



Summary Report
of the
Final Assessment of
STIP CoC standard
by
Timber Procurement Assessment Committee
(TPAC)

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1 Introduction

1.1 The Dutch procurement policy for timber

The Dutch government, like other (European) administrations, has developed a public procurement policy for wood-based products. Central in this procurement policy are the *Dutch procurement criteria for timber*, which have been developed in consultation with stakeholders, and were officially established in June 2008.

To facilitate the implementation of the Dutch procurement criteria, the Minister of Environment commissioned the *Timber Procurement Assessment Committee* (TPAC) to assess existing certification systems for sustainable produced timber to verify whether they meet the procurement criteria.

The TPAC assessment procedure of a certification system consists of several steps, which are concluded by the final judgement. The underlying document is the public summary of this final judgement.

1.2 The assessment of the STIP scheme

Sustainable Timber in Place (STIP) is a company label that integrates the product labels that are accepted by TPAC. Thus STIP facilities via a CoC system that companies use 100% responsible approved timber build on the separate standards of FSC, PEFC or other certifications systems. The STIP certificate is applicable for secondary processors in the Dutch timber sector.

The Ministry of Environment requested the assessment of the STIP CoC standard by TPAC (July 2017), because the CoC may prove valuable in separating "TPAC approved" timber from not approved timber.

1.3 Reader's guide

This summary report is structured as follows: in section 2, the TPAC assessment method is explained, giving the details on what scores are required for a certification system to be assessed as conforming to the Dutch procurement criteria. In section 3 a summary is provided of the final assessment of the CoC of STIP. Subsequently in section 4, the scores at the level of the principles are explained in more detail. Finally, section 5 gives a detailed overview of the scores of the STIP CoC on each of the criteria and principles.

This document gives a summary of TPAC's final assessment of the STIP standard and provides an overview to the interested reader. The document by no means attempts to be exhaustive: For more detailed information on the TPAC assessment procedure etc. please refer to the User Manual which can be downloaded under 'documents' on the website of SMK (www.tpac.smk.nl).

2 The TPAC Assessment Method

The Dutch procurement criteria consist of principles and criteria which are structured in three standards, so-called matrices. The Sustainable Forest Management (SFM), the Chain of Custody (CoC) and Development, Application and Management of certification systems (DAM). For this assessment of the Chain-of-Custody standard of STIP only the criteria of the following principles have been assessed:

- CoC P1 - A chain of Custody (CoC) must be in place from the forest unit of origin to the final point of sale (...).
- CoC P2 - If Group certification of the CoC is allowed, the standard must require that the group as whole must comply with the same requirements which are posed on individual companies (...).
- CoC P3 - 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 (...).
- DAM P1 - The process of standard development and the standard itself shall fulfil the requirements as established by international umbrella organizations (...).
- DAM P2 - The certification system shall be managed by a legal entity (system manager). The tasks and responsibilities shall be clearly distributed among the organizations, which form an organizational and/or functional part of the system (...).
- DAM P3 - Decision-making bodies shall reflect the interests of stakeholders and shall provide for adequate procedures for objection and appeal regarding the decisions made and the functioning of the decision-making bodies (...).
- DAM P4 - Certification bodies shall be independent and shall be competent to assess sustainable forest management and the chain of custody system (...).
- DAM P5 - The accreditation agencies that grant the accreditations for certification of sustainable forest management and/or the chain of custody shall be competent and independent (...).

The tables below depict the possible scores for criteria and principles.

Scores for Criteria		Scores for Principles	
=	Fully addressed	2	Fully addressed
≈	Partially addressed	1	Partially addressed
≠	Inadequately addressed	0	Inadequately addressed
n.r.	Not relevant	n.r.	Not relevant
c.o.	Covered otherwise in legal and social context		

A certification system for timber is conforming to the Dutch procurement criteria if:

1. all principles of SFM, CoC and DAM have a score of at least 1;
2. at least 50% of the principles have a score of 2;

3. within the social, ecological and economic aspects of SFM, at least *one* of the two principles has a score of 2 (*not relevant for the assessment of the STIP CoC standard*);
4. the fraction of the criteria that is "inadequately addressed" is not more than 10% of the total of the SFM, CoC and DAM criteria together.

3 Summary of the Final Assessment of the STIP CoC standard

In the table below an overview is given of the scores of the STIP CoC at the level of the principles. TPAC's final assessment is that the STIP CoC standard is:

"conforming to the Dutch procurement criteria".

