

<i>Normative Document</i> Group certification	PEFC BG ST 1003:
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Bulgarian forest certification scheme

Group forest management certification – Requirements



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Contents

Introduction	1
1. Scope.....	2
2. Normative references.....	2
3. Terms and definitions	2
4. Functions and responsibilities.....	4
<i>4.1 General</i>	4
<i>4.2. Functions and responsibilities of the group entity</i>	4
<i>4.3 Function and responsibilities of participants</i>	6
<i>4.4. Agreement for participation in group certification</i>	6
<i>4.5. Management of documents</i>	7
<i>4.6. Internal audit</i>	8
<i>4.7. Termination and withdrawal of the Agreement for participation in the group certification and the corresponding certificate</i>	9
5. Cancellation of agreement for participation in a group certification.....	8
<i>ANNEX 1</i> Guidance for handling observations and deviations from PEFC Bulgaria	10
<i>Annex 2I</i> Illustrations for keeping documents in archive	12

Introduction

This document is part of the Bulgarian forest certification scheme according to the PEFC framework requirements.

Group certification is aimed mainly at small forest property owners. The limited financial income of small forest owners, periodicity of their management activities and revenues, limited access to information and knowledge as well as limitations relating to their conformity with some of the criteria for sustainable forest management which cannot be achieved on small forest areas, represents significant barriers for forest certification.

Group certification is an alternative approach to forest certification which allows forest owners to become certified under one certificate and share financial obligations arising from forest certification as well as common responsibility for forest management. This approach aims at improving information dissemination and cooperation in forest management amongst individual forest owners.

The requirements described in this standard are compulsory for the group entity who are responsible for implementing the group certification according to the requirements of the Sustainable forest management standard. This approach also aims at improving information dissemination and co-operation in forest management amongst individual forest owners.

1. Scope

This document defines the general requirements for forest certification schemes which include group forest management certification and allow the certification of a number of forest owners / managers under one certificate. Group forest management certification requires establishing a certain management structure that includes the individual forest owners/managers. This Entity, such an enterprise with many forestry branches / association / cooperatives, represents the individual owners/managers in forest certification in order to ensure the correct implementation of a sustainable forest management standard and provide a sufficient level of confidence in sampling based certification activities.

Note: The term "group certification" is equivalent to the terms "regional certification" or other terms chosen by individual forest certification schemes where a number of individual forest owners are certified under one certificate.

2. Normative references

The following documents are indispensable for the application of this document. For both, dated and undated references, the latest edition of the referenced document (including any amendment) applies:

- PEFC BG ST 1002: *Bulgarian PEFC standard for SFM*
- PEFC BG 1002-1: *Bulgarian Criteria & Indicators for SFM – Operational level Guide*

3. Terms and definitions

For the purposes of this document the terms and definitions given in ISO/IEC Guide 2:1996 apply together with the following definitions.

3.1. Certified area:

The forest area covered by a group forest certificate representing the sum of forest areas of the participants.

3.2. Participant

Forest owner/manager or other entity covered by the **group forest certificate**, who has the legal right to manage the forest in a clearly defined forest area and the ability to implement the requirements of the sustainable forest management standard in that area.

The term "participant" may also include forest associations, forest cooperatives and territorial units of the state forest enterprises.

Note 1: The relationship between the terms "group organisation", "group entity" and "participant" is shown in Figure 1.

Note 2: The term "ability to implement the requirements of the sustainable forest management standard" requires the entity to have a long-term legal right to manage the forest and would disqualify one-off contractors from becoming participants in group certification.

3.3. Group entity

An entity that represents the **participants**, with overall responsibility for the conformity of forest management on the **certified area** to the sustainable forest management standard and other applicable requirements of the forest certification scheme.

Note 1: The term "group entity" is equivalent to the terms, "regional / group applicant", "State forestry enterprise", "Association of Owners", "Forestry Cooperative" (different types according to their registration), a company under the Commercial Law or the Obligations and Contracts Law etc.

Note 2: The relationship between the terms "group organisation", "group entity" and "participant" is shown in Figure 1.

3.4. Group Organization

A group of **participants** represented by the **group entity** for the purposes of implementation of the sustainable forest management standard and its certification.

Note 1: The term "group organization" is equivalent to the terms "region" or other terms, chosen by the Bulgarian forest certification scheme and complying with the content of its definition.

Note 2: The relationship between the terms "group organisation", "group entity" and "participant" is shown in Figure 1.

3.5. Group forest certification

Certification of the **group organization** under **one group forest certificate**.

