

## Sustainability Standard Setting Bodies

### Relevant Green Bond Market Information on Sustainability Standards Form<sup>1</sup>

Forms filled in by standard setters should be sent back to [greenbonds@icmagroup.org](mailto:greenbonds@icmagroup.org), for publication on the [Green Bond Principles Resource Centre](#).

#### Section 1. Basic Information

**Organization name:** PEFC International

**Name of sustainability standard:**<sup>2</sup> Sustainable Forest Management – Requirements (PEFC ST 1003:2018)

**Completion date of this form:** 13 October 2020

**Publication date of the standard:** 28 November 2018

#### Section 2. Detailed review

*Standard setters are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.*

##### 1. Green Bond Principles (GBP) project categories relevant to the standard

**Overall comment on section** *(if applicable):*

**GBP<sup>3</sup> Project categories that the standard applies to** *(for additional information on the GBP see appendix 1):*

<sup>1</sup> The Form follows the characterisations of Environmental Labelling and Information Schemes as set out in OECD Environment Working Papers No.62 – A characterisation of Environmental Labelling and Information Schemes

<sup>2</sup> Use separate forms for each standard if multiple standards are set by the same standard setting body and the criteria of those standards differ significantly from one another

<sup>3</sup> <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

- |  |   |
|--|---|
| <input type="checkbox"/> Renewable energy  | <input type="checkbox"/> Energy efficiency  |
| <input type="checkbox"/> Pollution prevention and control  | <input checked="" type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation   | <input type="checkbox"/> Clean transportation   |
| <input type="checkbox"/> Sustainable water and wastewater management   | <input type="checkbox"/> Climate change adaptation  |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input type="checkbox"/> Green buildings  |
|  | <input type="checkbox"/> Other ( <i>please specify</i> ):   |

If applicable please specify the environmental taxonomy or category, if other than GBPs:

## 2. Alignment with relevant international targets, thresholds and guidelines for sustainability

Please explain how alignment with international targets, thresholds and guidelines for sustainability are built into your governance frameworks and standard setting process. A non-exhaustive list of examples includes: ISEAL code compliant, alignment with EU Taxonomy for sustainable activities, Paris Climate Agreement, UN Global Compact, etc.

**Please explain** (*if applicable*):

**The following documents are normative references**

CITES, Convention on International Trade in Endangered Species of Wild Fauna and Flora, 1973, as amended  
 ILO Code of Good Practice: Safety and Health in Forestry Work  
 ILO No. 87, Freedom of Association and Protection of the Right to Organise Convention, 1948  
 ILO No. 29, Forced Labour Convention, 1930  
 ILO No. 98, Right to Organise and Collective Bargaining Convention, 1949  
 ILO No. 100, Equal Remuneration Convention, 1951  
 ILO No. 105, Abolition of Forced Labour Convention, 1957  
 ILO No. 111, Discrimination (Employment and Occupation) Convention, 1958  
 ILO No. 138, Minimum Age Convention, 1973  
 ILO No. 169, Indigenous and Tribal Peoples Convention, 1989  
 ILO No. 182, Worst Forms of Child Labour Convention, 1999  
 ISO/IEC 17021-1, Conformity assessment — Requirements for bodies providing audit and certification of management systems — Part 1: Requirements  
 ISO/IEC Guide 2, Standardization and related activities – General vocabulary.  
 ISO/IEC Guide 59, Code of good practice for standardization.  
 ISO 9000, Quality management systems – Fundamentals and vocabulary  
 ISO 14020, Environmental labels and declarations – General principles  
 ISO 14021, Environmental labels and declarations – Self-declared environmental claims (Type II environmental labelling)  
 ISO 19011, Guidelines for auditing management systems

ISO/IEC 17065, Conformity assessment – Requirements for bodies certifying products, processes and services

Stockholm Convention on Persistent Organic Pollutants (POPs) as amended in 2009

United Nations, Agenda 21, 1992

United Nations, United Nations Declaration on the Rights of Indigenous Peoples, 2007

United Nations, Universal Declaration of Human Rights, 1948

**The following documents have been taken into consideration**

ISEAL Code of Good Practice for Setting Social and Environmental Standards of management systems

**The following processes form the basis for PEFC's sustainable forest management requirements**

Ministerial Conference for the Protection of Forest in Europe

Montreal Process

ATO/ITTO process

### 3. Main Characteristics (please choose all options that apply to the standard)

#### Governance

**a. Leadership or ownership** (*What type of institution runs the standard?*)

For-profit

Public

Non-profit

Hybrid (please provide more details below)