STIP CoC – Summary of the Final Assessment Matrix								
Score	Chain of Custody (CoC)			Development, Application and Management (DAM) of systems				
	P1	P2	P3	P1	P2	P3	P4	P5
2								
1								
0								
n.r.								

4 Final TPAC Assessment of the STIP CoC standard

4.1 Chain of Custody (CoC) and Logo Use

Principle 1 – Chain of Custody system

The first CoC principle requires that a Chain of Custody from the forest unit to the final point of sale is in place. The principle includes six criteria which focus on the organisation (criterion 1.1, 1.2 and 1.3), on the legality of sources (criterion 1.4 and 1.5) and on mixed products (criterion 1.6). The first three criteria are fully addressed by the STIP CoC standard and the last three criteria are not relevant for STIP. The principle is awarded a score of 2.

Principle 2 – Chain of Custody group certification

The second CoC principle requires that, if the certification system allows CoC group certification, the standard must require the group as a whole to comply with the same requirements as imposed on individual companies. The principle consists of four criteria which deal with a juridical entity (criterion 2.1), a management system (criterion 2.2 and 2.3) and the registration of members (criterion 2.4). None of these criteria are relevant, because STIP only applies for individual certification. The principle is marked as not relevant accordingly.

Principle 3 – Logos and labels

The last CoC principle requires that logos and labels of the certification system have an unambiguous meaning and that they are applied in accordance with the rules established by the certification system. The principle includes three criteria. Criterion 3.1 deals with the design of logos and labels; criterion 3.2 with copyright; and criterion 3.3 deals with the control of all claims. The first two criteria are fully addressed. Criterion 3.3 is partially addressed because there is no clear control mechanism in place to assure there is no unfair use of the claim. The principle is awarded a score of 2.

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

Principle 1 – Standard development

The first DAM principle requires that the process of standard development and the standard itself to fulfil the requirements as established by international umbrella organisations such as ISO and ISEAL. The principle consists of ten criteria. Criterion 1.1 specifies the required treaties; criterion 1.2, 1.3 and 1.4 deal with stakeholder input; criterion 1.5 with public consultation; criterion 1.6 with the handling of conflicts; criterion 1.7 with publication; criterion 1.8 with reference to meta-standards; criterion 1.9 with the general applicability; and criterion 1.10 deals with both process and performance criteria. Five of the ten criteria are fully addressed and three criteria are not relevant. Criterion 1.1 and 1.2 are partially addressed: STIP invited all relevant stakeholder groups, but there are no independent organisations that participate in the Committee of Advice for standard development. The principle is awarded a score of 2.

Principle 2 – System manager

The second DAM principle requires the system manager to be a legally registered entity (criterion 2.1). Furthermore, the responsibilities, authorities, procedures and tasks amongst

entities are clear and public available (criterion 2.2). The two related criteria are fully addressed. The principle is awarded a score of 2.

Principle 3 – Decision-making bodies and appeal procedures

The third DAM principle requires the decision-making bodies and appeal procedures to reflect the interests of the stakeholders. The principle consists of six criteria: Criterion 3.1 and 3.2 deal with decision making bodies; criterion 3.3, 3.4, 3.5 and 3.6 with objection and appeal procedures. Four of the six criteria are fully addressed. Criterion 3.1 scores partially addressed because the majority of the decisionmakers are connected to business. Criterion 3.6 scores partially addressed due to some unclarities in the composition of the Committee that is handling the complains. The principle is awarded a score of 2.

Principle 4 – Certification bodies and procedures

The fourth DAM principle requires the certification bodies to be independent and competent to assess sustainable forest management and the Chain of Custody. The principle includes four criteria. Criterion 4.1 deals with the certification body; criterion 4.2 and 4.3 with the procedure for assessment; and criterion 4.4 deals with public availability. Criterion 4.1 is fully addressed by STIP. Criterion 4.3 is not relevant. Criterion 4.2 and 4.4 are partially addressed because there is no proof of principle via practical application. The audit reports are not yet available, so this input couldn't be taken into account. The principle is awarded a score of 1.

Principle 5 – Accreditation

The fifth DAM principle requires accreditation agencies, who grant accreditations for certification of sustainable forest management and/or the Chain of Custody, to be competent and independent. The principle consists of two criteria. Criterion 5.1 deals with the accreditation body; criterion 5.2 deals with peer review. Both criteria are fully addressed by STIP and the principle is awarded a score of 2.

