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Today's presentation

- What is WWF?
- What is WWF Global Forest & Trade Network (GFTN)?
- Where does GFTN work?
- What is the focus of GFTN?
- What are the requirements of members in GFTN Buyer Groups ?
- What are the requirements of members in GFTN Producer Groups?
- The status of GFTN


GLOBAL FOREST & TRADE NETWORK


WWF world-wide



■ National Organizations
 ■ Associates
 ■ Programme Offices
 ■ Other countries with active projects
 ■ International Secretariat

- world's largest conservation organisation
- more than 3000 staff
- 10,000 projects in 100 countries
- national offices in 27 countries
- 4.7 million supporters


GLOBAL FOREST & TRADE NETWORK


WWF's mission



- preserve biological diversity
- ensure sustainable use of renewable resources
- minimize pollution and waste of resources
- *forest issues are main priority*



WWF Targets and Milestones



Forest TDPs: 1) Protect, 2) Manage and 3) Restore

Target 2 Manage:

By 2010, improved management in **200 million hectares** across the world's production forests, through a combination of **credible certification** and a step-wise approach to improved forest management.

Milestone 4 under Target 2 :

300 strategically chosen **companies source sustainable forest products** using the WWF Responsible Purchasing Guide, or implement WWF Guidelines on Corporate Responsible Reporting by

2007

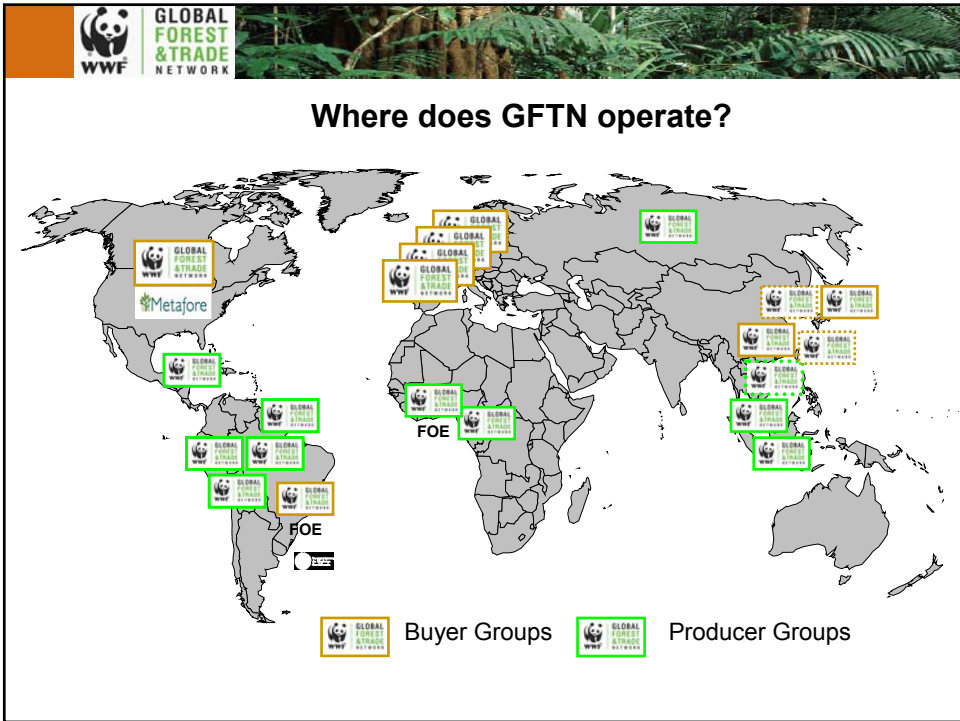
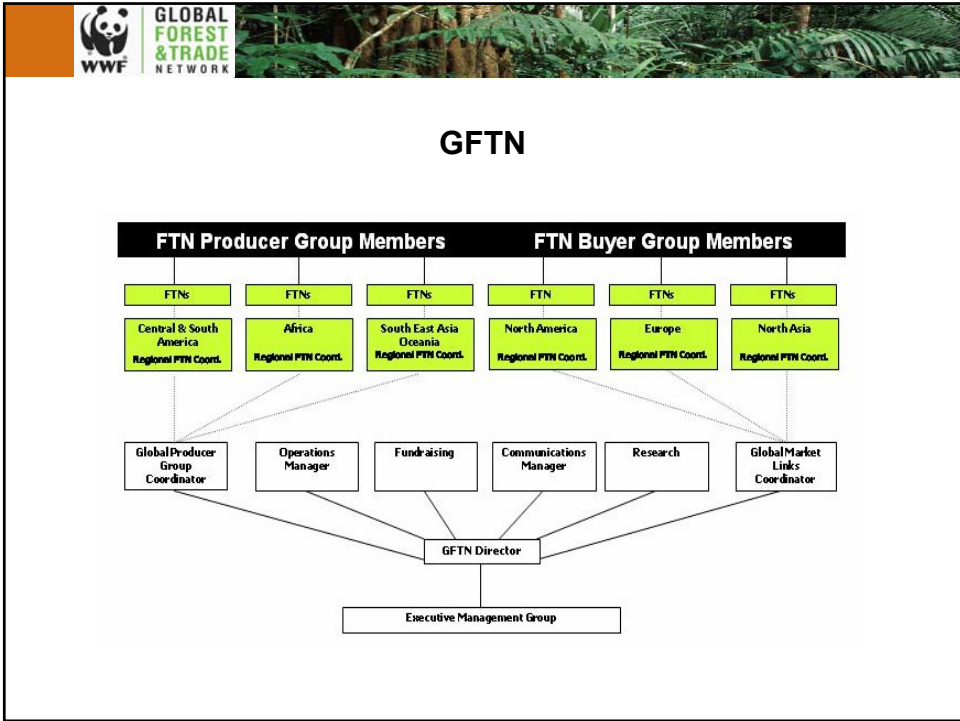


