SFI Chain of Custody Standard United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) July 1, 2022

Why It Matters

Indigenous Peoples are essential partners in any forest-focused collaboration and their full participation better enables us to collectively advance forest sustainability. The United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) seeks to enhance harmonious and cooperative relations between States and Indigenous Peoples, and regards treaties, agreements and other constructive arrangements as the basis for strengthened partnership.

Sourcing fiber from certified lands gives consumers, customers and the ESG community certain assurances, but it is equally important to ensure the sustainability of the non-certified forest fiber in forest-based products and ensure this fiber does not come from controversial sources. This can be defined as the deforested areas, converted areas, illegal logging, or other risks associated with forest products.

How The SFI Chain of Custody Standard Addresses UNDRIP

The SFI Chain of Custody Standard requires SFI-certified organizations to assess the risk of sourcing forest fiber from controversial sources including any activity where the spirit of UNDRIP is not met. If an SFI-certified organization determines they are sourcing from such areas, they will need to mitigate this risk of sourcing this forest fiber.

SFI Chain of Custody Standard Requirements

Part 7 - DUE DILIGENCE SYSTEM TO AVOID CONTROVERSIAL

7.3 Develop and Implement a Due Diligence System

- **7.3.1** The SFI-certified organization shall develop and implement a Due Diligence System (DDS) to assess and manage the risk of sourcing forest-based products from controversial sources in accordance with the requirements of this standard.
- **7.3.2** The DDS risk assessment shall classify material into low- and high-risk categories
- **7.3.3** The risk assessment shall be carried out at the regional level unless risk is consistent at the national level.
- **7.3.4** The SFI-certified organization shall review, and if necessary, revise its risk ratings on at least an annual basis.
- **7.3.5** The SFI-certified organization shall conduct a risk assessment before the first time of delivery for each new region of supply.

DEFINITION OF CONTROVERSIAL SOURCES

e. Forest activities where the spirit of the United Nations Declaration on the Rights of Indigenous Peoples (2007) are not met

SFI's Standard Development Process

As part of SFI's commitment to continual improvement, we revise the SFI standards every 5 years. This last revision process included two public comment periods, a dozen webinars, and nearly 2,300 individuals and organizations commenting on the 2022 Standards. This ensures everyone has a voice in shaping the SFI Standards.

Independent Third-Party Certification

Organizations certified to the SFI Standards are also required to undergo annual audits by independent and accredited certification bodies to deliver ongoing conformance. Third-party independent certification is critical to verify that requirements set out in the SFI standards and supporting documents are met.