
Section 6

Dispute Resolution Procedures

1.6.1 KPMG FCSI's dispute resolution policy is as follows:

KPMG FCSI will inform all stakeholders of the existence of its dispute resolution procedures and provide opportunities for aggrieved parties to present their case to a Dispute Resolver where communication with the Vice President of Certification Operations has not resulted in a resolution of the dispute. The Dispute Resolver is independent of the certification decision making process. The Dispute Resolver will strive to achieve conciliation between the parties. Where this is not possible, the aggrieved party will be referred to ASI and ultimately to FSC, in case of disagreement with audit findings related to FSC normative documents.

1.6.2 The existence of dispute resolution procedures will be communicated to all stakeholders when they are initially contacted during the audit process.

1.6.3 Full details of the KPMG FCSI dispute resolution procedures will be available to any stakeholder (including the applicant) upon request. In addition, a copy of the current dispute resolution procedures will be made available to stakeholders on the KPMG FCSI website.

1.6.4 A dispute is an umbrella term for:

Appeal: a request by a registration client or a third party to KPMG FCSI for reconsideration of a decision it has made relating to the registration client (e.g., a formal objection to a final registration decision made by KPMG FCSI with respect to the registration client).

Complaint: an expression of dissatisfaction, other than an appeal, by any person or organization relating to the activities of KPMG FCSI or its registration client where a response is expected (e.g., a formal assertion that KPMG FCSI's registration client is in non-conformance with one or more requirements of the applicable FSC standard).

1.6.5 All disputes must be provided to KPMG FCSI in writing, directed to:

Shawn Ellsworth
777 Dunsmuir Street
PO Box 10426
Vancouver, BC V7Y 1K3
Email: sellsworth@kpmg.ca

The complainant or appellant must include a clear description of the complaint or appeal, objective evidence to support each element or aspect of the compliant or appeal, and the name and contact information of the submitter.

1.6.6 KPMG FCSI will retain the anonymity of the complainant in relation to the client, if this is requested by the complainant. KPMG FCSI will treat anonymous complaints and expressions of dissatisfaction that are not substantiated as complaints as stakeholder comments and address these during the next audit. KPMG FCSI will register all complaints with FSC

1.6.7 Within 14 days of receipt of a complaint or appeal the Vice President of Certification Operations will respond in writing to the dispute on the same language used by the complainant or appellant, acknowledging receipt confirming whether the complaint or appeal relates to certification activities for which it is responsible. The response will include an outline of KPMG FCSI proposed course of action for addressing the dispute.

1.6.8 Initially disputes will be reviewed by the Vice President of Certification Operations who will determine the nature of the dispute and attempt to resolve it. If however, in the opinion of the Vice President of Certification Operations and the President, the complaint or appeal is determined to be lacking in sufficient detail to determine its basis, the dispute resolution procedures will not be initiated until such time as a clear and adequately documented complaint or appeal is received.

1.6.9 Once a clear and adequately documented basis for the dispute has been provided the Vice President of Certification Operations will appoint a Dispute Resolver to conduct the review of the complaint or appeal. The name of the Dispute Resolver will be communicated to the complainant by the President. KPMG FCSI will keep the complainant or appellant informed of progress in evaluating the dispute.

1.6.10 The Dispute Resolver will be a member of KPMG FCSI, a partner of KPMG LLP or an alternate individual with experience in the applicable field (e.g., a peer reviewer not involved in the audit decision under appeal). The Dispute Resolver must have had no involvement in the certification audit in question and must not be responsible for the implementation of any of the KPMG FCSI policies affected by the appeal. The selection of the Dispute Resolver will be at the discretion of the President. The Dispute Resolver must have the technical capacity to assess the analytical adequacy of the certification report.

1.6.11 The Dispute Resolver will gather and verify all necessary information (as far as possible) to progress the dispute to a decision and require details of the complaint or appeal in writing. Disputes should relate to either a potentially significant non-conformance with the applicable forest stewardship standard or a significant flaw in the audit procedures undertaken during a certification audit.

1.6.12 Once the Dispute Resolver has been appointed and the complaint or appeal has been received in writing the Dispute Resolver has 28 days to prepare a written report on its findings. During this period the Dispute Resolver has access to the same records the

Technical Reviewer had access to in making the certification decision.

In following up on the dispute the Dispute Resolver may present questions to the Technical Reviewer and/or the Vice President of Certification Operations and the Project Manager. The Dispute Resolver may also question the aggrieved party to clarify elements of their submission.

Note: Circumstances may arise where an interpretation is required from FSC AC and/or Accreditation Services International (ASI) before the Dispute Resolver can complete his/her investigation of a complaint. Under such circumstances, the completion of the Dispute Resolver's written report may be delayed until such time as a response from FSC AC and/or ASI has been received.

1.6.13 Once all follow up has been completed, the Dispute Resolver must present findings and recommendations to both the complainant party and the Technical Reviewer. This must be done within 21 days of the completion of the written report. The method of presentation is at the discretion of the Dispute Resolver.

1.6.14 The findings must make it clear:

- Whether the Dispute Resolver believes the certification should be denied, approved or deferred.
- The reasons for the Dispute Resolver's decision.

If both parties are in agreement with the findings the dispute comes to an end. If either party disputes the findings, the dispute must be referred to ASI and ultimately to FSC, in case of disagreement with audit findings related to FSC normative documents.

1.6.15 Procedures in respect of disputes which do not relate to certification decisions or that relate to the make-up of the peer review team on an audit assignment will be handled by a Dispute Resolver selected in accordance with section 1.6.8 of these procedures. The procedures to be applied in resolving such disputes will be determined by the Dispute Resolver, who will prepare a written report upon completion of the procedures. The written report will indicate the Dispute Resolver's findings and recommendations and must be prepared within 28 days of the receipt of the complaint in writing. The Dispute Resolver must notify its findings and recommendations to the complainant in this notification shall be offered the opportunity to refer it complaint to ASI, if the issue has not been resolved through the full implementation of the KPMG FSCI's own procedures, or if the complainant disagrees with the conclusions reached by the Dispute Resolver and/or is dissatisfied by the way KPMG FSCI handled the complaint. As the ultimate step, the complaint may be referred to FSC. This must be done within 21 days of the completion of the written report. The method of notification is at the discretion of the Dispute Resolver.

1.6.16 KPMG FCSI will retain all records in relation to the dispute, including the aggrieved party's case, the certification body's response and any actions taken to reach

conciliation and their results.

1.6.17 The dispute resolution procedures must have been fully implemented before any dispute is referred to FSC AC.

1.6.18 Complaints and appeals that relate to individual certification decisions will be maintained in the applicable audit files for that auditee. Complaints and appeals that do not relate to individual certification decisions will be maintained in the “Record of disputes and appeals” folder on the FCSI server.