



**responsible procurement of wood-based
materials from sustainably managed forests**

**why you
need a
chain of
custody**



The challenge

Consumers in growing numbers are seeking evidence of environmentally sound business practices. Public authorities and enterprise procurement policies increasingly demand reassurance and proof from the wood-processing industries that the wood they use comes from sustainably managed sources. By and large wood-based products have a better overall environmental record than competitor materials, but questions have arisen about the management of the forests from which the wood originates. Businesses therefore need a reliable and credible mechanism to prove to their customers where their products have come from. In addition, a voluntary private sector proof mechanism can be useful in complementing government law enforcement endeavours to combat illegal logging.



What is certification?

Evidence that wood comes from sustainably managed sources can be provided by the wood-processing industry through the use of forest certification and chain of custody certification.

Forest certification is a way of proving that the forests are managed in a sustainable way according to agreed performance standards. A certified chain of custody is a way of proving that an enterprise has a system to track the wood flow in the production process all the way from the certified forests to a workshop or factory, and from there, onto the retailer.

Together these certificates provide proof to customers of the origin of the wood used in the wood-processing industry. To be credible, the certification in both cases must be undertaken by independent accredited third party certifiers.

Every enterprise is a link in the overall 'chain' for the wood from forest to the finished product. So it is important that all enterprises dealing with wood have their area of responsibility certified to ensure that this 'chain' is complete.

PEFC, the world's largest forest certification scheme, provides just such an assurance mechanism, allowing you to demonstrate that the wood in your products comes from sustainably managed forests.

The benefits of a certified chain of custody

Certified tracking of the wood flow offers the wood-processing industry and business-to-business suppliers as well as customers, retailers and traders a number of business bonuses. They can:

- improve their access to the markets – an increasing number of customers, retailers and traders now specify wood from certified sources only and, in some markets, demand is outstripping supply
- demonstrate their responsibility for and commitment to sustainable development
- create a wood flow accounting system to improve the internal efficiency of their business
- improve the image of the wood-processing sector
- promote the use of wood and compete more successfully with other materials on the market

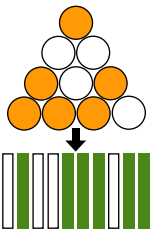
Communicating with customers

An enterprise can make use of a PEFC logo to communicate its sustainability principles to its customer base. In most cases, companies with a chain of custody certificate also choose to communicate this by using a PEFC logo specifically registered to that enterprise.

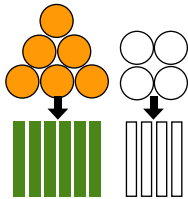
PEFC has already authorised hundreds of enterprises that have undergone a chain of custody certification to use the PEFC logo as a communications tool on their timber, paper and wood-based products. Wood from a certified forest can then be traced from harvested tree through to finished product by means of a number of certified chains of custody.



1 Percentage model



2 Physical segregation model



- % wood certified
- % wood from certified sources
- % wood from non-certified sources

Chain of certification in more detail

A wood-processing enterprise, business-to-business customer/supplier, trader or retailer who has put in place an independently certified wood flow verification system can reassure customers that its product sources are verifiable. The chain of custody certificate and associated documentation will inform the customer – the next enterprise in the chain – about the proportion of wood in the products from certified sources. Each enterprise in turn can use this information for its own chain of custody to communicate the facts to its customers. In this way the chain stretches from the forest right through to the final product. To make the system work effectively for all in the industry, your enterprise should also have a certified chain of custody.

Any enterprise interested in using a product label showing that their wood has come from a certified forest must have implemented and be using an independently certified system to monitor the origin of the wood.

The wood's origin can be traced in two different ways: by using a so-called percentage model (based on inventory control and the accounting of wood/

material flows) or by physical segregation of wood. These can be applied to a batch of products, a single production unit or the operation of a whole enterprise.

- Using the percentage model, the enterprise may label the proportion of its production that corresponds to the amount of raw material used from certified sources as originating from certified sources. The implementation of this is verified by inventory records at each stage of the process. Once an enterprise achieves over 70% input from certified sources, it can label all of its production with a PEFC logo.
- Using the physical segregation of wood, each batch from certified forests must be kept physically separate from all other wood at every stage from harvesting and transport to intermediate storage and processing.

Woodland owners, regardless of the size of their forest, can obtain a certificate for the management of their forests and be PEFC-certified provided they can demonstrate adherence to the stringent requirements of a national forest certification scheme endorsed by the PEFC. The certificate also allows the use of the appropriate PEFC logo.



How can I get involved?

Wood-processing enterprise, business-to-business customer/supplier, trader or retailer

– you may wish to get your product flow certified. Doing so gives your products access to the PEFC logo for communication purposes. If you use a trademarked logo in your marketing communications for wood/paper products that have successfully passed along any part of or all of the chain of custody, you encourage your customers and the general public at large to make a positive choice for sustainable forest management by buying products carrying the PEFC logo.

Once you have a certified chain of custody in place, you can apply for a licence to use the PEFC logo for both on and off product communications. Your national PEFC representative (www.pefc.org) will be happy to provide you with the background information necessary to obtain a PEFC chain of custody and logo for your enterprise.

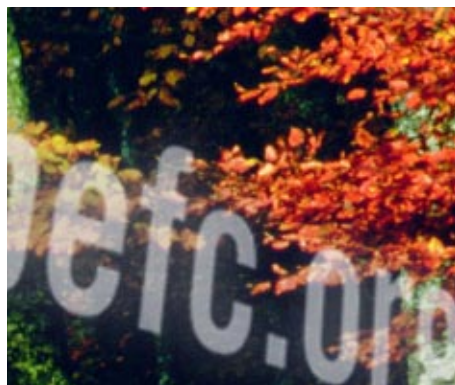
To find out more about the certifiers in your country, and how to get access to the logo following certification, contact your national PEFC.

End-customer/consumer – you can purchase a PEFC-labelled product or ask to see the chain of custody certificate to be sure that you are contributing to the sustainable management of forests and their certification.

Woodland owner – you may want to obtain a PEFC certificate for your forest management. To do so, contact your national PEFC certification scheme at www.pefc.org for details of certification bodies operating in your area.

Other interested parties – if you are interested in sustainable forest management and its certification and wish to become involved in PEFC in your country or to promote sustainable forest management through PEFC for educational purposes, contact your national PEFC representative at www.pefc.org

PEFC is a framework for the mutual recognition of credible national or regional forest certification schemes which have been developed to meet internationally recognised requirements for sustainable forest management. Since its launch in 1999, PEFC has become the largest forest certification umbrella organisation covering national schemes from all over the world, delivering hundreds of millions of tonnes of wood to the processing industry and then onto the market place from tens of millions of hectares of certified forests. PEFC has strong grass roots support from many stakeholders including the forestry sector, governments, trade associations, trade unions and non-governmental organisations.



PEFC has also launched a fully interactive database on the world wide web at www.pefc.org. There anyone can search and find information on any certificate or logo licence number relating to any forest or chain of custody certification in every PEFC-endorsed scheme. Check it out for yourself online.

If you wish to participate, contact your national PEFC for further information or see our website at www.pefc.org



The PEFC Council
Registered as an asbl in Luxembourg
No. 1999-61-02192

17 Rue des Girondins
L-1626 Luxembourg
Tel: +352 26 25 90 59
Fax: +352 26 25 92 58
E-mail: pefc@pt.lu
www.pefc.org