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Friday, 14 January 2022

Your letter from 10 January 2022

Dear Mr Sam Lawson,

We understand from your letter that Earthsight is of the opinion that timber manufactured by Logistic Les and supplied by SDS Logistic and imported by European buyers cannot be considered as low risk of being illegal for the purpose of EUTR/UKTR.

It is not clear whether any of the shipments imported were used within the scope of PEFC chain of custody certified product groups. Furthermore, we understand that your research has not found any evidence of potential violations with PEFC certification requirements.

In the absence of this information, we can provide only limited comments to your findings, which we hope will be taken into consideration for the purpose of your report.

PEFC chain of custody certification requires companies to implement a Due Diligence System - a framework of procedures and measures, namely information gathering, risk assessment and risk mitigation, implemented by an organisation to reduce the risk that forest and tree based material originates from controversial sources, including illegal sources.

Companies can only use material as input for PEFC-certified products for which they have established that there is negligible risk that it originates from controversial sources. They are required to investigate substantiated concerns about the potential origin of material in controversial sources and manage it accordingly.

Importantly, the latest revision of the PEFC Chain of Custody standard (PEFC ST 2002:2020) requires companies to resolve substantiated concerns regarding legality for any forest and tree based materials it procures, including materials not covered by PEFC chain of custody certification. Companies are prohibited from placing material originating from illegal sources on the market, irrespective of its certification status.

If Earthsight has any substantiated concerns about the potential origin of material in controversial or illegal sources, we urge you to provide this information to the respective companies immediately for prompt investigation.

Please note that the correct implementation of PEFC chain of custody requirement by companies is verified by third-party certification bodies. Therefore, if Earthsight has any substantiated evidence of potential non-compliances of PEFC-certified companies with PEFC certification requirements, including the Due Diligence System, we urge you to provide any such information to the respective certification body.

In addition, we would like to share with you that the certificate for BM Group (SGS-PEFC-RUSSIA-0001) is terminated, as of 12 January 2022. Note that a certificate is terminated when a company decides voluntarily to withdraw its certification.

Finally, we understand from your letter that you would like to receive an update concerning the results of AB Industrial Safety's investigation into SGS Vostok. AB Industrial Safety found a number of non-conformities, based on which the notification agreement was suspended on 2 September 2021. After SGS Vostok addressed the non-conformities, the suspension was temporarily lifted on 24 December 2021 until 28 February 2022, by which time AB Industrial Safety will provide a final report concerning the conformity of SGS Vostok with certification requirements.

Best regards,



Michael Berger
Acting Secretary General, PEFC International