Global Forest & Trade Network

Partnerships between responsible companies and WWF to:

- eliminate illegally logged forest products and drive improvements in the quality of forest management
- use credible certification as a vital tool
- engage in stepwise-approaches to responsible forest management and purchasing
- focus on valuable and threatened forests through WWF Producer Groups





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The first 10 years of GFTN

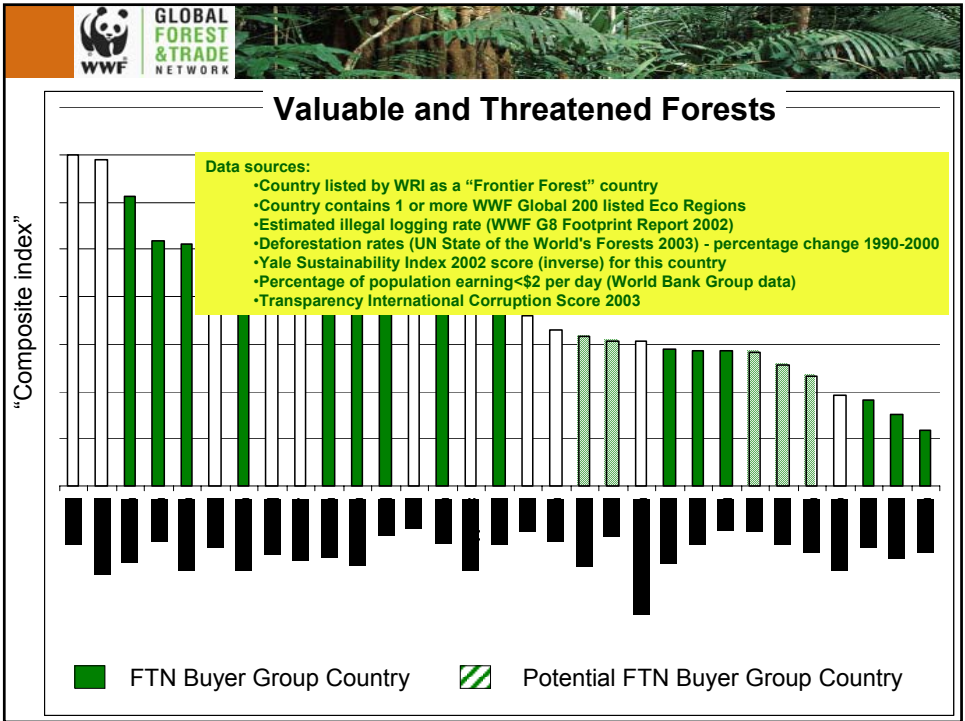
Good news...

