

# SFI 2022 CERTIFIED SOURCING STANDARD

## SECTION 5







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# PART 1: SCOPE AND PURPOSE

## 1.1 SCOPE

This section describes the requirements for *Certified Organizations*, both *primary producers* and *secondary producers*, in the United States or Canada sourcing *SFI Certified Sourcing* inputs to make an *SFI Certified Sourcing* claim. *Primary* or *secondary producers* with operations outside of the United States and Canada should refer to Part 4 of this standard.

*Certified Organizations with a valid SFI Chain-of-Custody certificate may use their Chain-of-Custody procedures to account for SFI Certified Sourcing content and apply the SFI Certified Sourcing label.*

A *secondary producer* must meet all the requirements in the *SFI Certified Sourcing Standard* to use the *SFI Certified Sourcing Label*, provided they do not also hold a *SFI Chain-of-Custody Certificate*. This includes Part 7. Due Diligence System to Avoid *Controversial Sources* and Part 8. Minimum Management System.

## 1.2 PURPOSE

The purpose of this section is to describe the requirements *Certified Organizations* must meet to manufacture product with a *SFI Certified Sourcing* claim.

## 1.3 LABEL

This label applies to this section.



# PART 2: NORMATIVE AND INFORMATIVE REFERENCES

## 2.1 NORMATIVE

The following normative *SFI standards* are referenced in this document and can be found on the [SFI Inc. website](http://www.forests.org) at [www.forests.org](http://www.forests.org):

- i. ISO/IEC 17065:2012 — Conformity Assessment — Requirements for bodies certifying product, process and services
- ii. Sections 2 and 3 — *SFI 2022 Standards and Rules*
- iii. Section 6 — Rules for Use of *SFI On-Product Labels and Off-Product Marks*
- iv. Section 8 — *SFI Policies*
- v. Section 10 — Appendix 1: Audits of Multi-Site Organizations
- vi. Section 14 — *SFI Definitions*

## 2.2 INFORMATIVE

The following informative documents are referenced in this section and can be found on the [SFI Inc. website](http://www.forests.org) at [www.forests.org](http://www.forests.org):

- i. Section 4 — *SFI 2022 Chain-of-Custody Standard*
- ii. Section 7 — *Guidance to SFI 2022 Standards*
- iii. Section 10 — *SFI 2022 Audit Procedures and Auditor Qualifications and Accreditation*
- iv. ISO 9001:2015 Quality management systems — Requirements
- v. ISO 14001:2015 Environmental Management Systems — Specification with guidance for use





## PART 3: CALCULATING THE CERTIFIED SOURCING CLAIM

**3.1** *Primary producers* are manufacturing units that produce forest products (wood, paper, pulp, or composite products) and source 50% or more (by weight) of their wood-based raw materials directly from *primary sources*. They must account for 100% of their *primary sources* as coming from *certified sourcing*.

If a *primary producer* sources are from company-owned or company-controlled lands, those lands must be third-party certified to the *SFI 2022 Forest Management Standard*.

**3.2** *Secondary producers* are manufacturing units that produce forest products and source 50% or more by weight of their wood-based raw materials from *secondary sources*. They must account for at least two-thirds by weight of the wood or wood fiber in the product(s) or manufacturing unit as coming from *certified sourcing*. The other one-third cannot come from *controversial sources*.

**3.3** Calculation of percentage for use of the *certified sourcing* claim or label and information in sales documentation is as follows:

**3.3.1** *Primary producers* shall always demonstrate conformance with the requirements of 3.1, which means 100% *certified sourcing* for every *product group*.

- If less than 5% by weight of a manufacturing unit's raw material supply comes from *secondary sources*, these sources are considered de minimis and no certification of this portion is required if all is from U.S. or Canadian sources.
- A *primary producer* that sources more than 5% of their raw material from *secondary sources* (the remaining raw material is from primary sources that are certified to the *SFI Fiber Sourcing Standard's* requirements), is required to meet Part 3, Creating a *certified sourcing* Claim, Part 7. Due Diligence System to Avoid *Controversial Sources* and Part 8. Minimum Management System.

**3.3.2** *Secondary producers* shall specify how they will meet the requirements of 3.2 to conform to the two-thirds rule. They may base the calculation on a *product group* or time period, which cannot exceed one quarter. The percentage may be calculated as:

- Rolling Average Percentage — The percentage calculated for wood fiber consumed during, for example, the previous four quarters or 12 months. The period over which the rolling average is calculated shall not exceed one year.
- Simple Percentage — The percentage calculated for wood fiber consumed in the specific *product group*.

