

SFI PROVIDES CHOICES THAT HELP ACHIEVE ZERO NET DEFORESTATION GOALS

Avoiding Supply Chain Risk by Sourcing U.S. and Canadian Forest Products

Deforestation is significantly affecting the world's forests. Forests still cover about a third of the world's land area, but areas half the size of England are lost each year, according to National Geographic. At current rates of deforestation, the world's rain forests could disappear in 100 years. Forest destruction produces as much as 15% of the world's greenhouse gas emissions — more than from all the planes, trains and automobiles on Earth, according to The Nature Conservancy.

Deforestation occurs when forests are permanently converted to other land uses. This conversion means that the multiple values and environmental services produced by a forest, such as biodiversity, filtering water and sequestering carbon are lost forever. It's important to ensure that, in our zeal to address the critical issue of

forest loss, policies or metrics don't confuse harvesting in well-managed forests with deforestation. This is particularly important when those managed forests are harvested under assurances of long-term sustainability.

"Zero Deforestation" policies can play an important role in promoting responsible management and therefore limiting deforestation. The proliferation of such policies, combined with the global attention toward deforestation through international frameworks such as the UN Sustainable Development Goals, are helping to elevate solutions and promote commitments to reduce deforestation. Credible forest certification programs like the Sustainable Forestry Initiative (SFI) are an important element of these many policies, since fiber certified to SFI disallows the inclusion of wood sourced from areas being converted from forests to other land uses.

“Sustainably managed forests are healthy, productive, resilient and renewable ecosystems, which provide vital goods and ecosystem services to people worldwide.”

— UN Forum on Forests - May 1, 2017

“The impact on forest area of “reverse drivers” such as afforestation policies is particularly evident in high-income countries such as the United States of America and those of Western Europe, where net deforestation bottomed out many decades ago...”

— 2016 State of the World’s Forests Food and Agriculture Organization of the United Nations

FOREST PRODUCTS FROM THE U.S. AND CANADA POSE EXTREMELY LOW RISK FOR DEFORESTATION

The most recent data available from the U.S. Forest Service show a continuing trend toward increases in forest area nationwide. A 2012 study showed the nation’s forests increased by roughly 7 million acres, or 1% between 2007 and 2012.

Canada’s 348 million hectares of forestlands represent about 9% of the world’s forest cover, but account for only 0.3% of global deforestation. The conversion of forest to agricultural land is decreasing but it remains the largest contributor to deforestation in Canada. The infinitesimal contribution the forest sector makes to deforestation is from building permanent logging access roads. Forest harvesting practices in Canada are tightly regulated to ensure the long-term sustainability of this important natural resource.

WWF has identified 11 places where the largest concentrations of forest loss or severe degradation are projected to occur between 2010 and 2030.

NONE ARE IN THE U.S. OR CANADA



Source: WWF “Living Forests Report: Chapter 5 - Saving Forests at Risk”

In Canada, forest managers harvest less than 1% of the land base annually and all forests are promptly reforested.

LOW-RISK PROCUREMENT STRATEGIES SHOULD INCLUDE SFI

The global marketplace has become increasingly concerned with the need to avoid forest-based materials from regions of the world where there is a serious risk of illegal logging or deforestation. SFI Program Participants source 98% of their fiber from the United States and Canada where the threat of deforestation is not a risk. The other 2% comes from fiber that is certified to either the Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PEFC).

Despite the very low risk of illegal logging in the United States and Canada, the marketplace has increasingly demanded risk assessments across the entire supply chain. The SFI 2015-2019 Fiber Sourcing Standard requires Program Participants to assess the risk of illegal logging regardless of the country or region of origin, meaning that the same requirements that apply outside the United States and Canada, now also apply to sources within the United States and Canada. This is an assurance that will further facilitate compliance with corporate and government policies such as the U.S. Lacey Act and the European Union Timber Regulation. To assess the risk of illegal logging, Program Participants are encouraged to use tools such as the World Resources Institute Risk Information Tool, the World Bank Legal Rights Index, or Transparency International.

ADDRESSING THE RISK

ALIGNMENT WITH CGF PULP, PAPER, PACKAGING GUIDELINES

CGF commitments are based on high priority countries. North America is not a high priority country.