Note: The term "group organization" is equivalent to the terms "regional forest certification" or other terms, chosen by the Bulgarian forest certification scheme and complying with the content of this definition. The term "regional forest certification" is to be understood as "group forest certification" limited by the geographical boundaries.

3.6. Group forest certificate:

A document confirming that the **group organization** (*Figure 1*) complies with the requirements of the sustainable forest management standard and other applicable requirements of the forest certification scheme.

A document that is issued to the group as a whole and as such may be withdrawn.

Note: The term "group forest certificate" is equivalent to the term "regional certificate" or other terms, chosen by the Bulgarian forest certification scheme and complying with the content of this definition.

3.7. Document confirming participation in group forest certification / Declaration of commitment

A document issued to an individual **participant** that refers to the **group forest certificate** and that confirms the **participant as** being covered by the scope of the **group forest certification**.

The document confirming participation in group forest certification is not a certificate attesting to compliance with the requirements for SFM.

4. Functions and responsibilities

4.1 General

- ~~1) In cases where a forest certification scheme allows an individual forest owner to be covered by additional group or individual forest management certifications, the non-conformity by the forest owner identified under one forest management certification is addressed in any other forest management certification that covers the forest owner.~~
- 1) In cases where a forest certification scheme allows an individual forest owner to participate in more group organizations, the scheme shall ensure that non-conformity of the forest owner identified in one group organization is addressed in any other group organization that the forest owner is participating.
- 2) The conformity of the participants with the sustainable forest management standard is centrally administered and is subject to central review and that all participants shall be subject to the internal monitoring programme.
- 3) An annual internal monitoring programme that provides sufficient confidence in the conformity of the whole group organisation (Figure 1) with the sustainable forest management standard was developed.

4.2. Functions and responsibilities of the group entity

The Bulgarian Forest Certification Scheme defines the following requirements for the Group entity in the process of the group forest certification.

- 1) To represent the group organisation in the certification process, including in communications and relationships with the certification body, submission of an application for certification, and contractual relationship with the certification body;
- 2) To provide a commitment on behalf of the whole group organisation to comply with the sustainable forest management standard and other applicable requirements of the forest certification scheme;
- 3) To establish written procedures for the management of the group organisation;
- 4) To keep records of:
 - a) the group entity and participants' conformity with the requirements of the sustainable forest management standard, and other applicable requirements of the forest certification scheme,
 - b) all participants, including their contact details, identification of their forest property and its/their size(s),
 - c) the certified area,
 - d) the implementation of an internal monitoring programme, its review and any preventive and/or corrective actions taken;
- 5) To establish connections with all participants based on a written agreement which shall include the participants' commitment to comply with the sustainable forest management standard. The group entity shall have a written contract or other written agreement with all participants covering the right of the group entity to implement and enforce any corrective or preventive measures, and to initiate the exclusion of any participant from the scope of certification in the event of non-conformity with the sustainable forest management standard;

Note: The requirements for "participant' commitment" and "written contract or other written agreement with all participants" can also be satisfied by the commitment of and written agreement of the forest owners/managers' association, where the association can demonstrate that it has a legal mandate to represent the participants and where its commitment and the terms and conditions of the contract are enforceable.

- 6) To provide participants with a document confirming participation in the group forest certification (according p.3.8, here above);
- 7) To provide all participants with information and guidance required for the effective implementation of the sustainable forest management standard and other applicable requirements of the Bulgarian forest certification scheme;

- 8) To operate an annual internal monitoring programme that provides for the evaluation of the participants' conformity with the certification requirements, and;
- 9) To operate a review of conformity with the sustainable forest management standard, that includes reviewing the results of the internal monitoring programme and the certification body's evaluations and surveillance; corrective and preventive measures if required; and the evaluation of the effectiveness of corrective actions taken
- 10) The group entity appoints a manager / leader who, on its behalf, will direct the implementation of activities 1 to 10, here in this section, as well as other resulting commitments of the group entity under this standard. The manager must possess the necessary forestry and managerial knowledge and skills according to the requirements of the Sustainable Forest Management Standard (BG 1002-1, Criteria 5.1, 5.2, 6.2, etc.).

4.3 Function and responsibilities of participants

~~Bulgarian forest certification scheme shall define the following requirements for the participants:~~

Bulgarian Forest Certification Scheme and specifically PEFC BG ST 1003 defines the following requirements:

- 1) To provide the group entity with a written agreement, including a commitment on conformity with the sustainable forest management standard and other applicable requirements of the forest certification scheme;

Note: The requirement for "written agreement" and participants' "commitment" is also satisfied by the written agreement of the forest owners/managers' association with the group entity, where the forest owners/managers' association can demonstrate that it has a legal mandate to represent the participants and where its commitment and the terms and conditions of the written agreement are enforceable.

