TIMBER SCORECARD 2019

MEASURING PROGRESS IN SUSTAINABILITY AMONG UK TIMBER PRODUCT BUYERS

WWF FOR YOUR WORLD

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At WWF, we're fighting for your world. We're tackling the underlying causes that are driving nature's decline – particularly the food system and climate change. And we're working to ensure future generations have a world with thriving habitats and species.

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EXECUTIVE SUMMARY

The continued loss of the world's forests poses a serious threat to the health of our planet. Deforestation and forest degradation alone are responsible for 10-11% of global greenhouse emissions, as well as significantly contributing to the loss of biodiversity and damage to social stability[1]. As part of our determination to tackle this threat, in 2014 we launched our Forest Campaign calling for a 100% sustainable timber market in the UK by 2020.The campaign had the backing of two trade associations and more than 50 businesses. Together we called for changes to the EU Timber Regulation, and to make responsible forest trade the norm in the UK market.

During the campaign, as a mechanism to assess and boost transparency throughout the private sector, we introduced our Timber Scorecard as a three-part series of reports published on a biennial basis in the run-up to the target year of 2020. The Timber Scorecard recognises how important transparency is if we're to eliminate illegal and unsustainable practices from supply chains – to this end, it assesses businesses on the information they make available publicly regarding their commitments and policies to responsible sourcing and their performance against these commitments year-on-year.

For this final Scorecard, we selected 122 companies that are considered key to achieving a sustainable market in the UK. Despite some clear progress by individual businesses across multiple sectors, this report finds that sector-wide shifts are slow moving.

In keeping with the 2015 and 2017 reports, the 2019 Timber Scorecard methodology has evolved in line with what is needed if we are to meet the 2020 target. Changes to the 2019 methodology meant we were looking for more robust procurement policies (including time-bound targets, policy remits and action plans), evidence of stakeholder engagement and sourcing performance in line with the 2020 target of 100% sustainable sourcing. From these changes, our analysis found:

- A small increase in the number of top scorers, which signals companies are making progress against their commitments and delivering against them.
- The majority of companies that scored low in previous Scorecards are still failing to implement new commitments or take action on existing commitments and are therefore falling behind (signalled by an increase in companies scoring **0 Trees**).

