

Sustainable Forestry Initiative (SFI) Implementation Committee Procedure for Handling Inconsistent Practices

SFI Implementation Committee (SIC) will respond to any allegations of practices inconsistent with the Sustainable Forestry Initiative Standard that were reported to be committed by SFI Program Participants. This process is initiated as part of the SFI 2015-2019 Forest Management Standard Objective 12, and Fiber Sourcing Standard Objective 7, to “broaden the practice of sustainable forestry through public outreach, education, and involvement and to support the efforts of SFI Implementation Committees”

More specifically, Forest Management Standard Objective 12, Performance Measure 12.3, and Fiber Sourcing Standard 7, Performance Measure 7.3 calls for

“Program Participant shall establish, at the state, provincial, or other appropriate levels, procedures to address concerns raised by loggers, consulting foresters, employees, unions, the public, or Program Participants regarding practices that appear inconsistent with the SFI Standard principles and objectives.”

The Committee will promote the use of a toll-free telephone number for reporting practices that may be inconsistent with SFI guidelines. The number may be distributed to landowners, loggers, and others via brochures, flyers, and personal contact.

All complaints will be handled with complete confidentiality. No information about the complainant will be released; however, it is understood that if the complaint is referred to a state agency such as the North Carolina Forest Service (NCFS) or the Division of Water Resources (DWR), records are a matter of public record. In addition, the specific identity of the receiving company will remain anonymous to other SFI member companies.

The following procedure will be used for handling any allegations of inconsistent practices:

1. Stephen L. Cox serves as the Inconsistent Practices Monitor, or IPM. He monitors the toll-free number for complaints of inconsistent practices. The IPM documents the complaint(s) using the “Inconsistent Practices Monitoring Program - Notification Report” form attached hereto as Exhibit A. The IPM will make every effort to respond to the complainant within five business days of receipt. As much information as possible – type of practice, location, nature of the problem, names, etc. - will be obtained so a determination can be made as to whether further investigation is warranted. Complainant information will remain confidential.
 - On occasion, situations may arise which require interpretation of the SFI Standard to determine if an allegation is, in fact, worthy of investigation as an inconsistent practice. Furthermore, the IPM may encounter additional situations which are unclear by definition or circumstance which require clarification before proceeding to the investigative phase. In such instances the IPM may consult with the current NC SFI Inconsistent Practices Sub-Committee Chairperson. This should be accomplished as soon as possible, but no later than 3 business days after receiving the initial complaint. The NC SFI Inconsistent Practices Sub-Committee Chairperson, will in turn consult with the NC SFI SIC officers. The Vice-chair will be contacted if the chairperson’s company is involved in the complaint or is otherwise unavailable. Similarly, any officer will be excused from the consultative process should a conflict of interest arise.

- The body of NC SFI SIC officers will discuss the particulars of the given situation as it pertains to the SFI Standard in a timely fashion. Other experts or resources may be called upon as needed. The NC SFI SIC officers will reach a consensus and advise the NC SFI Inconsistent Practices Sub-Committee Chairperson and IPM with a clear understanding of their interpretation of the SFI Standard and/or issue pertinent to the subject case.
- If a complainant provides written documentation of an issue they feel has not been satisfactorily resolved (including SFI Program Participant response), the IPM shall investigate and respond to the allegations within 45 days of receipt of documentation.
- If the complainant indicates a concern about potential water quality problems as part of their reporting, then the IPM will contact and share information with the North Carolina Forest Service (NCFS).
- With respect to allegations concerning timber trespass, incorrect payment, timber theft, and other disputes between landowner and timber buyer regarding payment for stumpage, these matters should not be investigated by the IPM. Both the US and Canada have robust legal systems that do not tolerate illegal activity. . If the IPM determines the issue is of the above nature, then the IPM may advise the complainant that this issue is not covered by this process. The IPM may then refer the complainant to local law enforcement as a possible remedy. The IPM may direct the complainant to additional resources, such as a list of NC Registered Foresters, forestry consultants, etc.

2. The IPM will determine if the complaint:

- Does not involve an SFI Program Participant, or does involve one or more SFI Program Participants but is not an inconsistent practice based on the SFI Standard. If so, the IPM explains to the complainant that their complaint falls outside the IPM process. If appropriate, the IPM will refer the complainant to a suitable organization or state agency (IPM does not make call directly). The IPM completes the “NCSIC Inconsistent Practices Monitoring Program – Investigation Report”, attached hereto as Exhibit B.
- Involves an Inconsistent Practice based on the SFI standard and one or more SFI Program Participants, and further investigation is warranted the “NCSIC Inconsistent Practices Monitoring Program – Investigation Report”, attached hereto as Exhibit B, will be used.
 - Within five business days the IPM will make every effort to:
 - Notify affected SFI Program Participants.
 - Contact designated third party administrator (TPA) and provide them with the appropriate notification report.
 - Inform the NC SIC Inconsistent Practices Sub-Committee Chair that an investigation is underway.

3. The TPA conducts an investigation providing periodic updates to the IPM on its status. The TPA will strive to facilitate a resolution and complete the investigation within thirty days of receipt.

