

**Report on Comments placed on stakeholder forum STIP**  
 (opened for comments from 24 July 2019 till 22 August 2019)

**Introduction**

The stakeholder forum registered 22 reactions, of which 18 positive and 4 negative. The positive reactions notably stipulate the usefulness of STIP and the reduction in the administrative burden for the operators. This report will not elaborate on the positive reactions, as they will not influence the assessment. TPAC's responses to the negative comments indicate the way TPAC will deal with the comments in its final assessment.

**1. Comments NCIV**

Chain of Custody (CoC)	
<b>P 1. A Chain of Custody (CoC) must be in place from the forest unit of origin to the final point of sale, which provides a link between the certified material in the product or product line and certified forest units.</b>	
There is no link between the STIP certified product and the certified forest unit for which STIP is responsible and made an effort. STIP is taking advantage of other schemes (FSC and PEFC) that do have this link, take responsibility for it and invest in it. Therefore STIP does not fulfil this principle as it could not exist without the other schemes. Moreover, this harms the other schemes who make an investment in sustainable forest management, while STIP is profiting from it.	

**Response TPAC:**

The Committee for Appeal (College van Beroep, CvB) did not recognise the claim that a direct relation with the forest management must exist. Besides, STIP offers a wider supply window for certified wood that even could lead to the certification of an increased area of FSC and PEFC certified forests and their related Chain of Custody.

Development, Application and Management of certification systems (DAM)	
<b>Standard development</b>	<b>P 1. The process of standard development and the standard itself shall fulfil the requirements as established by international umbrella organisations (such as ISO and ISEAL).</b>
ISEAL requires consultation with stakeholders, but SHR does not even consult the most obvious stakeholders (FSC, PEFC and other NGO's) and therefore does not fulfil this principle. NCIV, for example, has a widely known track record with the Dutch timber procurement policy as it has been actively engaging with it since its inception phase, 2004 and onwards, but has never been consulted by SHR.	

**Response TPAC:**

The directive of the STIP Committee of Advice of Paragraph 6 reads:  
*..The final draft of a document will be placed on the SHR website for public consultation and interested parties are, whenever possible, being informed through direct mail. All reactions are being registered and will be discussed in the Committee of Advice ... ..(De uiteindelijke conceptversie van het desbetreffende document wordt voor de publieke consultatie op de website van SHR geplaatst en geïnteresseerde partijen worden daar waar mogelijk op de hoogte gebracht via een directe mail... Alle reacties worden bijgehouden en besproken met het College van Advies).*

STIP announced 21 February 2019 the following on its website:

*STIP has submitted her system again for approval to TPAC. (STIP heeft haar regeling opnieuw ter goedkeuring aangeboden bij de TPAC-commissie).*

*As a result of above mentioned critical comments and the judgement (of the CvB) the STIP standard has been adapted after consultation with STIP certificate holders, STIP supporters, parties from the sector. (Naar aanleiding van de eerder genoemde kritieken en de uitspraak zijn er na consultatie met de certificaathouders, STIP supporters en eerder genoemde branche partijen, enkele aanpassingen in de regeling gedaan).*

*In case you like to comment on the content of the STIP standard we would appreciate if you will use the contact template. (Mocht u op of aanmerkingen hebben op de inhoud van de regeling dan vernemen wij dat graag via het contactformulier). No reactions were received*

#### General comments

NCIV is member of FSC because FSC supports indigenous peoples by having created the Permanent Indigenous Peoples Committee as an advisory body to its international board and is currently in the process of establishing an Indigenous Foundation aiming to provide further support to indigenous peoples in protecting and sustainably managing their forests. Thereby FSC is making an important contribution to objectives which the Dutch government also prioritizes, such as fulfilling the SDG's and combatting the Climate Crisis. These investments by FSC will be jeopardized if STIP is taking over the CoC profits without contributing to these efforts of FSC. This goes against the whole purpose of the Dutch timber procurement policy which aims to promote and support sustainable forest management. STIP is achieving the opposite and should therefore not be part of the Dutch timber procurement policy.