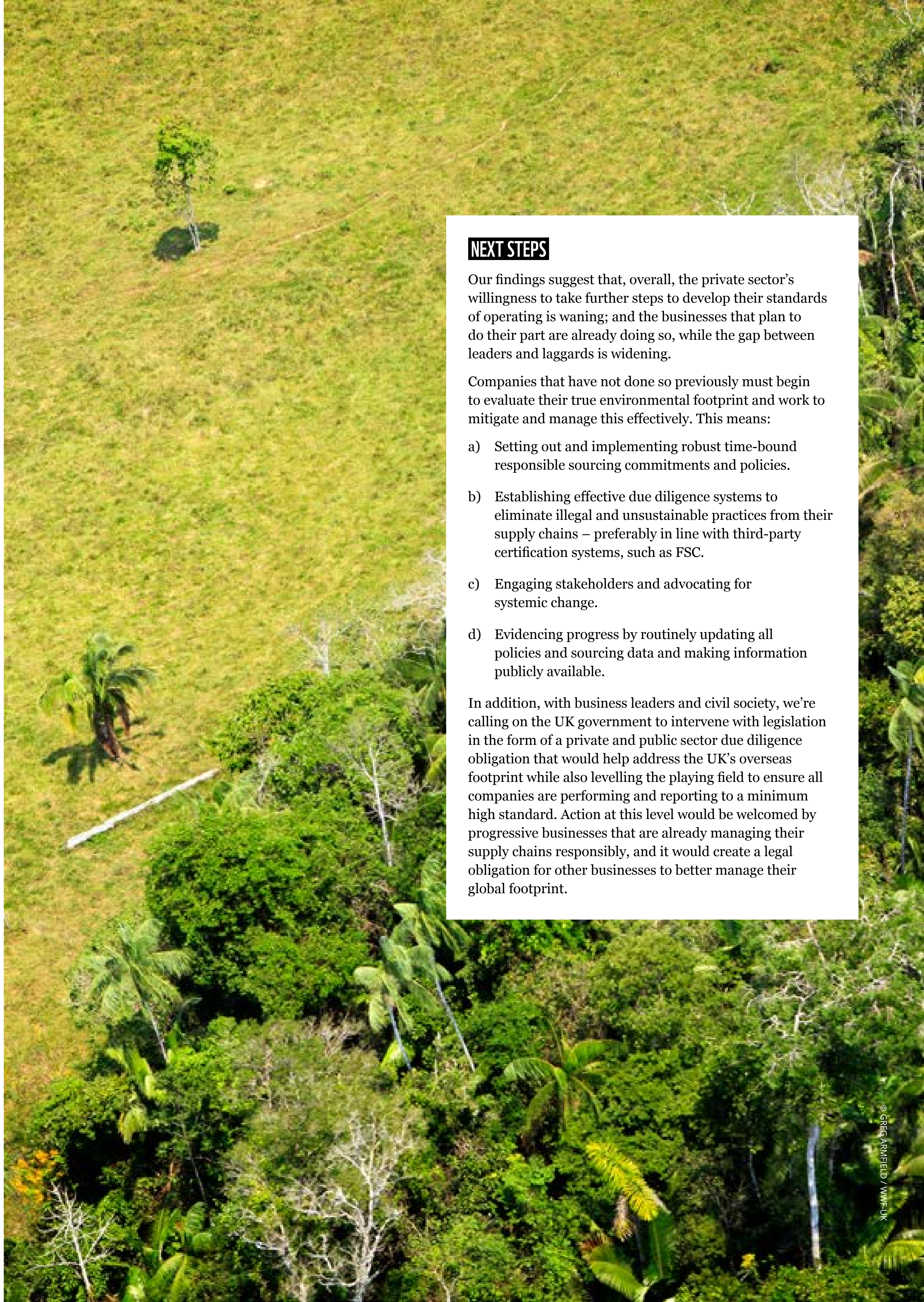
Key findings include:

- 43 companies (35%) attained **3 Trees** – an increase of two companies since the 2017 Scorecard.
- 24 companies (20%) scored **2 Trees** – no increase since 2017 results.
- 14 companies (11%) scored **1 Tree** – compared to 34 companies in 2017.
- 41 companies (34%) scored **0 Trees** – a disappointing decline from 30 companies (23%) in 2017.
- More than a third of companies report that at least 85% of their materials originate from legal and sustainable sources.
- While 23% of companies have either achieved a 100% sustainable supply chain or aim to do so by 2020, 70% of companies have made no such commitment.
- The level of effective engagement with suppliers and consumers on key forest resource issues is lacking across all sectors: 37% of companies demonstrate engagement with consumers, while 58% offer evidence of engaging with their supply chain.
- Almost 48% of companies have failed to offer up-to-date performance data – compared to 50% in 2017.

Our results indicate that while top-performing companies from the 2017 Timber Scorecard have remained on course to deliver on their commitments, lower-performing companies have performed worse. Not only are the lower-performing companies undercutting the progress made by **2 Tree** and **3 Tree** companies, their continued inaction to source sustainably leads to the further detriment of global forests – a vital resource in climate change mitigation, biodiversity conservation and socio-economic stability.

As the UK parliament and Scottish government have declared a climate emergency, it is time for the private sector to act with the urgency that a state of emergency requires. The sustainable management and restoration of global forests has a major role to play in effectively tackling climate change and regulating the Earth's systems. By shifting from unsustainable or unknown sourcing to known and sustainable sourcing, the UK forest products market can move from increasing climate change risk to seizing an opportunity to tackle the climate crisis.

[1] FAO Strategy on Climate Change, Food and Agriculture Organisation of the UN, July 2017, http://www.fao.org/3/a-i7175e.pdf



NEXT STEPS

Our findings suggest that, overall, the private sector's willingness to take further steps to develop their standards of operating is waning; and the businesses that plan to do their part are already doing so, while the gap between leaders and laggards is widening.