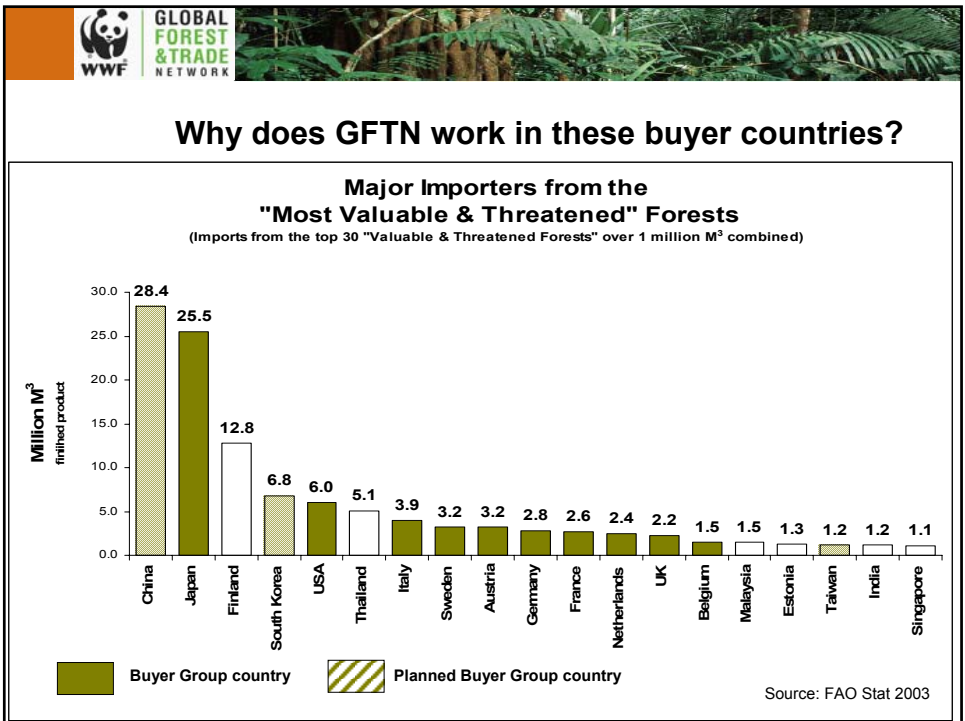
- Growing demand for certified products
- More than 400 members:
 - IKEA, Carrefour, B&Q, Castorama, The Home Depot, Lowe, SCA, Timbmet, OBI, Kinnarps, Sveaskog
- 50% of the demand for certified forest products generated by GFTN members
- Full range of certified products

Less good news...

- Certification in temperate, subtropical forests or plantations
- Certification slow in regions of particularly valuable and threatened forests
- Limited market for certified Lesser Known Species

Sources: UN-ECE and FAO (Vilhunen *et al.* 2001); GFTN








Market-driven approach



Retailers/end users:

- Certified products
- Species diversification
- Supply-chain improvements



Manufacturers, traders:

- Legal and sustainable timber
- Certified products



Forest managers and owners:

- Responsible forest management
- Legal tenure




GFTN Membership Requirements - Trade & Forest members

- **Policy** – commitment to:
 - credible certification and responsible purchasing
 - credible certification
- **Baseline appraisal / reviews**
 - the starting point to assess progress
 - assess certifiability
- **Action plan**
 - phase out unwanted products and phase in certified/in progress
 - forest certification within 5 years for at least one FMU
- **Monitoring** – reporting on progress
 - annual reporting on products and progress
 - annual third party auditing and full report on progress
- **Management** – high level commitment
- **Communications** – no green-washing
- **Act lawfully** – across operations & not anti-competitively



Company Policy

- The traceability of forest products within the supply chain
- The elimination of illegally harvested forest products
- The elimination of products sourced from HCVP if not certified or in progress
- Continuously increasing products from credibly certified forests

The policy must be communicated



Traceability

To demonstrate progress a tracking system will be needed to identify:

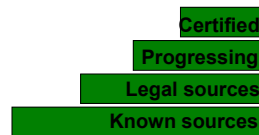
- The **Forest(s)** of origin
- The **Species** of timber or other forest product
- The **Volume** or **Value** of this material
- An assessment of the **Status** of this material



Assessment

An assessment of each forest source into the following categories:

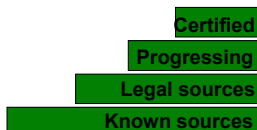
- Credibly **Certified**
- In **progress to certification**
- **Legal** sources
- **Known** sources
- **Unknown / Unwanted** sources
- **Recycled** sources



Level 1- “Known”

