

**SFISM External Review Panel
Operating Charter
Amended March 30, 2001**

Mission: The mission of the External Review Panel is to provide an ongoing, independent, quality-oriented review of the AF&PA Sustainable Forestry Initiative Program, to advise the Sustainable Forestry Board on appropriate changes that may make the Program more successful in achieving its mission, and to insure that the *Annual Progress Report* is objective, meaningful, credible, and that it fairly states the status of implementation of the Sustainable Forestry Initiative Program.

Purposes and Objectives: The SFI External Review Panel will:

1. Serve as an independent quality assurance team for the SFI, to help assure and enhance the credibility of the SFI;
2. Provide comments and advice on continuous improvement, to include such issues as inconsistent practices, verification, standards, criteria, certification, reporting, logger training, gate wood, bench marking and special sites studies, labeling, international efforts, and communications and public relations;
3. Provide continued oversight of the Forest Monitoring Project;
4. Provide review of and written comments for the SFI Annual Progress Report;
5. Respond to stakeholders and others as necessary and appropriate; and,
6. Work with and/or keep informed the Sustainable Forestry Board and the AF&PA Board of Directors.

Membership: The Panel's membership will be selected to maintain a balance of technical skills and organizational experience. The total membership will be limited to eighteen (18).

Panelists may be selected from:

Environmental/Conservation Groups	5-7
Professional/Academic Groups	5-7
Public Agencies (Local, State, Tribal Governments, or Federal)	5-7

Quorum: A quorum of the Panel, for purposes of conducting official business, shall be 50% of the voting membership of the Panel at the time that the business is to be conducted.

Panel Terms: Panel members are elected to three-year terms, which begin on July 1 following the election and extend until June 30 of the appropriate year. Panelists whose terms expire may be re-appointed for one additional term. After serving two full three-year terms, a person will be ineligible for re-appointment until a period of one year has elapsed. Elected officers may retain Panel membership for one year beyond the expiration of their normal Panel terms so as to execute their elected office.

Membership Committee: A 5-person Membership Committee representing different categories of representation will be constituted each year to nominate candidates to fill vacant or expired terms on the Panel. The Committee will consist of three (3) panelists appointed by the Panel Chair, plus the AF&PA Liaison (see below) and the Executive Secretary (see below) if that person is an elected panelist. In the event that the Executive Secretary is an outside consultant or staff member, a fourth elected panelist will be appointed. One of the elected panelists will be selected to serve as Committee Chair. The Membership Committee will propose a slate of candidates who have indicated a willingness to serve. In the event of a vacancy, a candidate (or candidates) may be proposed at any time in the year, and the election held by either telephone or written polling of the Panel. Election of new panelists on the regular annual election cycle will be an official agenda item at the Panel Meeting held to conduct the final review of the Annual *SFI Report*. At the conclusion of the annual election, the Membership Committee will complete its term of service.

Compensation: Panelists will serve without compensation, with the exception of the Executive Secretary (see below). Panelists will be reimbursed for normal travel expenses incurred on Panel activities. Claims for travel reimbursement may be made either to the AF&PA staff or to the Executive Secretary.

Participation: Panelists are expected to participate in the work of the Panel. Reasonable attempts to accommodate busy schedules will include the opportunity to participate by telephone, fax, email, and writing. If a Panelist is unable, over the course of a Panel Year, to participate in the Panel process, the Chair will discuss the situation with the Panelist. If continued non-participation seems likely, the Chair will ask for the Panelist's resignation.

Work Plan, Budget, and Funding: The Executive Secretary and the Management Committee will prepare a Proposed Annual Work Plan (on a calendar year basis). The plan will be provided to AF&PA for review and concurrence. Based on the Proposed Work Plan, Budget requests will be submitted to AF&PA or other funding sources. Upon receiving budget approval or funding for activities, the Panel will adopt a Final Work Plan. The Management Committee will oversee the implementation of the Work Plan. Amendments in the work plan or budget will be submitted to AF&PA for review and concurrence. Funds received from non-AF&PA sources will be handled under an accounting system agreeable to the Panel and AF&PA. AF&PA may provide accounting services for the Panel. Full public disclosure of all funding, funding sources, obligations, and expenditures will be available at all times.