Companies that have not done so previously must begin to evaluate their true environmental footprint and work to mitigate and manage this effectively. This means:

a) Setting out and implementing robust time-bound responsible sourcing commitments and policies.

b) Establishing effective due diligence systems to eliminate illegal and unsustainable practices from their supply chains – preferably in line with third-party certification systems, such as FSC.

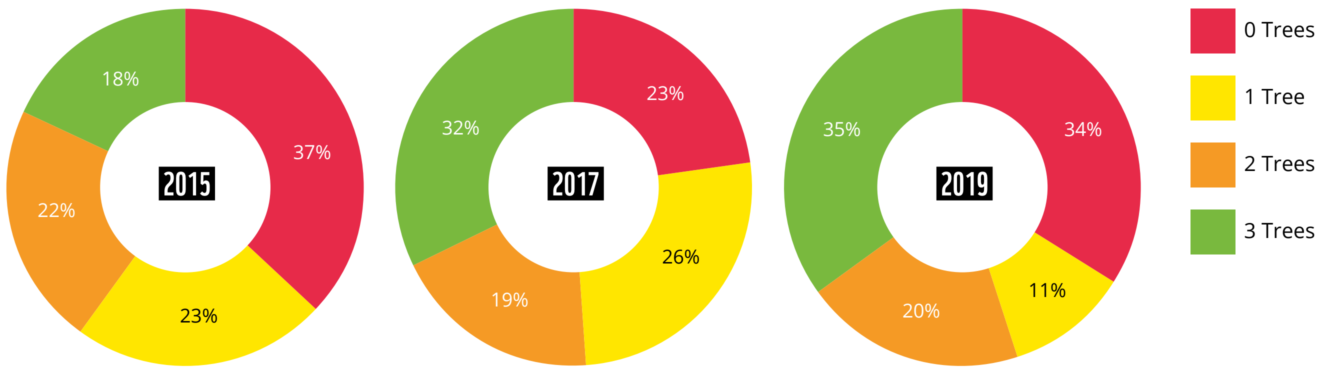
c) Engaging stakeholders and advocating for systemic change.

d) Evidencing progress by routinely updating all policies and sourcing data and making information publicly available.

In addition, with business leaders and civil society, we're calling on the UK government to intervene with legislation in the form of a private and public sector due diligence obligation that would help address the UK's overseas footprint while also levelling the playing field to ensure all companies are performing and reporting to a minimum high standard. Action at this level would be welcomed by progressive businesses that are already managing their supply chains responsibly, and it would create a legal obligation for other businesses to better manage their global footprint.

