and any guidelines on compliance with the requirements for forest management;
- c) Document of admittance form and terms and conditions of participation in the regional certification group
- d) Participants' contribution to performance and effectiveness of the regional certification group and benefits for sustainable forest management;
- e) Description of an internal monitoring and auditing programme and the external auditing conducted by the certification body, including necessary access to the participant's forest and implications of non-conformities found;
- f) Issuance of a regional group certificate, any changes in its validity and eventual withdrawal of the certificate; and
- g) Findings of external audits.

6.5.2.2 The regional group entity shall undertake internal and external communication and stakeholder consultation, including the identification of relevant topics to be communicated and the appropriate time for doing this, target groups and channels of communication.

External communication and stakeholder consultation shall cover local communities, indigenous people and other stakeholders related to sustainable forest management.

NOTE 1: The requirements for communication are identical with the requirements for certificate holders in the PEFC FI 1002 standard and are implemented by the regional group entity on behalf of the whole regional group.

6.5.3 Complaints resolution

6.5.3.1 The regional group entity shall establish a complaints and appeal resolution mechanism dealing with complaints and appeals relating to the implementation of the requirements for the group certification (PEFC FI 1001) and for sustainable forest management (PEFC FI 1002).

The mechanism shall provide for:

- a) acknowledgement of reception of the complaint/appeal to the complainant/appellant;
- b) gathering and verification of all necessary information, validation and impartial evaluation of the complaint/appeal and making a decision on the complaint/appeal;
- c) formal communication of the decision on the complaint/appeal and the complaint/appeal handling process to the complainant/appellant and concerned parties;
- d) appropriate corrective and preventive measures;
- e) accessible contact point for the complaints and appeals.

NOTE 1: The requirements for complaints resolution are identical with the requirements for certificate holders in the PEFC FI 1002 standard and are implemented by the regional group entity on behalf of the whole regional group.

6.6 Internal monitoring and auditing

6.6.1 Scope, objectives and organisation of internal monitoring and auditing

6.6.1.1 The regional group entity shall conduct at least the following internal monitoring and auditing activities concerning the compliance of the whole regional group (covering all its participants) with the certification requirements, i.e. the forest management standard (PEFC FI 1002) and the requirements for group certification (PEFC FI 1001):

- a) Evaluation of the document of admittance (**6.3.1**);
- b) Evaluation of information from external parties (**6.6.2**);
- c) Internal audit programme (**6.6.3**);
- d) Complaints resolution mechanism (**6.5.3**).

6.6.2 Evaluation of information from external parties

6.6.2.1 The group entity shall collect and evaluate information submitted by external parties on the performance of the regional group and its participants' as regards the certification requirements.

NOTE 1: External bodies refer to organisations not enrolled in the group certification as the participants but who provide information and evidence on the group's and its participants' performance, such as forestry extension organisations, the Finnish Forestry Centre, other government authorities and agencies with focus on the forestry sector, and trade unions.

6.6.3 Internal audit programme

6.6.3.1 Scope and organisation of internal audit programme

6.6.3.1.1 The internal audit programme shall be planned and implemented on an annual basis. The internal audit programme includes two parts:

- a) **Part 1:** Internal audit of the regional group management system, covering:
- i. Regional group entity's compliance with requirements for the regional group certification (PEFC FI 1001) as well as with its own procedures;
 - ii. Participants and external service providers that are authorized by the regional group entity to conduct internal audits of forest operations (**Part 2**)

NOTE 1: Participants that conduct internal audits (**Part 2**) can be representatives of forest owners in the regional group certification, wood buyers and representatives of entrepreneurs.

- b) **Part 2:** Internal audit of forestry operations in the certified area, covering conformity with the sustainable forest management standard (PEFC FI 1002). The forestry operations shall be audited on a sample basis.

6.6.3.1.2 The internal audit programme shall:

- a) define criteria and scope for each audit;
- b) cover both evaluation of documented information as well as on-site performance, as appropriate;
- c) ensure that internal auditors conducting the internal audits are objective and impartial towards the audit object;
- d) ensure that results of internal audits are recorded in an internal audit report and submitted to the group entity for review.

6.6.3.1.3 Part 1 and Part 2 of the internal audit programme may be performed as on-site or remote audits.

Remote audits may only be performed in cases where:

- a) Audit criteria allow remote evaluation;
- b) Evidence may be presented remotely without risk of its authenticity, reliability and representativeness;
- c) The evaluation is supported by reliable audit techniques.

6.6.3.1.4 Where sampling is allowed, selection of participants to the sample shall:

- a) be at least from 25 % random;
- b) consider risks based on results of the following evaluations, including:
 - i. previous external and internal audits;
 - ii. information from external parties (**6.6.2**);
 - iii. complaints procedures (**6.5.3**).