- At a minimum the TPA will interview all involved parties, Program Participant SIC representatives and the NCFS representative (if applicable). If the issue can be resolved over the phone, *go to step 4.*

- If further investigation is required, the TPA will contact the landowner(s) and ask permission to visit the site. If no permission can be obtained, *go to step 4*.
 - If a visit is allowed, the TPA will meet the involved parties on site. To avoid even the appearance of collusion, the TPA **will not** meet with more than one SFI Program Participant at the same time. Again, the TPA works to facilitate resolution. If situation does not warrant further action, *go to step 4*.
 - If the TPA is unable to facilitate a resolution to the issue, he/she will contact the IPM and provide a through investigation report, *go to step 5*.
4. The TPA completes the Investigation Report and forwards it to the IPM. The IPM notifies the complainant (if requested) how the situation was resolved, *go to step 6*.
 5. The IPM confers with the affected SFI Program Participant confirming that in fact an inconsistent practice did occur and that no resolution of the issue was achieved.
 6. The IPM provides a complete Investigation report to the State Implementation Committee (SIC) chair. The SIC chair will then report to the SFI National Inconsistent Practices office via the External Review Panel Secretariat the Inconsistent Practices that are not resolved. The IPM provides a copy of the investigation report, with involved party names removed, to the impacted SFI Program Participant(s).

Additional IPM Duties

Prior to each SIC meeting the IPM will provide the NCSIC Inconsistent Practices Subcommittee Chair with an aggregate summary of Inconsistent Practices received via “800 #”, faxes, emails or letters; incident(s) in process of investigation, incident(s) resolved and incident(s) unresolved using the IPM Log attached hereto as Exhibit C. This information will be recorded in the meeting minutes so the State Implementation Committee can gauge SFI program effectiveness.

Potential Inconsistent Practices Relating to Water Quality Issues Discovered By NCFS

- Contact the involved SFI Program Participant if known, to inform them of the problem and seek resolution. (cc with all documentation)
- If NCFS suspects an SFI Program Participant is involved but cannot determine who the Participant is, they should use the 800 #. (Try to determine who the SFI Program Participant is before using the 800#.)
- Document everything on the “Inconsistent Practices Monitoring Program – FPG Violations” attached hereto as Exhibit D.

The IPM will review the NCFS quarterly FPG compliance reports and contact any involved -SFI SFI Program Participant if they appear on the report. FPG violations that are determined to be an Inconsistent Practice will be reported as required to the SFI National Inconsistent Practices office.

Definitions

FPGs – Forest Practice Guidelines – North Carolina administrative code that was adopted in 1989 (becoming effective January 1, 1990) defining the need to protect water quality during forestry related operations. Complying with the FPG's will allow a forestry operation to remain exempt from permitting requirements under the state's Sedimentation Pollution Control Act.

Correctly implementing appropriate Best Management Practices (BMP's) during a forestry site-disturbing operation typically will allow that forestry operation to comply with the FPG's.

Inconsistent Practices - Inconsistent Practices are activities conducted by SFI Program Participants that are not consistent with the SFI Standard. Each allegation must be reviewed to determine if there are one or more applicable SFI Objectives, Performance Measures, or Indicators associated with the incident before declaring it a SFI Inconsistent Practice issue. For example, Forest Management Objectives should not be applied to lands that are not owned or under management control of the affected SFI Program Participant.

Inconsistent Practices Monitor (IPM) - A contractor to the North Carolina Forestry Association (NCFA) that monitors the inconsistent practice 800#, determines if an inconsistent practice has occurred, completes notification/investigation report(s), and responds to complainant(s). He/she monitors investigations to insure that they follow this procedure.

Involved Party - SFI Program Participants, consulting foresters, other resource professionals, loggers, silvicultural contractors, truckers and landowners who may have some level of financial involvement in a reported Inconsistent Practice.

Complainant - The person or entity who reported the alleged Inconsistent Practice.

Resolution - Correction of a problem on the ground such as seeding and/or mulching a skid trail, clearing up a misunderstanding or providing education. Where a problem on the ground exists some corrective action should be taken.

SFI Program Participant –A forest landowner, forest land manager, primary or secondary forest products producer operating in the United States or Canada who participates in the SFI program through a contractual agreement to abide by the 2015-209 Standard.

TPA – Third Party Administrator; an entity that investigates complaints at the direction of the IPM from calls made to the Inconsistent Practices Hotline. Requirements of the TPA are subject to the following guidelines:

- Must be knowledgeable with SFI standards
- TPA must be a registered forester
- Preferably trained as an NC ProLogger
- Located in proximity of the complainant. This provides familiarity to the area, reduces travel costs, and should be knowledgeable about markets and conditions in the region. At minimum, there should be at least one TPA in each of the State's geographic regions: coastal, piedmont, mountain.
- The TPA shall have no conflict of interest with the involved parties.

Confidential Documents:

IPM log (Exhibit C) – the aggregate summary of all “800” # calls, emails, faxes or letters of inconsistent practices incident(s) received; if available include caller information, Program Participant(s) involved, valid or not; SFI and non-SFI., etc. Also included will be a list of inconsistent practices that are under investigation, FPG violation, as well as inconsistent practices that have been closed.

NCSIC Inconsistent Practices Monitoring Program – Investigation Report (Exhibit B) – Report used to document complaint and action taken in an attempt to resolve issue(s). Completed (cleansed to maintain confidentiality) Investigation Report's are sent to all involved SFI Program Participants within one week of the date investigation completed. These reports are retained for five years and then destroyed by the IPM.

Inconsistent Practices Monitoring Program - Notification Report (Exhibit A) – This report will track open inconsistent practices to ensure a timely closure of any inconsistent practice.