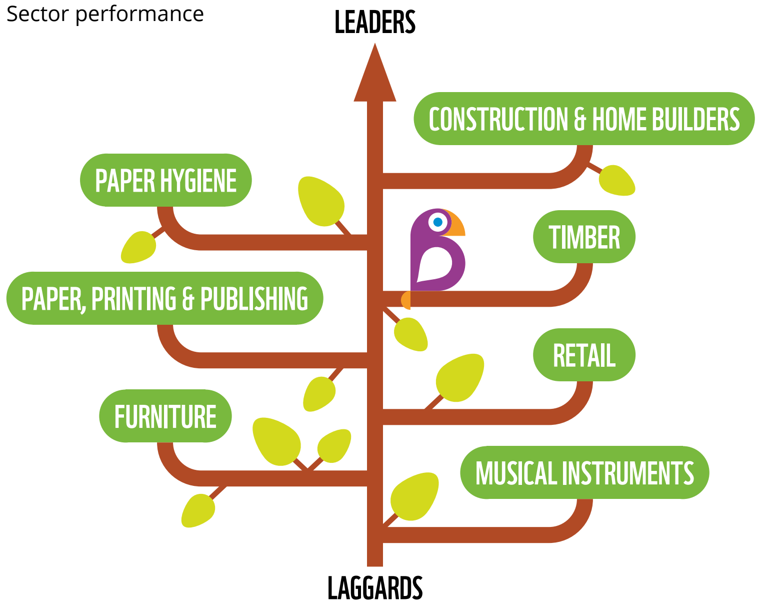
AT A GLANCE

Company performance

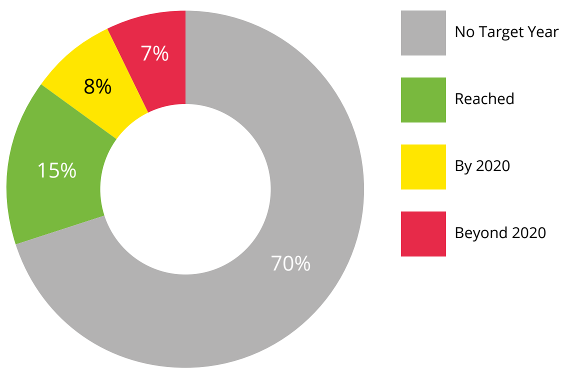


2019 RESULTS

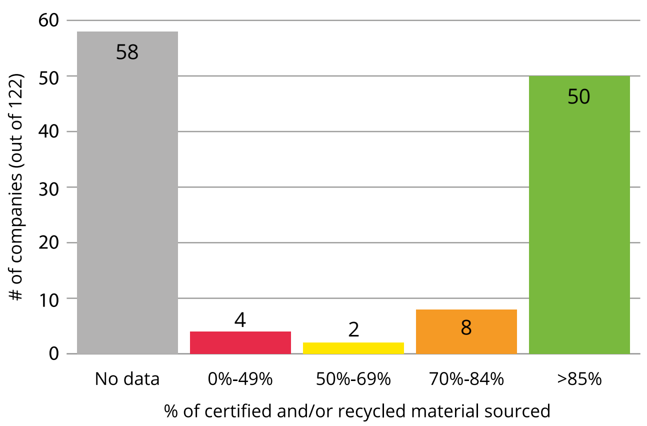
Sector performance



% of companies with a time-bound target to achieve 100% sustainable timber sourcing