6.6.3.1.5 The group entity shall ensure that the internal auditors have sufficient competencies and knowledge related to the forest management standard (PEFC FI 1002), the requirements for regional group certification (PEFC FI 1001) and the regional group entity's own procedures for the internal audit programme.

6.6.3.2 Part 1 internal audits

6.6.3.2.1 Part 1 internal audits are planned and conducted by the regional group entity.

6.6.3.2.2 The annual Part 1 internal audit shall always include the activities of the regional group entity.

6.6.3.2.3 The minimum sample of participants included in **Part 1** internal audits shall be the square root of the number of participants / external service providers that conduct **Part 2** internal audits under the authority of the regional group entity.

The size of the annual sample may be adapted based on the following criteria:

- a) findings of previous external and internal audits;
- b) results of evaluation of information from external parties (**6.6.2**);
- c) results of the complaints resolution procedures (**6.5.3**).

The reduction of the sample on justified grounds shall not exceed 30.

6.6.3.2.4 The sample according to **6.6.3.2.3** shall include all participant categories covered by the scope of the **Part 1** internal audit (**Figure 1: A.2, B, and C.2**).

6.6.3.3 Part 2 internal audits

6.6.3.3.1 The **Part 2** internal audits (**6.6.3.1.1b**) shall be planned by the regional group entity and conducted by:

- a) the regional group entity itself and/or

- b) participants representing forest owners (**A.2**), wood buyers (**B**) and organisations representing forest entrepreneurs (**C.2**), and/or
- c) another organisation authorized by the regional group entity (external service provider).

6.6.3.3.2 The regional group entity shall define an annual sample of forestry operations carried out in the certified area.

The minimum sample of forestry operations included in **Part 2** internal audits shall be the square root of the number of forest owners participating in regional group certification (**5.2.1 a**), both directly (**A.1**) and indirectly (**A.2**).

The size of the annual sample may be adapted based on the following criteria:

- a) findings of previous external and internal audits;
- b) results of evaluation of information from external parties (**6.6.2**);
- c) results of the complaints resolution procedures (**6.5.3**).

The reduction of the sample on justified grounds shall not exceed 30%.

6.6.3.3.3 The **Part 2** internal audit sample (**6.6.3.3.2**) shall be distributed to sample categories. Both the sample categories as well as a percentage of the audits in each sample category shall be specified by the regional group entity based on an impact assessment.

NOTE 1: **Annex A** provides an example of guidance for determination of sample categories and the impact assessment methodology.

6.6.3.3.4 The regional group entity shall allocate the audit sample to the following entities conducting the internal audits (**6.6.3.3.1**) taking into account the representativeness of operations in the certified area as well as their geographical distribution:

- a) Regional group entity itself;
- b) Participants representing forest owners (**A.2**);
- c) Wood buyers (**B**);
- d) Participants representing entrepreneurs (**C.2**);
- e) Other entities authorised by the regional group entity.

The regional group entity shall collect summary results of **Part 2** internal audits (**6.6.3.3.4 b-e**) including information on any non-conformity found.

6.6.3.3.5 **Part 2** internal audits shall cover assessment of compliance with sustainable forest management requirements (PEFC FI 1002) relevant to the forestry operations audited in the certified area.

NOTE 1: An overview of sustainable forest management requirements (PEFC FI 1002) applicable to individual forestry operations is shown in **Annex B**.

6.7 Review and management of non-conformities

6.7.1 Review

6.7.1.1 The regional group entity shall conduct an annual review, including at least:

- a) Status of actions arising out of previous reviews;
- b) Status of conformity with the certification requirements and performance of the certification group, including results of internal monitoring and audit programme and the certification body's external audit(s);
- c) Status of identified non-conformities and implementation of corrective actions;
- d) Opportunities for continuous improvement.

6.7.1.2 The outcomes of the review shall include decisions related to the continual improvement opportunities and any need for changes in the regional certification group's management system.

6.7.2 Management of non-conformities

6.7.2.1 The regional group entity shall react to non-conformities and their consequences identified in the internal monitoring and auditing programme (6.6), external audits conducted by the certification body and non-conformities reported by PEFC Finland that occurred in another PEFC certification and relevant to the certification group.

The regional group entity shall:

- a) Identify causes of the non-conformities and their consequences, including similar occurrences within the regional certification group;
- b) Define and ensure implementation of any corrective action needed;
- c) Review implementation of any corrective action needed and its effectiveness;
- d) Make changes to the regional certification group's management system, if necessary.