#### Response TPAC:

Parties in the appeal procedure have stated: *STIP has no direct relation with worldwide sustainable Forest management. Therefor STIP does not contribute to sustainable forest management in practise. STIP heeft geen eigenstandige relatie met wereldwijd duurzaam bosbeheer. STIP voegt daardoor in de praktijk niets toe aan duurzaam bosbeheer (Beroepsgrond B)*

The CvB has considered:

20.2 *As in the former paragraphs has been considered, the duty of the CvB is, in relation to this, to investigate whether TPAC has taken into account all directives with her judgement of STIP. Zoals ook in het voorgaande reeds werd overwogen, dient het college in verband hiermee te onderzoeken of TPAC bij haar beoordeling van STIP alle voorschriften in acht heeft genomen die daartoe zijn gesteld.*

20.3 *Appeal ground B is beyond the scope of such investigation. In relation to this Appeal ground B has been rejected. Beroepsgrond B gaat een dergelijk onderzoek te buiten. In verband hiermee wordt deze beroepsgrond verworpen.*

The CvB has taken the position that Timber Procurement Assessment System (TPAS) does not require a direct relation with the forest management and implicitly that financial effects on certification systems such as FSC and PEFC are outside the scope of the judgement of TPAC.

More over the statement that *"investments by FSC will be jeopardized if STIP is taking over the CoC profits without contributing to these efforts of FSC"* is not substantiated by any proof. Statistical evidence should show if and in what way STIP certification has an financial effect on certification schemes such as FSC.

## 2. Comments FSC en PEFC

#### General comments

An appeal was filed against TPAC's former assessment of STIP. The Board of Appeal of TPAC decided (14th Jan 2019) that TPAC had wrongly approved STIP for the Dutch Procurement Policy. We expect that TPAC will not only report back at the end of the assessment procedure on how the forum comments are taken into account but also that TPAC shows that the outcome and each comment of their own Board of Appeal are taken into account in the current assessment of STIP.

STIP has no own relationship with sustainable forest management. Certification schemes FSC and PEFC invest a lot in forests to prevent deforestation, to protect ecological valuable areas, to improve working conditions, indigenous people's rights and biodiversity. These investments are done a.o. with the fee contributed by Chain of Custody

certified companies worldwide to these schemes. Since there is a clear relation between their standards for responsible forest management and Chain of Custody, they support the Dutch government's ambitions to procure sustainable and to promote sustainable forest management. The use of sustainably produced timber is an important success factor in the implementation of the Dutch Climate Agreement as forests capture and store CO2. Initiatives like STIP facilitate companies at the end of the Chain of Custody but make no direct effort to improve sustainable forest management. Although we recognize that STIP offers a practical solution regarding mixing PEFC and FSC at the end of the timber chain, we expect that TPAC not only assesses the technicalities of STIP, but also judges the contribution of STIP itself to the ambitions of the Dutch government regarding sustainable public procurement, climate SDGs impacts and last but not least promotion of sustainable forest management. TPAC itself states about their role that they "assess certification systems based on the Dutch Procurement Criteria for timber and to advise the State Secretary of Infrastructure and Environment on the outcome of the Assessments". TPAC defines a certification system as: "A legally registered system which has the objective to promote sustainable forest management through certification of forest management and of the associated chain of custody". Since STIP itself does not provide standards for responsible forest management, it should not be considered as a certification scheme as defined by the Dutch Government and because of her ambitions.

### Response TPAC:

FSC and PEFC point at the investments they make to promote sustainable forest management while STIP has no own relationship with sustainable forest management. Quote: *Initiatives like STIP facilitate companies at the end of the Chain of Custody but make no direct effort to improve sustainable forest management. Although we recognize that STIP offers a practical solution regarding mixing PEFC and FSC at the end of the timber chain, we expect that TPAC not only assesses the technicalities of STIP, but also judges the contribution of STIP itself to the ambitions of the Dutch government regarding sustainable public procurement, climate SDGs impacts and last but not least promotion of sustainable forest management.*

The CvB has taken the position that TPAS does not require a direct relation with the forest management and implicitly that financial effects on certification systems such as FSC and PEFC are outside the scope of the judgement of TPAC.

STIP certified operators claim to sell only wood originating for at least 70% from certified sustainably managed forests. They guarantee that the volume of wood from certified sustainably managed forests according to the claim has been put in the market. The claim refers to that volume.