Non-governmental

Membership based

Multistakeholder

Other (*please specify*):

**b. Standard scheme management**

The scheme owner has a sustainability-oriented mission or vision

The scheme owner has defined and makes publicly available its desired long-term sustainability impacts and strategy for achieving those impacts

Stakeholders have an opportunity to provide input on the intended sustainability impacts and possible unintended effects of the standards system

On a regular basis, the scheme owner monitors and evaluates progress towards its sustainability impacts and accurately and publicly communicates the results

The scheme owner applies adaptive management by using the learning from monitoring and evaluation to improve its standard and supporting strategies

The scheme owner carries out internal or external audits of its management system and operations at least annually and incorporates the findings

The scheme owner makes information on the governance structure and income sources or financing structure of the scheme publicly available

The scheme is registered under ISEAL membership

Stakeholders have the possibility to participate in or provide formal input on the governance of the scheme

### c. Standard-setting characteristics

Documented procedures for the process under which each standard is developed or revised form the basis of the standard setting process

A regular review of the standard setting procedures is conducted (at least every 5 years)

Participation in governance bodies making decisions on the content of the standard are constituted by a balance of key stakeholders

Participation in governance bodies making decisions on the content of the standard are limited to members, but the procedure for becoming a member is transparent and non-discriminatory

Documented procedures for the process under which each standard is developed or revised shall be made available to stakeholders, at a minimum through the organisation's website

A regular review of the standard is conducted (at least every 5 years)

Participation in governance bodies making decisions on the content of the standard are open to all stakeholders

Other (*Please specify*):

## Sustainability Claims and Communications

### a. Communication Channel (*Who is using the standard to communicate, and who is the target of that communication?*)

Communication from:

Business (excluding financial institutions)

Government

Bank

Insurance Company

Development Bank

Investor

Asset owner (e.g. Building)

NGO

Other (*please specify*):

Communication to:

Business (excluding financial institutions)

Government

Bank

Insurance Company

Development Bank

Investor

Asset manager (e.g. Building)

Consumer

Other (*please specify*):

### b. Means of communication (*What is the mode of communication to the target audience?*)

Seal (logo)

Trademark

- Declaration
- Certificate

- Exception
- Other (please specify):

**c. Communication scope** (What activities are covered by the communication?)

- |   |   |
|---|---|
| <input type="checkbox"/> Agriculture and food   | <input checked="" type="checkbox"/> Textile products              |
| <input type="checkbox"/> Furniture  | <input type="checkbox"/> Energy                                   |
| <input checked="" type="checkbox"/> Timber forest products                            | <input type="checkbox"/> Transportation                           |
| <input checked="" type="checkbox"/> Non-timber forest products (rubber, cork, bamboo) | <input type="checkbox"/> Tourism                                  |
| <input checked="" type="checkbox"/> Paper, packaging                                  | <input type="checkbox"/> Transportation                           |
| <input type="checkbox"/> Cleaning products  | <input type="checkbox"/> Tourism                                  |
| <input checked="" type="checkbox"/> Biofuels  | <input type="checkbox"/> Luxury Products                          |
| <input type="checkbox"/> Electronics  | <input checked="" type="checkbox"/> Sustainable Sites & Locations |
| <input type="checkbox"/> Cosmetics  | <input type="checkbox"/> Water                                    |
| <input checked="" type="checkbox"/> Building materials                                | <input type="checkbox"/> Indoor Air Quality/Health                |
| <input type="checkbox"/> Waste  | <input type="checkbox"/> Other (please specify):                  |
| <input type="checkbox"/> Ecosystem Services   |   |

**Standard Characteristics**

**a. Monitoring and auditing<sup>4</sup>** (Who has the ability to determine whether the standard is met and what degree of independence exists?)

- |   |  |
|---|--|
| <input type="checkbox"/> Standard setter                                      | <input type="checkbox"/> External certifier      |
| <input type="checkbox"/> Self-assessment                                      | <input type="checkbox"/> Second party verifier   |
| <input checked="" type="checkbox"/> Accredited third party certifier/verifier | <input type="checkbox"/> Other (please specify): |

**b. Adoption of the standard** (To what extent are relevant organizations required to apply the standard?)

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Voluntary | <input type="checkbox"/> Mandatory (please explain): |
|   | <input type="checkbox"/> Other (please specify):     |

**c. Sustainability characteristics**

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Environmental outcomes are clearly and explicitly defined in the standards                    | <input checked="" type="checkbox"/> The standard exceeds regulatory requirements |
| <input checked="" type="checkbox"/> The standard references relevant, existing national and/or international laws and regulations | <input type="checkbox"/> Other (please specify):                                 |

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<sup>4</sup> Whom has the ability to determine whether the standard is applied?