6.8 Documented information

6.8.1 The regional group entity shall ensure that documented information relevant to the regional certification group and its compliance with certification requirements is up to date; available and suitable for use, where and when it is needed; and adequately protected against loss of confidentiality, improper loss, or loss of integrity.

6.8.2 The regional group entity shall retain the following documented information:

- a) Scope and boundaries of the certification group and its activities;
- b) Regional group entity's commitment (6.2);
- c) Procedures for the management of the regional certification group, including management of participation (6.3);
- d) Retain records relevant to the following activities conducted by the regional group entity:

- i. Participants, including their documents of admittance, contact details, identification of their forest holdings and their size(s);
- ii. Total certified area of the regional certification group;
- iii. Implementation of the internal monitoring and auditing (6.6);
- iv. Results of the review (6.7.1);
- v. Results of the management of non-conformities (6.7.2), including their nature, corrective actions and results of their implementation;
- vi. Management of complaints (6.5.3).

7. Requirements for participants

7.1 All participants in the regional certification group shall:

- a) Provide the regional group entity with a signed document of admittance;
- b) Comply with the relevant certification requirements, including requirements for sustainable forest management (PEFC FI 1002), requirements for regional group certification (PEFC FI 1001); and other relevant requirements set up by the certification scheme;
- c) Provide the regional group entity with information about any previous regional or group participation where other regional or group certification exists;
- d) Inform the group entity about identified non-conformities induced by the participant under other PEFC certification than the particular regional group certification;
- e) Provide full co-operation and assistance in responding effectively to all requests from the group entity, or certification body for relevant data, documentation of other information; allowing access to the forest and other facilities, whether in connection with audits or reviews or otherwise related to implications for the regional certification group;
- f) To implement relevant corrective and preventive actions established by the regional group entity.

7.2 The participants representing forest owners in the regional certification group (**A.2**) according to **5.2.2b** shall demonstrate that they have in place a system ensuring represented forest owners' compliance with the certification requirements, in particular it shall:

- a) inform all represented forest owners about the certification requirements and forest owners' responsibilities;
- b) conduct **Part 2** internal audits as assigned by the regional group entity, and take appropriate corrective and/or preventive actions where necessary;
- c) Provide the represented forest owners access to the confirmation on participation.;
- d) Keep a list of all represented forest owners, including areas of their forests under the regional group certification;

e) Provide the group entity with the total number of represented forest owners and their total certified area on an annual basis, as well as upon request and when changes occur.

7.3 The participants in the wood buyer category (**B**) and the participants representing forest entrepreneurs (**C.2**) shall conduct **Part 2** internal audits as assigned by the regional group entity, review the findings from this programme and take appropriate corrective and/or preventive actions where necessary.

8. Requirements for group certification

8.1 Chapter 8 includes requirements for group certification that is not organised as regional group certification.

8.2 The group organisation shall comply with all requirements in **chapters 5, 6 and 7**, following adaptations outlined in **Table 1**.

Table 1. Adaptation of requirements of **chapters 5, 6 and 7** for the purposes of the group certification (other than regional group certification)

Chapter	Topic	Modification
Chapters 5,6 and 7	"regional group..." vs. "group..."	"regional group entity", "regional certification group" and "regional group forest certification" shall be read as "group entity", "certification group" and "group forest certification"
5.1.1.2	Geographical boundaries of the group certification	Not applicable
5.1.2	Regional certification committee	Not applicable
5.2.6, Diagram 1	Participation of wood buyers (B), forest entrepreneurs (C) and other organisations (D)	Participation of wood buyers (B), forest entrepreneurs (C) and other organisations (D) is not allowed
6.6.3.1	Reference to participants (B) and (C.2)	Not applicable
6.6.3.2.4		
6.6.3.3.1		
6.6.3.3.4		
6.6.3.3.5		
7.3	Requirements for participants B and C.2	Not applicable

Annex A. Determination of the sample categories and their proportion in Part 2 internal audits.

Informative

A.1 Purpose of the Annex

The purpose of this Annex is to provide an example of determination of sample categories, impact criteria, methodology of impact assessment and finally determination of the percentage of the sample categories in **Part 2** internal audits.

NOTE 1: The term impact assessment is used here to identify impacts of the sample categories (sample category) on compliance with the SFM standard and the potential risk of non-compliance.

A.2 Determination of sample categories

The sample categories are defined as main forest operations conducted on certified area that have a significant impact on compliance with the sustainable forest management standard (PEFC FI 1002).

NOTE 1: Examples of sample categories of forestry operations are shown in Table 2.

A.3 Determination of impact criteria

The impact criteria are used to evaluate potential impact of sample categories (forestry operations) on compliance with the forest management standard (PEFC FI 1002).