5 Assessment Matrices

5.1 Chain of Custody (CoC) and Logo Use

Chain of Custody system	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. To that end the system requires that:	2
Organisation	C 1.1 Each individual organisation in the CoC possesses an operational CoC system.	=
	C 1.2 The management system of each organisation in the CoC provides sufficient guarantees that the requirements of the CoC standard are being met.	=
	C 1.3 Each individual organisation in the CoC registers quantities and the names and certificate numbers of the organisations from which it purchases timber and to which it sells timber.	=
Legal sources	C 1.4 If the system allows for mixing of SFM-certified and non-SFM-certified material, the non- SFM certified material is covered by a verifiable system to ensure that it is from non-disputed, at least legal sources. This applies to new-, including pre-consumer recycled material, and post-consumer recycled material.	n.r.
	C1.5 SFM-certified timber, including timber products, timber from other verified legal sources and timber from non-verified (legal) sources are administratively separated. Timber from non-verified (legal) sources is also physically separated from the other two sources.	n.r.
Mixed wood and assembled products	C1.6 If the system allows for mixing of SFM-certified and non-SFM-certified material, (one of) the following approaches shall be used: <ul style="list-style-type: none"> a. mass balance claim: the proportion of the product sold as SFM certified is equal to the proportion of SFM certified material entering a process; b. percentage based claim: the percentage of SFM certified material in a product or product line is reported. 	n.r.
Chain of Custody group certification	P 2. If Group certification of the CoC is allowed, the standard must require that the group as whole must comply with the same requirements which are posed on individual companies. To that end the system requires that:	n.r.
Juridical entity	C 2.1 A group has a juridical entity, which is responsible for the group as a whole.	n.r.
Management	C 2.2 The group has a management system that provides sufficient guarantees that C 2.3 will be met.	n.r.
	C 2.3 The group operates according to principle 1; in addition, each member of the group complies with these requirements inasmuch as they apply to its operations.	n.r.

Registration	C 2.4 The group leader has a registration system in place including: a. names and addresses of the group members b. declarations of each member to comply with the certification requirements of the CoC.	n.r.
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. To that end the system requires that:	2
Design and use of logos and labels	C 3.1. The system manager employs rules for the use of logos and labels and for supervision of compliance. The rules comprise at least: a. specification of the logos and labels b. unambiguous description of the claim that the logos and labels represent, including the requirement to communicate the actual or minimum percentages of SFM certified- and post-consumer recycled material included in the product or product line c. rights to use logos and labels d. instructions regarding the use of logos and labels and the informative text they show.	=
Copyright	C 3.2. The logo is copyrighted and is a registered trademark.	=
Clear and accurate claims	C 3.3 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.	≈

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

Standard Development and Application		
Standard development	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). To that end the system requires that:	2
ISEAL and ISO Guide 59	C 1.1. The development process of the standard fulfils the requirements established in the <i>ISEAL 'Code of Good Practice for Setting Social and Environmental Standards'</i> , the <i>ISO Guide 59 'Code of Good Practice for Standardisation'</i> or equivalent requirements. The development process and application of the standard at least fulfil the following criteria: 1.2. through 1.10.; 2.1. and 2.2.; 3.3. through 3.6. of this assessment table.	≈
Stakeholder input	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.	≈
	C1.3 Decisions of the standard development body are made, if possible, by consensus. If consensus is not reached, qualified majority voting applies.	=
	C 1.4. The development of the standard takes place with input of the relevant stakeholders. Potential limitations for certain groups such as	=