**3.3.3** In all cases, the *Certified Organization* must demonstrate that the requirements of 3.1 and/or 3.2 are met before the claim or label can be used in relation to a specific *product group* or time period.

**3.3.4** A *secondary producer* may use the *certified sourcing* claim or label on products from a single manufacturing unit as long as the specific supply for that product(s) or for that manufacturing unit meets all the content requirements set out in this document.

**3.3.5** The sourcing requirement may be met either at the product line or manufacturing unit level.

**3.4** *SFI Certified Sourcing Claim*: Fiber that conforms with Objectives 1-11 of Section 3, and/or from *pre-consumer recycled content*, and/or from *post-consumer recycled content*, and/or from an *acceptable forest management standard*.

**3.4.1** *Certified sourcing* claim verification can occur by a *primary producer's* Section 3 — *SFI Fiber Sourcing Standard* certificate or Section 4 — *SFI Chain-of-Custody Standard* certificate, a *secondary producer's SFI Chain-of-Custody Standard* certificate or *SFI Certified Sourcing Standard* certificate or, an invoice, bill of lading, shipping document, letter, or other forms of communications available to the customer.

## PART 4: ORGANIZATIONS OUTSIDE THE UNITED STATES AND CANADA

**4.1** A *primary producer* or *secondary producer* outside the United States and Canada must successfully complete an annual audit by an accredited *SFI certification body* against the requirements of the *SFI 2022 Certified Sourcing Standard*.

**4.2** A *primary producer* outside the United States and Canada must account for 100% of its *primary sources* as coming from *certified sourcing*.

**4.3** A *secondary producer* outside the United States and Canada must account for at least two-thirds by weight of the wood or wood fiber in the product(s) or manufacturing unit as coming from *certified sourcing*. The other one-third cannot come from *controversial sources*.

**4.4** An *Certified Organization* utilizing de minimis amounts of materials sourced from outside of the United States and Canada in their product(s) must conform to the requirements of the *SFI Certified Sourcing Standard* — Part 7 Due Diligence System to Avoid *Controversial Sources*.



## PART 5: CERTIFIED SOURCING DEFINITION

*Certified sourcing* is defined as raw material sourced from the following sources confirmed by a *certification body*:

- 5.1** Fiber that conforms with Objectives 1-11 of Section 3 — *SFI 2022 Fiber Sourcing Standard's* requirements.
- 5.2** *Pre-Consumer Recycled Content*: Forest and tree-based material recovered from waste during a manufacturing process. Excluded is reutilization of materials such as rework, regrind or scrap generated in a process and capable of being reclaimed within the same process that generated it. Excluded are by-products resulting from primary production processes, such as sawmilling by-products (sawdust, chips, bark, etc.) or forestry residues (bark, chips from branches, roots, etc.) as they are not considered waste.
- Any claims about *pre-consumer recycled content* by *Certified Organizations* or *label users* shall be accurate and consistent with applicable law. *Certified Organizations* and *label users* are encouraged to consult the U.S. Federal Trade Commission's guidelines on environmental claims in product advertising and communication and the guidelines on environmental labeling and advertising issued by the Fair Business Practices Branch of Industry Canada's Competition Bureau, as appropriate, and to seek additional information and direction from national accreditation bodies, national standards bodies and national, state and provincial consumer *protection* and competition laws.
- 5.3** *Post-consumer recycled content*: Forest and tree-based material generated by households or by commercial, industrial, and institutional facilities in their role as end-users of the product which can no longer be used for its intended purpose. This includes returns of material from the distribution chain and material from salvage from demolition.
- Any claims about *post-consumer recycled content* by *Certified Organizations* and *label users* shall be accurate and consistent with applicable law. *Certified Organizations* and *label users* are encouraged to consult the U.S. Federal Trade Commission's guidelines on environmental claims in product advertising and communication and the guidelines on environmental labeling and advertising issued by the Fair Business Practices Branch of Industry Canada's Competition Bureau, as appropriate, and to seek additional information and direction from national accreditation bodies, national standards bodies, and national, state and provincial consumer *protection* and competition laws.
- 5.4** *Certified forest content*, which includes content from specific forest tracts that are third-party certified to conform with the *SFI 2022 Forest Management Standard's* Objectives 1-17 requirements or other *acceptable forest management standards* (e.g., CAN/CSA-Z809 and American Tree Farm System).
- 5.5** *Non-controversial sources*: The organization shall establish adequate measures to ensure that the labeled products do not come from *controversial sources*. See Part 7 on due diligence system to avoid *controversial sources*.