Furthermore FSC and PEFC declare:

*Since STIP itself does not provide standards for responsible forest management, it should not be considered as a certification scheme as defined by the Dutch Government and because of her ambitions.*

The CvB has rejected the above statement as follows:

*The declaration is ready for rejection. The assessment of STIP took place in response to the request of the Ministry of Infrastructure and Environment. There is no reason why TPAC may not have implemented the request. Het primaire standpunt ligt voor verwerping gereed. De toetsing van STIP heeft plaatsgevonden ter uitvoering van een opdracht van het Ministerie van Infrastructuur en Milieu. Niet valt in te zien dat en waarom TPAC reeds op voorhand niet tot het uitvoeren van de opdracht had mogen overgaan.*

### 3. Reactie DuraCert

#### Chain of Custody (CoC)

**P 1. A Chain of Custody (CoC) must be in place from the forest unit of origin to the final point of sale, which provides a link between the certified material in the product or product line and certified forest units.**

Following the decision of the Board of Appeal, SHR amended the STIP regulation on this principle. It is now stated under §4.1.2 that there must be a stock register to guarantee administrative traceability. The STIP regulation should also require this for products that are not traded through a stock record. Various comments submitted by STIP-certified companies during this consultation (in general "STIP = less administrative burden") show that they are not fully aware of the need to keep records in order to safeguard the Chain of Custody.

**Logos and labels P 3. Logos and labels that belong to the certification system and occur on products and documents shall have an unambiguous meaning and shall be applied in accordance with the rules established by the certification system.**

Unfortunately, this form does not show any underlying criteria that the STIP scheme should meet. One of these criteria is: an "unambiguous description of the claim that the logos and labels represent, including the requirement to communicate the actual or minimum percentages of SFM (editorial: Sustainable Forest Management) certified- and postconsumer recycled material included in the product or product line" (criterion C3.1.b). The claim is prescribed in the STIP regulation under §4.3 as "STIP 100% uit verantwoord beheerde bossen / STIP 100%" and in §4.4 as "STIP" (which one is the real claim?). This does not include an actual or minimum percentage of sustainable wood. The claim "STIP" stands for "Sustainable Timber in Place" and is absolutely not a product claim. At most, it could be a purchase claim at company level if only the claims FSC 100% and 100% PEFC were allowed, after all: the wood in products with these claims is fully sustainably produced. STIP, on the other hand, also allows claims with a lower percentage of sustainably produced wood (e.g. FSC Mix 70% or 70% PEFC), where not all the wood is sustainably produced, but only partly controlled (at least legally). In other words, a product the claim STIP is not guaranteed 100% sustainable. It can contain at minimum 70% sustainable wood and maximum 30% controlled wood. Controlled wood is not sustainable, but only meets (at minimum) the criteria's about the legality of its origin. The STIP website provides an (apparently necessary) additional explanation about the meaning of the claim, demonstrating that the above is not in line with the requirement that the claim is "unambiguous" (Van Dale: subject to only one explanation; = clear).

A second criterion of the TPAC User manual is C3.3: "There is a clearly defined mechanism for controlling all claims made about the certified nature of products, which ensures that claims are clear and accurate and that action is taken to prevent any false or misleading claims". The term STIP stands for "Sustainable Timber in Place". In section 4.3 of the STIP regulation this is used in combination with the term "100% from responsibly managed forests". The TPAC Board of Appeal has made it clear in its ruling (article 22.6) that the word "responsible" should be read as "legal". The combination of the terms "sustainable", "100%" and "responsible (=legal)" is incorrect or at least misleading.

### Response TPAC:

Duracert claims that *various STIP certified companies are not fully aware of the need to keep records in order to safeguard the Chain of Custody*. This claim has not been substantiated.

As to TPAC the STIP standard version 3 Article 4.3 and 4.4 are clear about the administrative obligations for the company regarding the purchase and sale of the wood. As the purchase of wood is restricted to only certified material these obligations guarantee sufficiently a correct claim with the sale invoices.

Duracert points at 100% claims.