Management Committee: The Panel shall elect, from its membership, a Chair and two (2) Vice-Chairs to serve for one-year terms beginning on July 1 and ending on June 30 of the following year. Officers may be elected to the same office for two consecutive terms. Together, these three officers constitute the Management Committee of the Panel. The Management Committee shall provide oversight for the activities of the Executive Secretary, as well as provide leadership for the Panel during the year's activities and review process. It will lead the development of an annual work plan and budget for the Panel, negotiate needed

agreements or approvals with AF&PA, and provide management oversight on the execution of the plan and budget.

Executive Secretary: The Panel may select one of its members, or an outside consultant, to coordinate the staff support to the Panel's activities. Terms of service are negotiable between the Panel and the Executive Secretary. Specific rates of reimbursement and performance measures will be set forth in a letter of agreement co-signed by the Chair and the Executive Secretary, and retained in the Panel files. This letter will be reviewed and updated annually. General work plans, priorities, and budgets will be contained in the Annual Work Plan.

AF&PA Liaison: AF&PA may name one Member company representative to the Panel who will serve as AF&PA's Liaison to the Panel. The AF&PA Liaison will have full debate but no voting rights in Panel activities and will not be subject to the Panel's term limits and election processes.

Sustainable Forestry Board Liaison: The Sustainable Forestry Board may name a person to serve as SFB Liaison to the Panel.

Liaison to the Sustainable Forestry Board: , One member of the Panel may be named to serve as the Panel's Liaison to the SFB, if requested by the SFB.

Dual Membership: No member of the Panel will be simultaneously a voting member of the Sustainable Forestry Board.

AF&PA Staff Support: AF&PA staff manage the data for the SFI and provide summaries, interpretations, and other information to the Panel. All data that is not protected by individual company proprietary rights is accessible to the Panel. Staff may, upon request of the Panel and AF&PA approval, provide additional support functions for the Panel's operations.

Activities and Responsibilities:

1. Review of the Annual Report. The Panel will meet with AF&PA staff in Washington, DC, or other mutually agreeable location to review the Annual *AF&PA Sustainable Forestry Progress Report*. Following the review and agreed-upon revisions of the *Report*, the Panel will draft a letter explaining the results of the review. The letter will be published in the *Report*. If an individual Panel member objects to the revised *Report*, or the Panel's findings, they shall retain the option to not sign the letter. If requested, AF&PA will indicate in the *Report* which Panel Members do not support the findings of the Panel.

2. Preparation of Panel Reports The Panel may, consistent with its Work Plan, undertake studies and reports on issues of concern to the development and growth of the SFI.

3. Field Visits to SFI Participants and Meetings The Panel or the Forest Monitoring Project may conduct field visits of SFI-related forestry operations to obtain information, review

operations, and address issues of concern relative to the effective implementation or credible reporting of accomplishments and progress indicators in the SFI.

4. Pro-active oversight and review activities. The Panel may, on its own initiative, establish studies of aspects of the SFI Program where it feels further improvement may be needed or possible in the implementation of the SFI Standard or the SFI Annual Progress Report. If such studies involve financial outlays, the Panel will either raise such funds from sources other than AF&PA or seek AF&PA's concurrence under (5) below.

5. Other Activities as Agreed As the SFI evolves, the Panel may, with the agreement of AF&PA and the SFB, enter into other activities that are mutually agreed to be consistent with its mission and role as an independent outside reviewer, auditor, or commentator on the conduct and progress reporting of the SFI.

Revision of the Charter: This Charter may be revised under the following procedures:

1. Revision proposals will be drafted and circulated to all Panelists and Liaison representatives in advance of the meeting at which the revisions will be considered.
2. Acceptance of Charter revisions shall require a vote equal to two-thirds (2/3) of the Panel membership at the time the vote is taken.