**d. Transparency** (*To what extent is relevant information publicly available?*)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Final versions of the standard available to the public                             | <input checked="" type="checkbox"/> Draft version of the standard available to the public  |
| <input checked="" type="checkbox"/> Public disclosure on standard setting process                                      | <input checked="" type="checkbox"/> Public disclosure on assessments of compliance with the standard   |
| <input checked="" type="checkbox"/> Public disclosure of compliance by standard user                                   | <input checked="" type="checkbox"/> Public disclosure on those complying with the standard (organizations and the level/type of compliance achieved) |
| <input checked="" type="checkbox"/> Final versions of the standard in additional languages are available to the public | <input type="checkbox"/> Other ( <i>please specify</i> ):  |

**e. Methods of environmental assessment** (*How comprehensive is the standard in accounting for environmental impact?*)

- |   |  |
|---|--|
| <input type="checkbox"/> Life cycle approach (please specify which environmental goals)                             | <input type="checkbox"/> Operating/process/practice approach (please specify which environmental goals): |
| <input checked="" type="checkbox"/> Performance based or impact approach (please specify which environmental goals) | <input type="checkbox"/> Other (please specify method and which environmental goals it applies to):      |

**Please explain any requirements to embed mechanisms/tools for future reporting, requirements to report on selected criteria and reporting scope, as well as the environmental goals being assessed:**

The standard requires that forest management shall comprise the cycle of inventory and planning, implementation, monitoring and evaluation, and shall include an appropriate assessment of the social, environmental and economic impacts of forest management practices. This shall form a basis for a cycle of continuous improvement.

The assessment looks at the six operational criteria:

Criterion 1: Maintenance or appropriate enhancement of forest resources and their contribution to the global carbon cycle

Criterion 2: Maintenance of forest ecosystem health and vitality

Criterion 3: Maintenance and encouragement of productive functions of forests (wood and non-wood)

Criterion 4: Maintenance, conservation and appropriate enhancement of biological diversity in forest ecosystems

Criterion 5: Maintenance or appropriate enhancement of protective functions in forest management (notably soil and water)

Criterion 6: Maintenance or appropriate enhancement of socio-economic functions and conditions

**f. Resolving complaints**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> The standard-setting organization shall make impartial and documented efforts to resolve procedural complaints related to standard-setting, based on a publicly document complaints resolution mechanism | <input checked="" type="checkbox"/> The standard-setting organization shall disclose, at least to interested parties, decisions taken on procedural complaints |
|--|--|

Other (please specify):

**g. Standard focus** (To what type of processes do the standards apply?)

Product related process and production methods (please specify):

Non product related processes and production methods (please specify):

Services (please specify):

Other (please specify):

**h. Standard scope:**

International

Regional

National

Jurisdictional

Other (Please specify):

**i. Activities beyond certification:**

Platform for discussion and collaboration amongst members and certified entities

Platform for discussion and collaboration amongst other standards addressing the same sector/activity/topic

**4. Alignment with Sustainable Development Goals (please choose all options that apply to the standard)**

**Overall comment on section** (please rank the SDGs by level of contribution of the standard and specify the scale of contribution to each of the relevant SDGs):

PEFC as a global association of national forest certification systems, through its standards, processes, and activities, directly or indirectly contributes to all 17 SDGs. Most prominently is the contribution to SDG 15, with PEFC being an official indicator for progress towards Target 15.2

SDG 1

SDG 2

SDG 3

SDG 4

SDG 5

SDG 6

SDG 7

SDG 8

SDG 9

SDG 10

SDG 11

SDG 12

SDG 13

SDG 14

SDG 15

SDG 16

SDG 17

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*No part of this Standard Setters Feedback Form, nor the fact of its reference in any other document, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. No representation or warranties, express or implied, are made as to, and no reliance, in whole or in part, should be placed on, the accuracy, fairness or completeness of the information presented or contained in this Form and such information has not been independently verified. This Form does not constitute a prospectus, placement document or other offering document in whole or in part. The information contained herein does not constitute an offer to sell, or a solicitation of an offer to buy, any Securities by any person in any jurisdiction in which it is unlawful for such person to make such offering or solicitation.*