Achieving an appropriate level of traceability

Level of knowledge	Acceptable level of traceability?	Detail and improvements
Traceable to direct supplier. Supplier is not a forest owner or manager (not an integrated company)	No	Agree action plan with supplier to deliver more traceability.
Traceable to processor. Processor is not a forest owner or manager (not an integrated company)	No	Agree action plan with supplier to deliver more traceability. If this processor also supplies material through another direct supplier, consider a direct approach to the processor for more information.
Traceable to Primary mill. Mill is not a forest owner or manager (not an integrated company)	Maybe	If the mill has complete traceability for all sources and can identify the source for given batches of material: This is acceptable. If the mill cannot exert this degree of traceability: Agree action plan with supplier to determine (initially) the major suppliers to the primary mill and to identify what plans the mill has to improve traceability.
Traceable to an integrated forest products company. (A company that is involved in forest management and forest products processing).	Maybe	If supplier can demonstrate that they have a good level of traceability at all levels and that they only source from their own forestry operations: This is an acceptable level of traceability. If the integrated supplier sources outside its own sources, it will need to demonstrate similar traceability. If it can: this is acceptable. If it cannot demonstrate such traceability: it is unacceptable.
Traceable to the forest management unit	Yes	Documentation and confidence in systems is high and all materials can be traced to this forest or forests.






“Unwanted / Unknown”

Examples include:

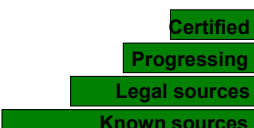

- ☒ High Conservation Value Forests
- ☒ Protected areas
- ☒ CITES listed species Conversion
- ☒ Other concerns – “Conflict timber” & “Controversial timber”
- ☒ Clearly Illegal product or forest operation
- ☒ Untraceable





Level 2 - Legal

- ensurance that the forest manager/harvesting company has the **legal right to harvest** the timber
- no suspicion of **illegal logging** occurring
- no suspicion of **illegal trading/fraud** in the supply chain
- ideally with 3rd party verification of the CoC from final product to forest

How to do?

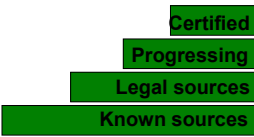


Level 3 – “Progressing towards certification”

This category requires source forest to be:

- known
- legal
- to be in a time-bound process of progressing towards credible certification
- for the end product to have third party verified legal origin certification

WWF Producer Group companies




Level 4 – “Credibly Certified”




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Improving supply chains:

Setting Action Plans and Targets


- Specific
- Measurable
- Achievable
- Realistic
- Time-bound



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Benefits of FTN Membership for Buyer Groups

- Credibility
 - customers, investors
- Good Will
 - staff
- Technical assistance & tools
- Market links
- Joint activities
 - FSC branding campaigns
 - Discussion forum
 - Study visits