The impact criteria can be defined as:

- a) general impact criteria that are focused on proportion of the sample categories (forest operations) in forest management, results of previous audits or information from external parties.
- b) impact criteria that are focused on impact of the sample categories (forest operations) on compliance with specific requirements of the forest management standard (PEFC FI 1002).

A.4 Impact assessment

Each impact criterion is evaluated for each sample category (forest operation). The impact assessment methodology is defined by the (regional) group entity, including determination of an impact scale ranging from low to high level (0 for no impact to 5 for high impact)

EXAMPLE 1: Impact criterion: Proportion of forestry operations. Sample category, Case Harvesting: Harvesting, including regeneration harvesting, intermediate harvesting and tending of young stands, represents in Finland the most frequent forestry operation, approximately __% (e.g. 70%) of all forestry operations conducted annually in Finland. Therefore, harvesting operations have the highest impact compared to other forestry operations on overall compliance with the SFM standard (PEFC FI 1002). ---- Impact assessment result: 5 (0 for no impact to 5 for high impact).

A.5 Percentage of sample categories in audits

The results of the impact assessments for each sample category (forestry operation) are then considered to determine the percentage allocated to each category in **Part 2** internal audits. The higher the overall impact of the sample category (forestry operation), the higher is its percentage in **Part 2** internal audits.

Table 2. Examples of sample categories of forestry operations.

Impact criteria	Sample categories (forestry operations)				
	Harvesting	Regeneration	Infrastructure maintenance	Employer obligations	Non-wood forest products
General impact criteria					
Proportion of all operations ¹					
Findings from previous audits (internal, external)					
Results of stakeholder consultation					
Compliance with legal requirements					
Impact criteria specific to PEFC FI 1002 standard²					
Forest resources / health	Combating root rot				
	Avoidance of harvesting damage				
	Tending of young stands				
	Energy wood harvesting				
Forest habitat / environment	Biodiversity: retention trees and decaying wood				
	Valuable natural sites				
	Water protection				
Social responsibility	Employer liability				
	Combating grey economy				
	Multi-use of forests				
	Sámi people and reindeer husbandry				
Total impact					
Percentage of sample categories in audits					
	%	%	%	%	%

¹ The larger the proportion of a forestry operation on all forestry activities, the larger its impact on compliance with SFM requirements (PEFC FI 1002)

² The higher the impact of forestry operations on the selected key areas of the SFM standard, the higher their impact on compliance with SFM requirements (PEFC FI 1002)

Annex B. Coverage of PEFC FI 1002 standard by internal audit programme.

Informative

B.1 Purpose of Annex

Annex B describes an example of how the requirements of the sustainable forest management standard are covered by the monitoring and internal audit activities of the (regional) group entity.

The Annex provides an input to the following activities of the (regional) group entity:

- a) Collection and analysis of data from external organisations;
- b) Determination of sample categories (forestry operations) for **Part 2** internal audits;
- c) Determination of scope and audit criteria for **Part 2** internal audits;
- d) Reporting and collection of findings of **Part 2** internal audits.

PEFC FI 1002 standard	Monitoring / Internal audits					
	Data collection and monitoring at the national, regional or group levels	Part 2 internal audits				
		Harvesting	Regeneration	Infrastructure maintenance	Employer obligations	Non-wood forest products
Forest use declaration (6.1)	•	•				
Forest resources data (6.2)	•					
Legal compliance (6.3)	•	•	•	•	•	
Best practice in contracting services (6.4)	•			•		
Sámi culture and livelihood (6.5)	•					
OSH and equal opportunities (6.6)	•			•		
Employer's obligations (6.7)	•			•		
Employee competence (7.2)	•			•		
Quality of forestry operations (7.3)		•	•			
Forest owner competences (7.4)	•					
Trees as carbon sink (8.1)	•					
Energy wood harvesting (8.2)		•				
Sustainable utilisation of non-wood products (8.3)		•			•	
Biodiversity sites and services (8.4)		•	•			
Tree and forest stand health (8.5)		•				
Tending of seedling stands (8.6)	•					
Regeneration with native tree species (8.7)			•			
Waste and litter (8.8)		•	•	•		
Plant protection products (8.9)			•			
Conservation areas (8.10)		•		•		
Habitats of special importance (8.11)		•		•		
Endangered species (8.12)		•		•		
Controlled burning for nature management (8.13)						
Retention and decaying trees (8.14)		•				
Silvicultural GMO material (8.15)	•					
Peatland biodiversity (8.16)		•		•		
Water protection (8.17)		•		•		
Ground water protection (8.18)		•				
Everyman's rights (8.19)	•					
Archaeological sites (8.20)		•		•		
Reindeer husbandry (8.21)	•					
Children's knowledge of forestry (8.22)	•					