HIGH PRIORITY COUNTRY LIST

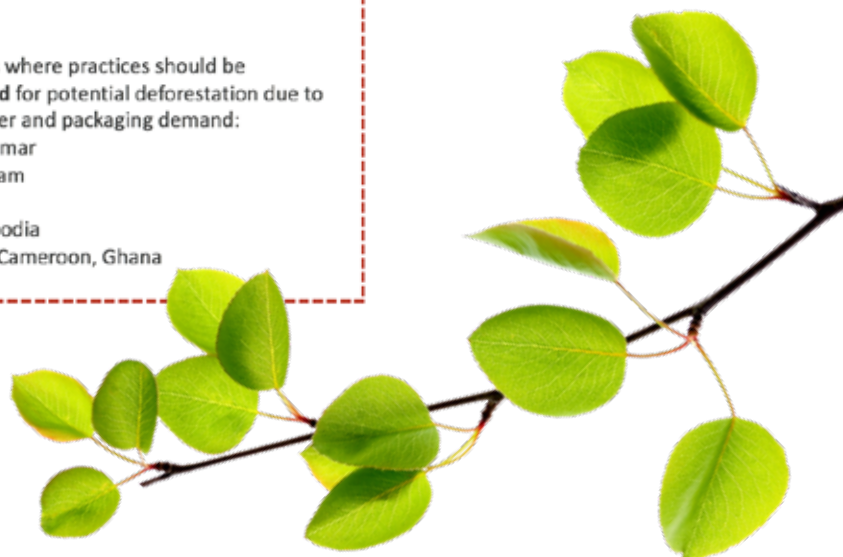
Based on The Consumer Goods Forum Guidelines

Countries where supply should be **verified** for low risk of controversial sources contributing to deforestation:

- Indonesia (fiber source)
- Malaysia (wood chips source)
- China (fiber source and trader)
- Thailand (fiber source)
- Colombia (fiber source)

Countries where practices should be **monitored** for potential deforestation due to pulp, paper and packaging demand:

- Myanmar
- Vietnam
- PNG
- Cambodia
- DRC, Cameroon, Ghana



MOVING FROM RISK TO REWARD TO KEEP FORESTS AS FORESTS

Because SFI operates in low-risk countries, we are in a unique position to dedicate resources to enhancing the rewards forests provide to support our quality of life. SFI works to bring researchers and forest managers together to make the best decisions possible. SFI's vast scale also has the potential to bring these solutions to a new level and magnify their impact. In 2016, SFI Program Participants engaged with over 500 organizations in multiple sectors including research, conservation, government, academic and community.

THE SFI CONSERVATION IMPACT PROJECT

To help make the case for the value of sustainability and well-managed forests, SFI is working to quantify the conservation benefits of its work, and the connection between sustainable supply chains and important conservation outcomes. By clarifying these conservation attributes, SFI will help make the link between well-managed forests and the public benefits that affect each of us every day in three major categories: climate change, water and biodiversity.

MEASURING CARBON STORAGE

Developing practical methods for quantifying carbon storage in upland boreal forests and wetlands is the goal of an initiative led by the Saskatchewan Research Council in collaboration with Ducks Unlimited Canada's Boreal Program and SFI. The goal of the project is to develop a rapid protocol that forestry professionals can use to get credible estimates of carbon storage in wetlands.

WANT TO KNOW MORE?

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"We are pleased to welcome SFI as an IUCN member. Their work on measuring conservation values in working forests is an important contribution to the delivery of global conservation efforts."

— Stewart Maginnis

IUCN Global Director, Nature-based Solutions Group

CONSERVING BIRD HABITATS

SFI and the American Bird Conservancy (ABC) are cooperating to conserve habitats of bird species of conservation concern that are declining significantly. Collaborating with SFI offers ABC unmatched scale in terms of major forest regions and forest types. ABC also gets to partner with a wide range of SFI Program Participants in grassroots, practical ways.

ABOUT THE SUSTAINABLE FORESTRY INITIATIVE® INC.

At the Sustainable Forestry Initiative® Inc., we believe that sustainable forests are critical to our collective future. SFI® is a sustainability leader through our work in standards, conservation, community, and education.

As an independent, non-profit organization, we collaborate with our diverse network to provide solutions to local and global sustainability challenges. SFI works with the forest sector, brand owners, conservation groups, resource professionals, landowners, educators, local communities, Indigenous Peoples, governments, and universities.

Learn more: forests.org.



**BETTER CHOICES
FOR THE PLANET**