## PART 6: SALE OF PRODUCTS

- 6.1** If requested to provide a *SFI certified sourcing claim*, the *Certified Organization* can, at the point of sale or transfer of the certified products to the next entity in the supply chain, provide customers with written information confirming the supplier's certified status and an official SFI claim statement. This can be in the form of, but not limited to, an invoice, bill of lading, shipping document, letter, or other forms of communications available to the customer at the time of the sale of the product.
- 6.2** When claims are communicated, the *Certified Organization* shall ensure that documentation of the certified products clearly states at least the following information:
- Certified Organization's* identification and *SFI 2022 Certified Sourcing Standard* or *SFI 2022 Chain-of-Custody Standard* certificate number,
  - manufacturing facility(s) supplying the product(s) covered by the claim,
  - range of dates for manufacture of the product(s) covered by under the claim,
  - description of product(s) covered by the claim,
  - an official *SFI* claim statement:
    - SFI X% *Certified Sourcing* or *SFI Certified Sourcing*
- 6.3** If the *Certified Organization* uses the logo, both on-product and off-product usage shall be carried out according to the terms and conditions of the *SFI Office of Label Use and Licensing* and the Section 6 — Rules for Use of *SFI* On-Product Labels and Off Product Marks, in the *SFI 2022 Standards and Rules* document.



## PART 7: DUE DILIGENCE SYSTEM TO AVOID CONTROVERSIAL SOURCES

### 7.1 DEFINITION OF *CONTROVERSIAL SOURCES*:

- a. Forest activities that are not in compliance with applicable state, provincial, federal, or international laws.
- b. Forest activities that are contributing to regional declines in *habitat conservation* and species *protection* (including *biodiversity* and *special sites*, *Alliance for Zero Extinction* sites and key *biodiversity areas threatened and endangered species*).
- c. *Conversion sources* originating from regions experiencing forest area decline.
- d. Forest activities where the spirit of the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at work (1998) are not met.
- e. Forest activities where the spirit of the United Nations Declaration on the Rights of *Indigenous Peoples* (2007) are not met.
- f. *Fiber sourced from areas without effective social laws*.
- g. *Illegal Logging* including trade in CITES (The Convention on International Trade in Endangered Species of Wild Fauna and Flora) listed species.
- h. *Conflict Timber*
- i. Genetically modified trees via *forest tree biotechnology*.

### 7.2 ACCESS TO INFORMATION

**7.2.1** The *Certified Organization* shall collect information on the source of the forest-based product, through a due diligence system to address the likelihood of sourcing from *controversial sources*. This includes:

- a. Identification of tree species, or list of tree species potentially included, by their common name and or their scientific name where applicable.
- b. Country or region of harvest of the material.
- c. If requested by their customer, provide the information required in a. and b.

*Recycled content* is exempt from a due diligence system to address the likelihood of sourcing from *controversial sources*.

**7.2.2** The *Certified Organization* can consider forest-based products low risk and exempt from due diligence when:

- a. Procured from a supplier with a valid SFI Section 2 (*SFI 2022 Forest Management Standard*) certificate, or other *acceptable forest management standards*, that clearly indicates that the source is within the scope of the certification; or
- b. Procured from a supplier with a valid SFI Section 3 (*SFI 2022 Fiber Sourcing Standard*) certificate that clearly indicates that the source is within the scope of the certification and/or the due diligence system; or
- c. Procured from a supplier with a valid SFI Section 4 (*SFI 2022 Chain-of-Custody Standard*), or other *credible Chain-of-Custody standard* certificate and/or due diligence system; or
- d. Procured from a supplier with a valid SFI Section 5 (*SFI 2022 Certified Sourcing Standard*) certificate and/or due diligence system.

### 7.3 DEVELOP AND IMPLEMENT A DUE DILIGENCE SYSTEM

**7.3.1** The *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 *Certified Organization* shall review, and if necessary, revise its risk ratings on at least an annual basis.

**7.3.5** The *Certified Organization* shall conduct a risk assessment before the first time of delivery for each new region of supply.

### 7.4 SUBSTANTIATED CONCERNS DUE TO ORGANIZATION'S RISK ASSESSMENT

**7.4.1** The *Certified Organization* shall have a *program* to assess any substantiated concern. A substantiated concern is information supported by proof or evidence, indicating that forest-based material originates in *controversial sources*. Substantiated concerns can be concerns by third parties, as well as concerns of the organization itself.