- 2) To comply with the sustainable forest management standard and other applicable requirements of the forest certification scheme;
- 3) To provide full co-operation and assistance in responding effectively to all requests from the group entity or certification body for relevant data, documentation or other information; allowing access to the forest and other facilities, whether in connection with formal audits or reviews or otherwise;
- 4) To implement relevant corrective and preventive actions established by the group entity.

4.4. Agreement for participation in group certification

Each participant shall sign a written Agreement with the group entity which ensures that the SFM standard requirements are observed. The following conditions with reference to the Agreement should be met:

- 1) To be signed by the owner/manager or another authorized representative;
- 2) The Agreement is valid for minimum one and maximum five years
- 3) The group entity (appointed manager) has the right to exclude any participant for major deviations from the SFM standard
- 4) The Group entity (appointed manager) shall inform the certification bodies when participant of the Group, realizing major deviations from the SFM Standard.
- 5) The group entity (appointed manager) shall regularly collect information regarding forest management from each participant in regular intervals, minimum once a year

4.5. Management of documents

- (a) The group entity (appointed manager) shall implement an internal procedure for managing all documents:
 - archived documents can be easily located and accessed;
 - it can be reviewed, checked and approved by the responsible person (where applicable);
 - valid documents shall be available on all locations where operations essential to the effective functioning of the system are performed;
 - obsolete or invalid documents shall be promptly removed to prevent unintended and unwanted use.
- (b) The documents shall be archived and ready to use. The group entity shall introduce an internal procedure for forming, keeping and modifying various types of documents.
- (c) The group entity (appointed manager) shall introduce the following routines:
 - Coming into force of the group certification Agreement
 - Rulebook for collecting the necessary documentation
 - Procedures for cases of transfer of ownership
 - Termination of the Agreement for group membership
 - Collecting and reviewing remarks from external parties
 - Planning and conducting internal audit
 - Dealing with deviations and corrective activities
 - Collecting and archiving documents, including the register with issued confirmations for compliance with the SFM standard
 - Other procedures vital to the administration of the group certification.

4.6. Internal audit

- (a) The group entity (appointed manager) shall annually conduct an internal audit of the entire system of group certification. This shall include the fulfillment of requirements listed in this document as well as undertaking corrective and preventive measures.
- (b) The group entity shall carry out an internal audit of the group members for compliance with the SFM standard at least once a year.
- (c) Internal audit (monitoring) programme covers:
 - i. an evaluation of the participants' documents of admittance,
 - ii. an internal data collection,
 - iii. an evaluation of information from external parties relating to the certification group's and its members' compliance with the requirements,
 - iv. preventive and/or corrective measures and
 - v. handling of complaints/appeal.
- (d) Internal data collection:
 - i. is executed according to procedures defined by the applicant,
 - ii. covers the certification group and all its members,
 - iii. may include data collection executed by various actors,
 - iv. is based on sampling taking into account, among other things, forest ownership type, number of participants/members of the certification group, size of the participants' forest estates and their geographical distribution
 - v. is executed taking into account information from external parties and results of previous audits.
- (e) Internal data collection may be based on:
 - i. evaluation of management system, such as quality management system or environmental management system or other self-monitoring systems of the participant
 - ii. evaluation carried out by third parties,
 - iii. evaluation carried by forest service providers,
 - iv. evaluation carried out by associations representing their members (e.g. forest management associations) or other organisations representing participants on contract basis (e.g. forest service providers) in forest certification,

- v. evaluation of monitoring data of public authorities, including control authorities, and
 - vi. any other independent evaluation.
- (f) A Certification body submits the following information to the certification entity (appointed manager):
- i. standards and possible guidelines concerning compliance with the requirements for forest management or an access to standards and guidelines;
 - ii. terms and conditions of an agreement signed with a certification body concerning a right of the certification body and the accreditation body to have an access for auditing group members' activities and disclosure of information concerning members to third parties;
 - iii. a description of a program of internal monitoring and auditing;
 - iv. issuance of a certificate, potential changes in its validity and possible withdrawal of the certificate and results of an external audit.
- (g) The audit of group participants shall be conducted on a sample not smaller than the **square root of the number of participants in the group**. The following shall be taken into consideration: the different sizes of the forest properties, their geographical distribution, management/activities intensity, comments and remarks from previous audits, etc.

