

INCLUSIVE WOOD SOURCING POLICIES

ADVICE FOR FURNITURE BUYERS



WHO ARE SFI AND PEFC?

- SFI (Sustainable Forestry Initiative) is the largest forest certification system operating in the United States and Canada.
- PEFC (Programme for the Endorsement of Forest Certification) is a leading global forest certification system, trusted by companies and customers worldwide.
- SFI is endorsed by PEFC, which means wood certified to the SFI standard can carry the PEFC label, provided the organization holds PEFC chain-of-custody certification.

WHAT ARE INCLUSIVE WOOD SOURCING POLICIES?

- Inclusive sourcing policies recognize all credible forest certification programs, including SFI, PEFC, and FSC.
- These policies treat all three certifications equally, without giving preference to one over the others.

RELIABLE SUPPLY AT SCALE

- 300 million hectares of forest are PEFC-certified worldwide.
- 150 million hectares of forest in the U.S. and Canada are certified to the SFI standard, and endorsed by PEFC, representing about 50% of the world's PEFC-certified forests.
- Inclusive policies unlock this supply, ensuring access to verified, responsibly sourced wood.
- PEFC/SFI COC comes with many benefits, one of the most important is the ability to track SFI-certified wood content through global supply chains.

LOWERING THE COST OF CERTIFIED WOOD

- Furniture manufacturers in Vietnam report paying 10–30% premiums on FSC-certified wood due to limited supply and high demand.
- When combined with tariffs and rising operational costs, these premiums significantly affect the bottom line.
- By recognizing multiple certifications, inclusive sourcing policies help avoid unnecessary price inflation and maintain affordability throughout the supply chain.

DEMONSTRATING SUSTAINABILITY LEADERSHIP

- Inclusive wood sourcing policies provide assurance that your customers are receiving products made from sustainability grown and harvested wood.
- Forward-thinking companies show leadership by embracing inclusive wood sourcing policies that reflect both environmental and business realities.
- These policies acknowledge that favoring one certification can unintentionally harm ecosystems and communities by limiting access to certified, legal, and sustainable materials.
- 63% of U.S. consumers have heard of SFI. Of those, 93% trust SFI (ERM Shelton: Global Eco Pulse 2024).

SFI'S 2022 STANDARDS

- SFI standards have become a highly trusted solution that can support a growing need for products from sustainably managed forests. Organizations certified to the SFI standards conserve wildlife and water, practice climate-smart forestry, and support relationship building with Indigenous Peoples.

WHY INCLUSIVE SOURCING REDUCES RISK

- High demand for a single certification can inflate prices and create incentives for false claims or sourcing from uncontrolled, potentially illegal, or unethical sources, leading to corruption in the form of fraudulently labelled “certified” wood.
- All three systems—SFI, PEFC, and FSC—are designed to comply with the world's strictest environmental regulations.
- Recognizing all three certifications lowers the risk of unknowingly introducing wood from unknown or controversial sources into your supply chain.



THE EU DEFORESTATION REGULATION (EUDR)

- The European Union has identified the United States and Canada as “low risk” countries in the EUDR.
- Whereas the European Union has identified Russia and Belarus as a “high-risk” country. This is important due to Russian wood being manufactured in countries like China.
- PEFC/SFI have strict definitions of deforestation and forest degradation, and the standard requirements ensure deforested wood and wood contributing to forest degradation do not enter supply chains.

U.S. LACEY ACT

- The Lacey Act is a federal law that prohibits importing, exporting, transporting, selling, or possessing illegally harvested timber and timber products to or from the United States and Canada.
- Both sellers and buyers of wood in violation of the Lacey Act are subject to criminal and civil prosecution, jail time, fines, substantial legal fees, and brand destruction.
- Third-party forest certification programs like SFI/PEFC are recognized tools to demonstrate due care/ due diligence as they show that a company has taken proactive steps to avoid illegal forest products through its supply chain.

THIRD-PARTY CERTIFICATION ADDS CREDIBILITY

- Independent third-party audits further ensure compliance and reduce the risk of corruption or false claims, especially in “high” or “standard risk” regions of the world.

SFI/PEFC ARE RECOGNIZED GLOBALLY BY MAJOR BRANDS, SUSTAINABILITY DISCLOSURE ORGANIZATIONS, GOVERNMENT AGENCIES, AND CONSORTIUMS



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