	indigenous peoples and small forest owners to contribute directly are taken into account.	
Public consultation	C 1.5. The standard development procedure provides for public input during a reasonable period of time.	=
Justification for handling comments	C 1.6. With the development of the standard, the standard setting organisation takes into account any comments submitted in writing and communicated verbally. The organisation maintains reports of the development process of the standard including the received input and how it is dealt with. A summary of this report is freely available.	=
Publication	C 1.7. The standard setting organisation publishes the standard as soon as it has been established.	=
Reference to international standards	C 1.8. A national standard which is part of an international certification system with a generic standard or which is based on a generic standard of an umbrella organisation, must refer to the relevant generic standard and be accepted by the relevant international system or organisation.	n.r.
General applicability	C 1.9. The standard and the procedures for establishing compliance are sufficiently flexible to be applied under changing local conditions and to forest management units of any size, either as a part of a group or regional association or otherwise.	n.r.
Process criteria and performance criteria	C 1.10. The standard contains both process and performance criteria and consists, where appropriate, of measurable, unambiguous parameters with guidelines for interpretation.	n.r.
Certification system management		
System manager	P 2. The certification system shall be managed by a legal entity (system manager). The tasks and responsibilities shall be clearly distributed among the organisations, which form an organisational and/or functional part of the system. To that end the system demonstrates that:	2
Legal entity, statutes	C 2.1. The system manager is a legally registered organisation with statutes, contact address, telephone, e-mail, and website.	=
Entities, distribution of responsibilities	C 2.2. The distribution of the responsibilities, authorities, and tasks among the entities, comprising an organisational and/or functional part of the certification system, and the procedures to be followed are clear and publicly available. The certification system comprises at least rules for the following functions: a. standard development; b. certification; c. accreditation; d. supervision of proper performance of tasks and compliance with the rules; e. objection and appeal handling; design and use of logos and labels.	=
Decision-making bodies and objection and appeal procedures	P 3. Decision-making bodies shall reflect the interests of stakeholders and shall provide for adequate procedures for objection and appeal regarding the decisions made and the functioning of the decision-making bodies. To that end the system requires that:	2
Composition	C 3.1. The decision-making and advisory bodies comprise the relevant interested groups without undue dominance of one interest.	≈
Decision-making	C 3.2. Decisions of decision-making and advisory bodies are made, if possible, by consensus. If consensus is not reached, majority voting applies.	=

Provision for objection or appeal	C 3.3. Objection and appeal procedures are publicly available and clearly indicate the entity a stakeholder must turn to in the event of an objection or appeal against the operation of a particular entity or against a decision made by a particular entity.	=
Justification	C 3.4. The objection and appeal procedures require that the submitter or a representative substantiates the objection or appeal with arguments and relevant documentation.	=
Reasonable period	C 3.5. Objection and appeal procedures contain clear and reasonable deadlines for handling of the objection or appeal.	=
Independent forum	C 3.6. A forum of independent persons, which adequately represent legal and domain knowledge, handles appeal cases. Decisions are taken by majority voting.	≈
Certification Bodies and Certification Procedures		
Certification bodies and procedures	P 4. Certification bodies shall be independent and shall be competent to assess sustainable forest management and the chain of custody system. To that end the system requires that:	1
Certification bodies	C 4.1. The certification bodies are accredited on the basis of the requirements and guidelines in ISO 17021 ¹ ' <i>Conformity Assessment - Requirements for Bodies Providing Audit and Certification of Management Systems</i> ' and/or ISO Guide 65 (EN 45011) ' <i>General Requirements for Bodies Operating Product Certification Systems</i> ' and preferably on the basis of specific supplemental requirements for performance of conformity assessments according to the standards for sustainable forest management and the chain of custody.	=
Procedure for assessment	C 4.2. The certification contains an assessment of system documents, site visits, and sufficient consultation of external stakeholders.	≈
	C 4.3. In case of a group certification an adequate sample of group members must be audited.	n.r.
Public availability	C 4.4. The certification agency makes the following items public in addition to the requirements in ISO 17021 and ISO Guide 65: a. summaries of assessment reports b. a list of the granted certificates	≈
Accreditation		
Accreditation	P 5. The accreditation agencies that grant the accreditations for certification of sustainable forest management and/or the chain of custody shall be competent and independent, national or international organisations that are preferably member of the IAF. To that end the system requires that:	2
Accreditation body	C 5.1. Accreditation must be granted by a national or international organisation that fulfils requirements as included in ISO 17011 ' <i>General Requirements for Assessment and Accreditation of Certification Bodies</i> '.	=
Peer review	C 5.2. The accreditation body takes part in a peer review process with sister organisations, preferably within the framework of the IAF.	=

¹ 1 EN 45011 has been replaced by ISO/IEC 17065:2012.

6 Concluding remarks

The decision on the conformity of STIP CoC is valid for a period of five years: from October 2017 until October 2021. Towards the end of this period a full reassessment will take place. Revision of the assessment will also take place when STIP changes its standard, or when adaptations are made in the Dutch procurement criteria for timber, or when serious flaws in the implementation of the standard appear.