**7.4.2** The *Certified Organization* shall update its risk assessment to reflect substantiated concerns associated with a region of origin identified through internal data or public data.



## 7.5 MANAGEMENT OF HIGH-RISK FOREST-BASED PRODUCTS

- 7.5.1 Where the risk assessment determines high risk, the *Certified Organization* shall implement a *program* to mitigate such risk and require a signed contract and/or self-declaration that the supplied forest-based product does not originate from *controversial sources*.
- 7.5.2 For each supply source where the risk is high, the risk assessment shall also identify the specific verifiable controls that the supplier has in place to substantially reduce the risk of sourcing forest-based products from *controversial sources*.
- 7.5.3 Where a *Certified Organization* receives forest-based products, and then learns these forest-based products are from *controversial sources*, if possible, these forest-based products shall be segregated and prevented from entering the supply chain. If forest-based product has already entered the fiber supply system and cannot be segregated additional corrective measures shall be implemented to avoid future *controversial sources*. If subsequent verification demonstrates that the risk of this fiber originating from *controversial sources* is low, these forest-based products can re-enter the supply chain.
- 7.5.4 The *Certified Organization* shall identify the verifiable measures it must implement across the full supply chain for each source of supply identified as high risk to ensure that the supply is not from *controversial sources* which will include:
  - a. assessing the operating effectiveness of verifiable measures, through field-based verification.
  - b. for direct sources, include field and document verification of *controversial sources* risk factors back to the forest units from which fiber is sourced.
  - c. for indirect sources, include site and document verification of suppliers (such as lumber suppliers, chip suppliers and wood yards) to establish the absence of *controversial sources* risk factors in their inputs and sample-based field verification of their supply sources back to the forest units from which they source fiber.
- 7.5.5 Where sampling is conducted as part of the verification program, the sampling program should be risk based to draw valid conclusions across all fiber inputs.

## 7.6 AVOIDANCE OF CONTROVERSIAL SOURCES

- 7.6.1 Where the verifiable measures are not considered to be effective in reducing the risk of receiving fiber from *controversial sources* to low, fiber from these sources shall be avoided.

## PART 8: MINIMUM MANAGEMENT SYSTEM REQUIREMENTS

A *primary producer* certified to the *SFI 2022 Fiber Sourcing Standard* (Section 3, Objectives 1-11), meets the minimum management systems requirements specified in Part 8 of *SFI 2022 Certified Sourcing Standard*.

### 8.1 GENERAL REQUIREMENTS

The *Certified Organization* shall operate a management system in accordance with the following elements of this standard, which ensure correct implementation and maintenance of the *certified sourcing* process. The management system shall be appropriate to the type, range and volume of work performed.

Note: A *Certified Organization's* quality (ISO 9001:2015) or environmental (ISO 14001:2015) management system can be used to meet the minimum requirements for the management system defined in this standard.

### 8.2 RESPONSIBILITIES AND AUTHORITIES FOR CERTIFIED SOURCING

- 8.2.1 The *Certified Organization's* management shall define and document its commitment to implement and maintain the *certified sourcing* requirements, and make this available to its personnel, suppliers, customers, and other interested parties.
- 8.2.2 The *Certified Organization's* management shall appoint a member of the management who, irrespective of other responsibilities, shall have overall responsibility and authority for the *certified sourcing*.
- 8.2.3 The *Certified Organization's* management shall carry out a regular periodic review of the certified sourcing and its compliance with the requirements of this standard.





- 8.2.4** The *Certified Organization* shall demonstrate its commitment to comply with the social, health and safety requirements defined in this standard, including the spirit of ILO Declaration on Fundamental Principles and Rights at Work (1998).
- 8.2.5** The *Certified Organization* shall identify personnel performing work affecting the implementation and maintenance of the *certified sourcing*, and establish and set responsibilities and authorities relating to the *certified sourcing* process:
- raw material procurement and identification of the *certified sourcing*;
  - product sale and labeling;
  - record keeping; and
  - internal audits and nonconformity control.
- 8.2.6** The *Certified Organization* shall have a system to comply with all applicable social laws at the federal, provincial, state, and *local* levels in the country in which the *Certified Organization* operates. This includes having a policy demonstrating compliance with social laws, such as those covering civil rights, equal employment opportunities, anti-discrimination and anti-harassment measures, workers' compensation, *Indigenous Peoples'* rights, workers' and communities' right to know, prevailing wages, workers' right to organize and occupational health and safety.