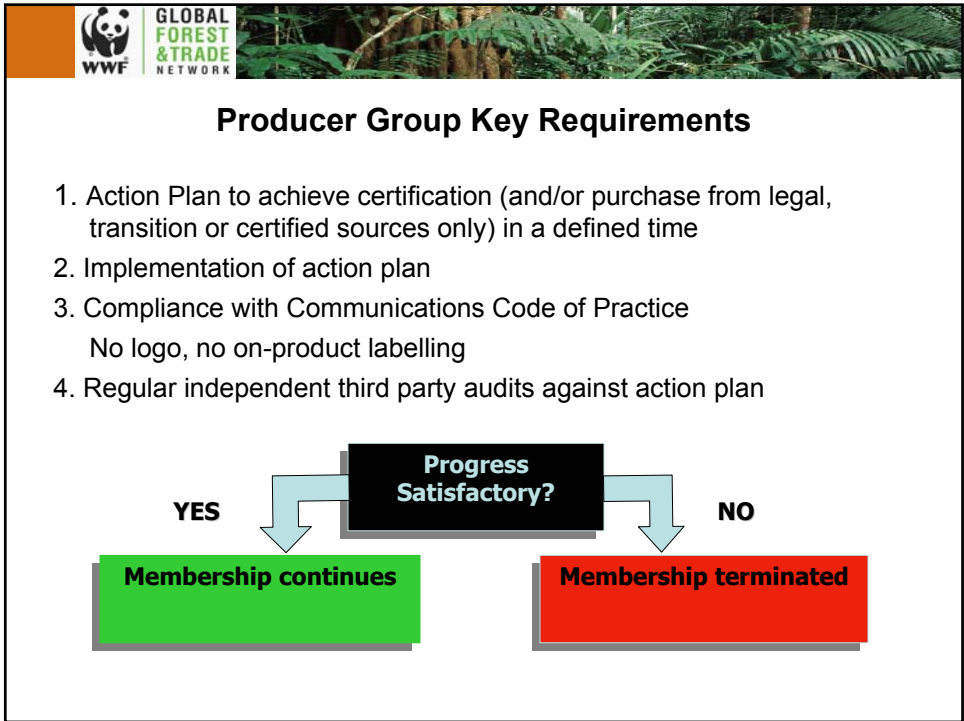
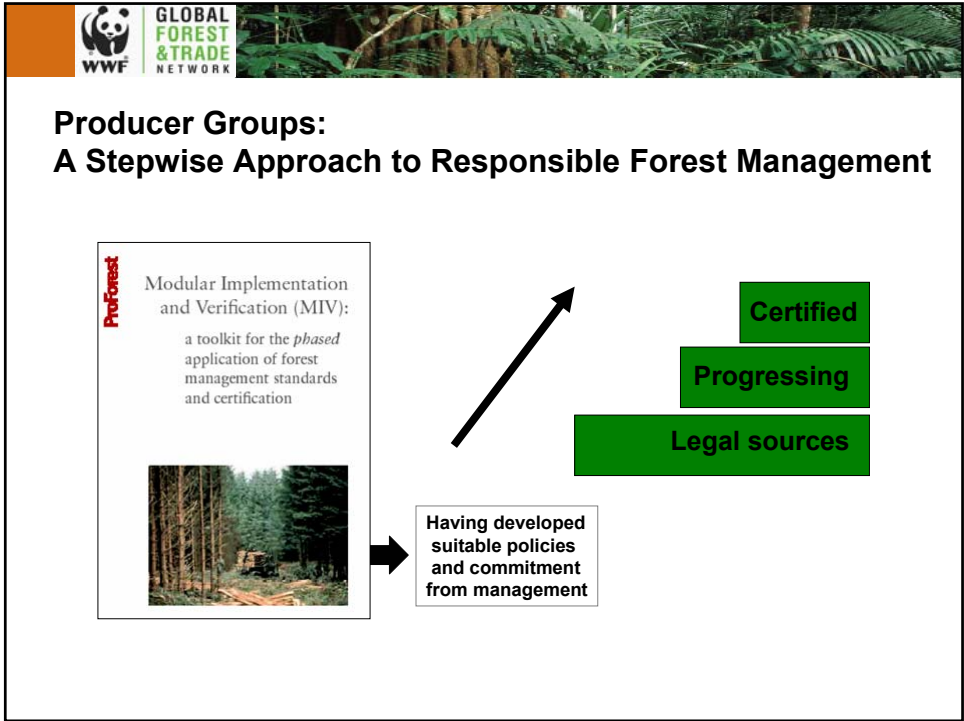
SCHÜTZT DEN WALD
KAUFT FSC HOLZ

Miljömärkt boende inte d

Betonghus fick första FSC-märket

Seniorboende med miljöcerti

Stort intresse för kravmärkt bygge





The Producer Group Tool

Modular Implementation and Verification (MIV)

20 different modules - Simplifies certification

- Legal compliance
- Management issues; *economic viability, silviculture, monitoring*
- Social issues; *workers right's, training, health and safety*
- Environmental issues; *forest protection, chemical control, waste management, biodiversity assessment etc*
- Transparency, Chain of Custody, Stakeholder analysis

Module	1	2	3	4	5	6	7	8	9	10	11	12	Etc.	20
Year 1														
Year 2														
Year 3														

The company can choose to work with the different modules in an individual way.



Benefits of FTN Membership for Producer Groups



- Technical assistance
- Funding
- Market links
- Advocacy
- Finance
- Credibility



GFTN Advances – Russia & E Europe

- 11 Buyers Groups
- Producer Group in Russia with 5 members
- Two further groups planned: Romania, Bulgaria (WWF)
- Responsible Purchasing Guide - in Russian, Spanish & French
- Five Buyer Groups generating market enquiries for PG products
 - 40 UK companies have action plans specifying links to a PG
 - 65 enquiries generated for PGs; 100-200 more expected in 2004
- Malaysian PG co-ordinator visit UK, NL, DE companies in March
- German Buyer Group members to visit Russian PG in April
- GFTN Europe Conference in June



GFTN Advances – Asia-Pacific

- Launch WWF Malaysia & Indonesia, 2003
- Groups under construction: China, Indochina (WWF)
- 16 interested/applicant companies
- Work for legal verification and chain of custody best practice in China



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GFTN Advances - Africa

- Producer Groups in Ghana (FoE Ghana), Central Africa (WWFCARPO)
- 18 interested/applicant logging companies – eg Samartex, GAP (Ghana), Pallisco, HFC, De Colvenaere (Cameroon), IFK, SBL (Gabon)
- MIV adaptation and field testing in Ghana



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GFTN Advances - Latin America

- Producer Groups in Brazil, Central America
- Planned groups in Bolivia, Peru, Guayanas
- Numerous certified members
- Mainly working with trade links to USA
- Lesser known species