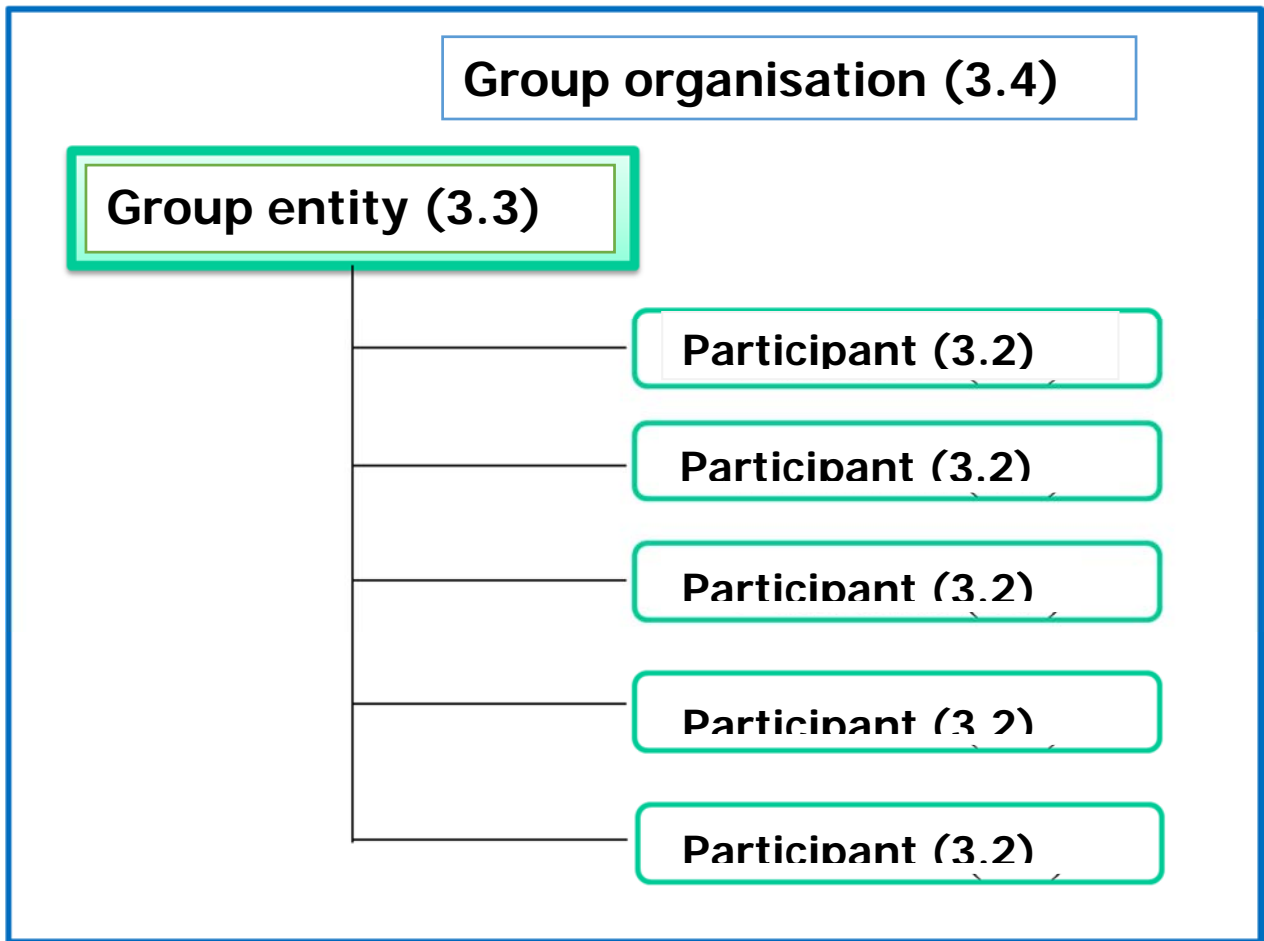
4.7. Termination and withdrawal of the Agreement for participation in the group certification and the corresponding certificate

- (a) The group entity has the right to take measures concerning the Agreement at any time in case of confirmed misuse, major deviation from SFM standard requirements or failure in implementing the suggested corrective activities. The group entity shall define procedure for termination and withdrawal of an agreement for participation in the group. It provides guidance to affected actors to address deviations from the SFM standard provisions is laid down in Annex 1 of the same Standard.
- (b) The Group participants shall be informed in writing about deviations and non-compliance with SFM requirements, including the possibility of terminating or withdrawing the agreement and also for the risk of the group certificate being revoked by certification body.
- (c) The group entity shall inform the certification body and Council for SFMCB/PEFC Bulgaria/ about the occurrence of significant structural changes, terminated or withdrawn agreements concerning the group organisation (Figure 1) within 10 calendar days. The group entity shall keep record of terminated or withdrawn agreements and certificates (of the group members) in its archive.