### 8.3 DOCUMENTED PROCEDURES

The *Certified Organization's* procedures for the *certified sourcing* shall be documented, and include at least the following elements:

- description of the raw material flow within the production process;
- organization structure, responsibilities and authorities relating to chain of custody; and
- procedures for the *certified sourcing* process covering all requirements of this standard.

### 8.4 RECORD KEEPING

- 8.4.1** The *Certified Organization* shall establish and maintain records to provide evidence it has conformed to the requirements of this standard and its *certified sourcing* procedures are effective and efficient. The *Certified Organization* shall keep at least the following:
- records of all suppliers of *certified sourcing* material, including information to confirm requirements at the supplier level are met;
  - records of all purchased *certified sourcing* raw material;
  - records of all *certified sourcing* products sold;
  - records of internal audits, nonconformities which occurred and corrective actions taken; and
  - records of top management's periodic review of compliance with *certified sourcing* requirements.
- 8.4.2** The *organization* shall maintain the records for a minimum period of three years unless stated otherwise by law.

### 8.5 RESOURCE MANAGEMENT

- 8.5.1** Human Resources/Personnel:  
The *Certified Organization* shall ensure that all personnel performing work affecting the implementation and maintenance of the *certified sourcing* shall be competent based on appropriate training, education, skills and experience.
- 8.5.2** Technical Facilities:  
The *Certified Organization* shall identify, provide, and maintain the infrastructure and technical facilities needed for effective implementation and maintenance of the organization's *certified sourcing* to meet the requirements of this standard.

### 8.6 INTERNAL AUDIT AND MANAGEMENT REVIEW

- 8.6.1** The *Certified Organization* shall conduct internal audits at least annually, and prior to the initial certification audit, covering all requirements of this standard and establish corrective and preventive measures if required.
- 8.6.2** The *Certified Organization* shall conduct the internal audit in accordance with the following requirements:
- The internal audit shall be undertaken by personnel that have adequate knowledge of the *SFI 2022 Certified Sourcing Standard*;
  - Off-site interviews and desk audits are permissible;
  - If there have been no inputs or outputs for a site or manufacturing facility over the past year, internal audits are not required;
  - If a site or manufacturing facility has had no sales of *SFI certified sourcing* products over that past year, internal audits are not required;



- e. Internal audits are to assess overall organizational conformance and internal audit documentation can consist of one consolidated internal audit checklist and/or report; and
- f. Where nonconformities are identified during the internal audit process, a corrective action plan shall be developed at the site and/or organizational level.

- 8.6.3** Where the *Certified Organization* has outsourced activities within the scope of its *certified sourcing* the *organization* shall develop procedures for the audit of these contractors including a written agreement with all outsource contractors that states:
- a. the *Certified Organization* maintains legal ownership of all input material to be included in the outsourced processes;
  - b. the *certified sourcing* material from the *certified organization* is clearly identified from other non-certified material and outsource contractor returns the material back to the *certified organization* after the outsourced work is completed; and
  - c. the *certified organization* reserves the right for the SFI-accredited *certification body* to audit the outsourcing contractor or operation.
  - d. records of inputs/outputs are available.
- 8.6.4** The internal audit of outsource contractors may be conducted remotely.
- 8.6.5** Where there are sufficient outsource contractors the internal audit may use a sampling approach for these contractors.
- 8.6.7** The *Certified Organization* shall have its rationale for remote audits and its sampling procedure audited by its *certification body*.
- 8.6.8** The results of internal audits shall be reported to management for review during the annual management review.
- 8.6.9** The *Certified Organization* shall establish procedures for dealing with complaints from suppliers, customers, and other parties relating to its certified sourcing system.

## PART 9: APPLICATION REQUIREMENTS

### 9.1 *Primary producers* must submit to the *SFI Office of Label Use and Licensing*:

- 9.1.1 A copy of their annual *SFI 2022 Forest Management Standard* and/or *SFI 2022 Fiber Sourcing Standard* public audit summary report issued by an SFI certification body.

### 9.2 *Primary* or *secondary producers* outside the United States and Canada must submit to the *SFI Office of Label Use and Licensing*:

- 9.2.1 Specific examples of proposed *SFI* on-product label use and related promotional literature to the *SFI Office of Label Use and Licensing*, in keeping with the SFI Section 6 — Rules for Use of *SFI* On-Product Labels and Off-Product Marks.