STIP certified operators claim to sell only wood originating for at least 70% from certified sustainable managed forests. They guarantee that the volume of wood from certified sustainably managed forests according to the claim has been put in the market. The claim refers to that volume.

### Development, Application and Management of certification systems (DAM)

<b>Standard development</b>	<b>P 1. The process of standard development and the standard itself shall fulfil the requirements as established by international umbrella organisations (such as ISO and ISEAL).</b>
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One underlying criterion is: "C 1.2. The standard development body comprises the relevant interested groups that serve the economic, social and environmental interests without undue dominance of one interest". SHR B.V. (owner of STIP) is a company with the legal form "private company" and is an abbreviation of "Stichting Houtresearch". It is not, as the word "stichting" (= foundation) suggests, an idealistic institution, but a for-profit company. When the standards were drawn up, there was insufficient or no consultation with the relevant groups with ecological or social interests. Therefore, there is an obvious dominance in the economic field. The above also applies to criteria C1.4. Another underlying criterion is: "C 1.5. The standard development procedure provides for public input during a reasonable period of time.". There was no public input at all; the standard was developed without the knowledge of the most important stakeholders FSC and PEFC. Even after the decision of the Board of Appeal, SHR rewrote the standard to version 3 on its own without any input from main stakeholders (such as FSC and PEFC).

<b>Certification bodies and procedures</b>	<b>P 4. Certification bodies shall be independent and shall be competent to assess sustainable forest management and the chain of custody system.</b>
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The main principle states that certification bodies shall be independent. Currently, 99% of all STIP-certified companies are certified by certification body SKH. Anyone who is somewhat familiar with the Dutch wood industry knows that SKH and SHR are closely linked. This is reflected in the joint location, the shared personnel and the same (sole) director. In addition, the two organisations are linked in a financial holding SKH/SHR Holding B.V. (<https://www.kvk.nl/orderstraat/product-kiezen/?kvknummer=592329270000>), which means that for the tax authorities it is one fiscal entity. The Board of Appeal also writes in its decision that it "has serious doubts about the independence of SKH and SHR in relation to each other" (Article 21.5). Unfortunately, they have adopted an incorrect argument of TPAC that an accreditation with the Council of Accreditation (RvA) sufficiently guarantees the

independence of SKH. SKH's accreditation concerns, among other things, the relationship between SKH and their certificate holders and not the relationship between SKH and SHR. It is therefore impossible to argue that SKH and SHR are independent of each other.

Concerning criterion C4.2: In the case of STIP, a sample of purchase invoices is used by the certification body to check whether only FSC or PEFC-certified timber has been purchased. A STIP-certified company could easily omit purchase invoices from its order records, without the auditor being able to find out. That is why a correct audit of a Chain of Custody system should always start with the sales invoices, after which a material balance and a traceability system at the administrative and physical level should make it possible to identify the related purchase invoices. Furthermore, the STIP regulation states that in the event of a shortcoming in, for example, chapters 1 to 4 (including the implementation of a Chain of Custody system), only a minor nonconformity will be written, with a follow-up period of one year. Even if this period is exceeded, there are no criteria described whereby the organisation should fix the nonconformity within the foreseeable future without being suspended (according to the scheme this is only possible in case of nonconformities within the sample of purchase invoices). In addition, repeated errors have no consequences for the certified status of a company.

### General comments

Although DuraCert welcomes the idea that companies are committed to purchasing only FSC® and PEFC certified wood, it is incomprehensible that these companies knowingly and deliberately damage the FSC and PEFC organisations at the same time. STIP does not require their certificate holders to be FSC and PEFC certified. If SHR were serious about sustainable forest management, STIP would have developed the scheme in close consultation with both labels FSC and PEFC and other relevant stakeholders rather than secretly behind their backs. We therefore call on STIP certificate holders to require SHR to ensure that the development of sustainable forest management worldwide is not damaged by their actions.

### Response TPAC:

Duracert points at the composition of the standard development committee and its independency. The CvB has given the benefit of the doubt concerning the relation between SHR and SKH, given the fact that SKH has been accredited. Nevertheless, TPAC has recommended to STIP to cut the link between SKH and SHR and to acquire accreditation for SHR.