5. Cancellation of agreement for participation in a group certification

- (a) *Cancellation of agreement* - The participants in the group can at any time in writing terminate the agreement during the validity period. The termination is effective from the moment the group entity receives the written announcement.
- (b) *Appeals* - The participant in the group whose agreement has been terminated or withdrawn can file an appeal to the certification body with a request to annul the termination or withdrawal decision.

Figure 1: *Definition of the group organization*



Guidance for handling observations and deviations from PEFC Bulgaria SFM Standard

This document clarifies which actions should be taken towards group certification participants in the group when deviations from the SFM Standard requirements of the Council for SFM are observed.

Preconditions

Observations and deviations from the SFM standard requirements by the certified forest owners participating in a group certification shall be noted when conducting an internal or external audit.

No corrective actions can be demanded for deviations caused by circumstances not controlled by the forest owner e.g. actions from the group body, results from expropriation or military activities.

Guidance

Basically, it is necessary for the group body /appointed manager/ to keep in mind that forests are biological systems evolving very slowly and that forests are production sites being substituted only every 50-150 years.

Furthermore, the site-specific soil and climate conditions along with specific stand conditions are crucial to what actions may seem reasonable in silvicultural management.

The forest management shall be evaluated in the light of the following:

- The Council for SFMCB general requirements of the Standard for SFM
- The individual objectives defined for the forest

In the cases where the forest develops in a "wrong" direction, it shall be evaluated in a report, regardless whether this development can be explained with the current circumstances and whether the development is in a certain way acceptable.

The deviations and nonconformities shall be handled as follows:

Deviations

Deviations are with reference to the registered conditions of the forest which do not comply with the requirements of the SFM Standard, but do not deviate considerably or result in a significant risk of affecting the environment negatively. It should be evaluated whether the observed issues are reasonably substantiated in the special conditions of the forest. If this is not the case, the deviation is given to the participant in writing and it is included in the field report.

Observations can turn into nonconformity.

Minor nonconformities

Even a minor deviation implies that an indicator is evolving in a negative direction or that certain conditions in the management are in conflict with the SFM Standard in general or where earlier registered observations have not been dealt with in an adequate way. It should be evaluated whether the nonconformity is satisfactorily substantiated by specific conditions of the forest. Nonconformities shall be included in the field report. If the nonconformity cannot be substantiated by specific conditions, this is pointed out to the forest owner in writing and the owner in question receives a written command for correcting the nonconformity. The group entity / appointed manager may, depending on the character of the nonconformity, give a deadline for the corrective action, which must be set before the next field audit. The minor nonconformity will be upgraded to a major nonconformity if it is not followed up by corrective actions before the specified deadline.

Major nonconformity

A major nonconformity is a nonconformity where the group leader can point out a forest management which is violating the foundation and requirements of the SFM Standard or when earlier written commands for correction have not been followed up. The group entity / appointed manager cannot issue a SFM proof if a major nonconformity is pointed out and it is noted in relation to admission into a group and the conditions (Specificities) are not reasonably substantiated. Major nonconformity shall be included in the field report.

If the nonconformity is pointed out after the SFM proof has been issued, the group entity shall give the group participant a written injunction about a corrective action with a deadline within 3 months. If the deviation has been observed repeatedly, the group entity (appointed manager) shall suspend the SFM proof until the required corrective action has been executed.

If the corrective action has not been executed or the nonconformity is directly inconsistent with the SFM Standard, conditions for withdrawal of the certification consent and agreement exist. The participant in the group receives written communication about the presence of the conditions for withdrawing the agreement for participating in the group. The participant (owner of the forest/manager) is requested to explain the criticized circumstances within two months. If the explanation is considered unsatisfactory, the agreement for participation in the group is terminated.

Illustrations for keeping documents in archive

There are rules for keeping in archive all documents of importance for carrying out and maintaining the certification, internal control, handling nonconformities, denunciation and withdrawal of certificates.

The procedures for archiving document should fulfill reasonable security demands.

Type of Document:	Time of filling
Regulative documents of the group leader	5 years after passing or alteration
Register of certified group members	Current updating
Copies of agreements about PEFC certification	Current updating and 4 years after denunciation
Plans for internal and external audits	5 years
Documents for internal audit and monitoring	5 years from creating the document
Field reports of observed nonconformities and suggested corrective actions	5 years from creating the document
Decisions for withdrawing or termination of certificates	5 years from bringing the decision