What is PEFC Chain of Custody

Mechanism that provides accurate and verifiable information that forest and tree-based products are sourced from PEFC certified sustainably managed forests, recycled material and/or PEFC controlled sources.
Why PEFC Chain of Custody

Access to markets through:
PEFC Claims

Accurate + verifiable information = Traceability
PEFC’s approach to traceability

Ensuring that any material entering the PEFC Chain of Custody is responsibly sourced, regardless of where it comes from.

Materials included in a PEFC certified product can come from:

1. PEFC certified sustainably managed forests
2. Recycled sources
3. Wood from non-controversial sources through PEFC controlled sources
Chain of Custody Model

The supplier (3.38)
Entity supplying material used as input for an organisation’s PEFC chain of custody product group

The organisation (3.21)
Person or group of people that has its own functions with responsibilities, authorities and relationships to achieve its objectives.

The PEFC customer (3.29)
Entity receiving from an organisation a PEFC claim for products, of which it obtains legal ownership and/or physical possession

For each delivery, the organisation shall define one supplier, and one PEFC customer
Module 2: Management System Requirements

Linda Matole
Management system

set of interrelated or interacting elements of an organization to establish policies and objectives and processes to achieve those objectives.

Chain of Custody Management Model

Management System

Supplier's claim → Chain of Custody Process → Claim to PEFC customer

Management System

Supplier's claim → C-o-C Process → Claim to customer → Supplier's claim → C-o-C Process → Claim to PEFC customer
## Management System Requirements

<table>
<thead>
<tr>
<th>Documented Procedures</th>
<th>Responsibilities &amp; Authorities</th>
<th>Record keeping</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Responsibilities &amp; authorities.</td>
<td>• Commitment to implement and maintain PEFC CoC requirements. Commitment to be made available to personnel, suppliers, customers etc.</td>
<td>• Keep records for at least five years:</td>
</tr>
<tr>
<td>• Raw material flow within production/trading processes i.e defining a <strong>product group</strong>.</td>
<td>• The organisation appoints a member from management responsible for PEFC CoC.</td>
<td>E.g:</td>
</tr>
<tr>
<td>• Procedures for PEFC Chain of Custody Processes.</td>
<td>• Appoint personnel responsible for implementing PEFC CoC.</td>
<td>✓ Suppliers (certificates)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ Procured/sold products (claims)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ DDS</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ Internal audits</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ Complaints and resolutions…</td>
</tr>
</tbody>
</table>
# Forests are Home

## Management System Requirements

<table>
<thead>
<tr>
<th>Resource Management</th>
<th>Inspection &amp; Control</th>
<th>Complaints</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Human resources/personnel: training, education, skills.</td>
<td>• Annual internal audits, prior to the initial certification audit including activities covered by outsourcing. Guidance doc: ISO 19011</td>
<td>• Establish procedures for dealing with complaints from suppliers, customers and other parties…...</td>
</tr>
</tbody>
</table>
### Management System Requirements

<table>
<thead>
<tr>
<th>Non conformity &amp; Corrective Actions</th>
<th>Outsourcing</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Nonconformity and corrective actions (4.8)</td>
<td>• Establish a written agreement between the organisation and another entity to ensure that:</td>
</tr>
<tr>
<td>• When a nonconformity is identified through internal or external auditing, the organisation shall:</td>
<td>• Separation/no mixing at the entity’s site(s)</td>
</tr>
<tr>
<td>[Flowchart showing React, Evaluate, Implement, Make changes in the MS if necessary]</td>
<td>• Organisation has access to the entity’s site(s) for internal and external auditing of outsourced activities.</td>
</tr>
<tr>
<td>Make changes in the MS if necessary</td>
<td>• Internal audits of outsourced activities be done annually and before the outsourcing activity starts</td>
</tr>
</tbody>
</table>
## Management System Requirements

### Social, Health & Safety Requirements

- Based on [ILO Declaration on Fundamental Principles and Rights at Work, 1998](https://www.ilo.org/infoapproach/fundamentalprinciples/index.htm)
- Freedom of association and collective bargaining
- Forced labour is not used
- No child labour (legal, 15, compulsory school age)
- Equal employment opportunities and treatment
- Safe and healthy working conditions
Chain of Custody Management Model

Top Management responsibilities

- Documented procedures
- Resources management
- Nonconformity & corrective action
- Responsibilities and authorities
- Inspection & Control
- Outsourcing
- Record keeping
- Complaints
- Social requirements

Identification of inputs → DDS → CoC methods → Declaration of outputs & trademarks

#ForestsareHome
Q3. At the time of initial audit, shall internal audits already have been carried out by the organization?

- Yes
- No
Q3. Yes. The initial audit evaluates the implementation of the requirements of the chain of custody standard.