Duracert states:

*When the standards were drawn up, there was insufficient or no consultation with the relevant groups with ecological or social interests. Therefore, there is an obvious dominance in the economic field. The above also applies to (TPAS) criterion C1.4. Even after the decision of the Board of Appeal, SHR rewrote the standard to version 3 on its own without any input from main stakeholders (such as FSC and PEFC).*

STIP announced 21 February 2019 the following on its website:

*STIP has submitted her system again for approval to TPAC. (STIP heeft haar regeling opnieuw ter goedkeuring aangeboden bij de TPAC-commissie).*

*As a result of above mentioned critical comments and the judgement (of the CvB) the STIP standard has been adapted after consultation with STIP certificate holders, STIP supporters, parties from the sector. (Naar aanleiding van de eerder genoemde kritieken en de uitspraak zijn er na consultatie met de certificaathouders, STIP supporters en eerder genoemde branche partijen, enkele aanpassingen in de regeling gedaan).*

*In case you like to comment on the content of the STIP standard we would appreciate if you will use the contact template. (Mocht u op of aanmerkingen hebben op de inhoud van de regeling dan vernemen wij dat graag via het contactformulier). No reactions were received.*

Furthermore Duracert argues:

*Another underlying (TPAS) criterion is: "C 1.5. The standard development procedure provides for public input during a reasonable period of time". There was no public input at all.*

TPAC has noted that the directive for the Committee of Advice mentions: *Public consultation lasts at least 60 days. "De publieke raadpleging bestaat uit tenminste 60 dagen".*

Considering the above procedures TPAC holds the opinion that STIP has provided sufficient opportunities for public input.

## 4. Ingenieursbureau Evan Buytendijk

### General comments

Het Stip bedrijfskeurmerk voorziet in een behoefte, namelijk om het voor het gecertificeerde bedrijf gemakkelijker te maken om aan te tonen dat men duurzaam hout gebruikt voor de producten die het bedrijf verkoopt. Hierbij wordt de administratieve last voor het Stip gecertificeerde bedrijf verlicht, wat tot gevolg heeft dat producten niet meer traceerbaar zijn tot de bron. Het is dus niet meer te traceren of grondstoffen afkomstig zijn uit FSC gecertificeerde bossen, uit PEFC gecertificeerde bossen, of dat producten afkomstig zijn uit een mix van gecertificeerde en gecontroleerde bronnen. De traceerbaarheid van producten is juist de basis van een Chain of Custody systeem. Het Stip keurmerk is een bedrijfskeurmerk en heeft geen boscertificeringssysteem, maar maakt gebruik van het boscertificeringssysteem van andere keurmerken zonder daar positief aan bij te dragen. Waar FSC en PEFC inkomsten genereren door het lidmaatschap van verwerkende bedrijven en dit omzetten in het behoud van de bossen en het verbeteren van de leefomstandigheden van de lokale bevolking en daarbij tegelijk tegemoet komen aan de doelstellingen van de Nederlandse overheid om duurzaamheid te bevorderen, doet Stip hier juist afbreuk aan doordat verwerkende bedrijven niet meer kiezen voor FSC en/of PEFC certificering en daarmee dus ook niet meer bijdragen aan het behoud van de bossen. Het argument dat door Stip de vraag naar gecertificeerd hout groeit is moeilijk te beargumenteren. 99% Van het naaldhout en 95% van het plaatmateriaal op de Nederlandse markt is reeds duurzaam FSC of PEFC gecertificeerd (cijfers VVNH 2018), terwijl deze aantallen beduidend lager liggen bij het (tropisch-) hardhout. Bij het naaldhout of plaatmateriaal is nauwelijks/geen groei meer mogelijk, terwijl het juist bij het hardhout van belang is dat bedrijven bijdragen aan een Chain of Custody systeem. Alleen daardoor kunnen bossen in (tropische) hout leverende landen, waar het belang van een boscertificeringssysteem groot is, overgaan op certificering. Het Stip keurmerk voegt hier op dit moment niets aan toe.

Ook over de wijze waarop het Stip keurmerk is vormgegeven roept vraagtekens op. Zo heeft er voorafgaand aan de lancering van het Stip keurmerk eind 2017 geen stakeholdersconsultatie plaatsgevonden bij belangrijke betrokkenen. Ook de huidige stakeholdersconsultatie is maar minimaal gecommuniceerd en vindt bovendien plaats gedurende de bouwvak, waardoor het erop lijkt dat Stip liever geen reflectie wenst te ontvangen. De onafhankelijkheid van de controlerende instantie SKH ten opzichte van de certificerende instantie SHR is op zijn minst discutabel, daar zij beide onder dezelfde holding vallen, op hetzelfde adres gevestigd zijn, dezelfde directeur hebben, enz. Voor zowel certificerende- als keurende instanties is het ontbreken van belangenverstrengeling, of de schijn ervan, van het hoogste belang. Voorts is de claim STIP 100% misleidend, omdat het insinueert dat het hier om 100% aantoonbaar gecertificeerd hout gaat, terwijl ook FSC en PEFC gecertificeerd hout met een mix-percentage tussen de 70% en 100% of een kredietstelsel als input toegelaten is. FSC en PEFC maken dit onderscheid in hun claims niet voor niets en duiden daarmee aan dat hout van gecertificeerde herkomst gemixt is met hout van gecontroleerde herkomst, dus FSC Controlled Wood of PEFC Controlled Sources. Wanneer verschillende percentages in de praktijk gemixt worden, wordt meestal gebruik gemaakt van het laagste percentage (= 70%) als verkoopclaim. Het Stip keurmerk claimt enerzijds FSC Controlled Wood en PEFC Controlled Sources niet toe te laten, maar staat daarentegen wel mix toe en claimt daarbij dat het hout 100% uit verantwoord beheerde bossen afkomstig is. Deze claim is niet correct.

Wij zijn voor marktwerking en juichen een praktisch systeem zeker toe. Op dit moment voldoet het Stip keurmerk hier in onze ogen nog niet aan, zorgt het juist voor meer verwarring en komt daarmee het imago van duurzaam gecertificeerd hout en houtproducten niet ten goede. Het Stip keurmerk zou dit kunnen verbeteren door de volgende punten door te voeren:

- Een eerlijke (financiële) bijdrage te leveren aan de bestaande boscertificeringssystemen waar het gebruik van maakt;
- Het loskoppelen van de relatie tussen certificerende instantie en controlerende instantie waarmee het alle (schijn van) belangenverstrengeling opheft, door alle controles bijvoorbeeld bij een derde partij onder te brengen en niet slechts bij 1 van de gecertificeerde bedrijven;
- Het ofwel stoppen met de 100% claim, of onderscheid maken in percentages, wat in de praktijk waarschijnlijk neer zal komen op een 70% claim.

Bovenstaande verbeterpunten zullen waarschijnlijk ook de transparantie verbeteren en draagvlak creëren. Als SKH of SHR dit wenst, dan staan wij open voor een vruchtbare discussie.

### Response TPAC:

Evan Buytendijk states: *STIP uses other forest certification systems without a positive contribution to these systems and sustainable forest management. (Het STIP keurmerk maakt gebruik van het boscertificeringssysteem van andere keurmerken zonder daar positief aan bij te dragen).*

The CvB has taken the position that Timber Procurement Assessment System (TPAS) does not require a direct relation with the forest management and implicitly that financial effects on certification systems such as FSC and PEFC are outside the scope of the judgement of TPAC.

On the subject of Stakeholder consultation TPAC refers to her response to a similar comment made by Duracert.

STIP announced on his website: *In case you like to comment on the content of the STIP standard we would appreciate if you will use the contact template.* (Mocht u op of aanmerkingen hebben op de inhoud van de regeling dan vernemen wij dat graag via het contactformulier). No reactions were received.

Also regarding the comment on the relation between SKH and SHR, reference is made to TPAC's answer on a similar comment made by Duracert. *The CvB has given the benefit of the doubt concerning the relation between SHR and SKH, given the fact that SKH has been accredited.* Nevertheless TPAC has recommended to STIP to cut the link between SKH and SHR and to acquire accreditation for SHR.

Finally, as to the comment on the 100% claim, STIP no longer makes that claim. STIP certified operators claim to sell only wood originating for at least 70% from certified sustainable managed forests.