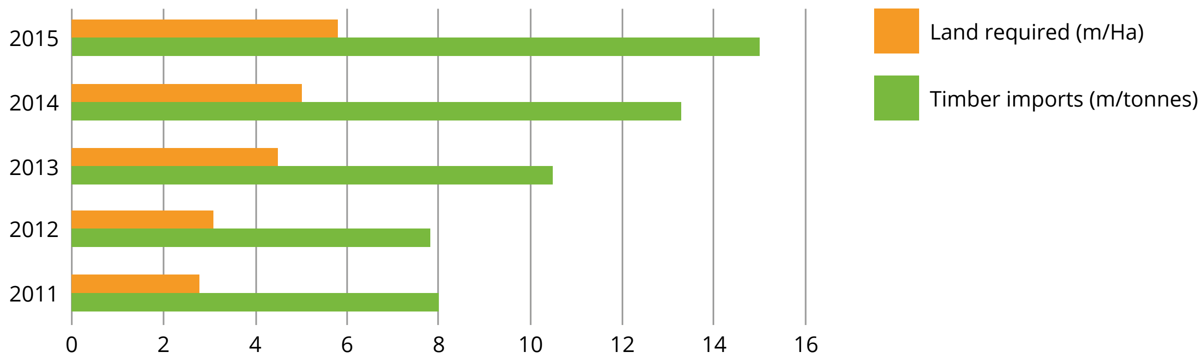


Company sourcing performance

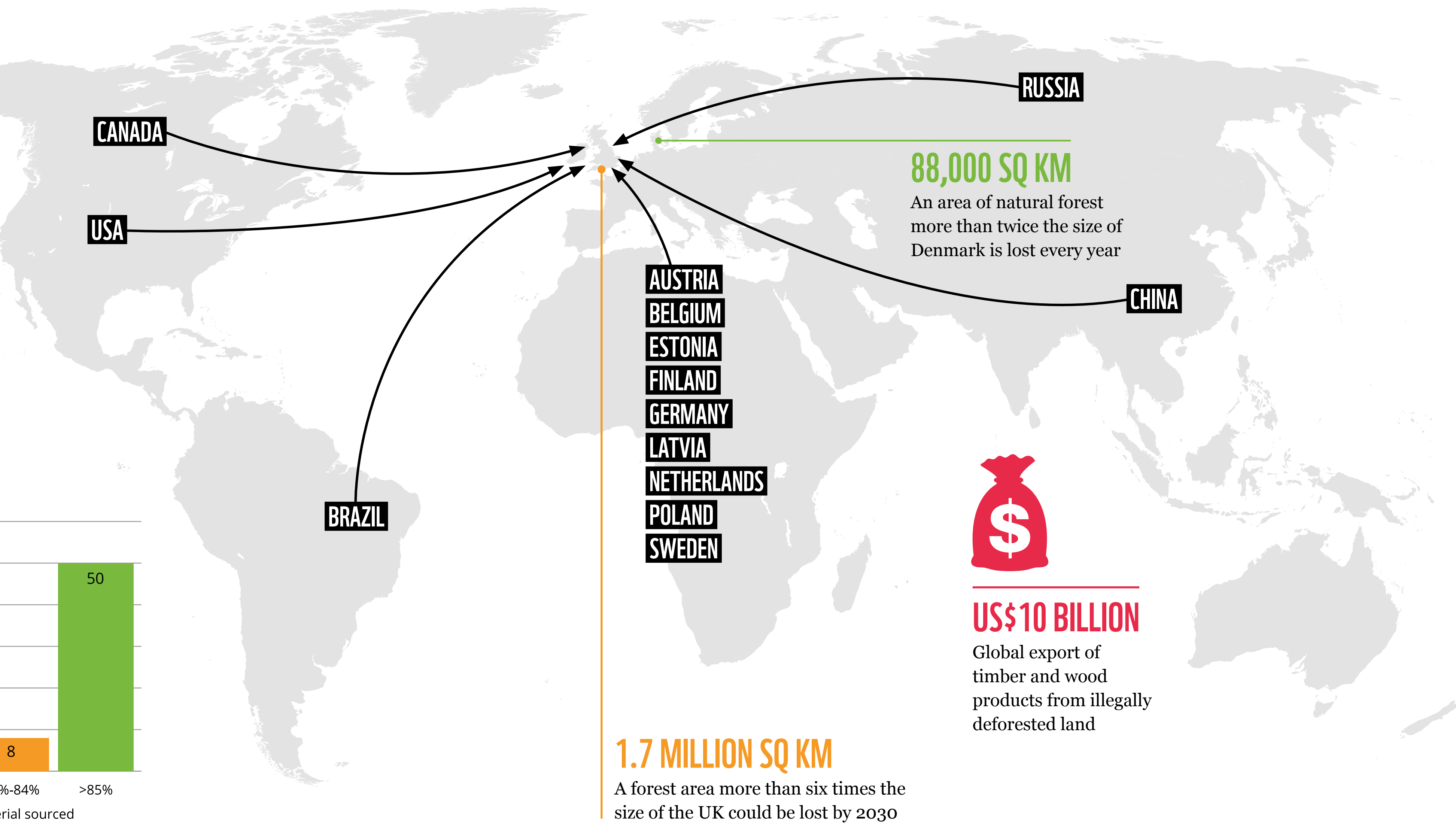


UK AND GLOBAL CONTEXT

As the UK's demand for timber increases, so does its overseas footprint



UK TIMBER IMPORTS



INTRODUCTION & BACKGROUND

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INTRODUCTION

The 2019 Timber Scorecard – the last in a three-part series – aims to stimulate further transparency, inform consumers and support national and international commitments to the procurement of sustainably sourced timber products. It follows scorecards in 2015 and 2017 tracking the market's progress towards sustainability by 2020. The brands included in the 2019 Scorecard represent the public face of an industry and provide an insight into how a particular sector is performing. At WWF, we believe transparency is an important step towards implementing sustainable procurement plans for any business and therefore we aimed to highlight progress towards it in our findings.

Having established a baseline for commitments by UK timber product buyers in the 2015 Timber Scorecard, the 2017 publication focused primarily on how these buyers had progressed in line with their sustainable procurement commitments. The 2019 Timber Scorecard once again assesses the progress of key UK businesses (as well as select US-based companies, such as McDonald's and Kimberly-Clark) to understand which sectors and organisations have:

a) Committed to eliminate unsustainable practices in their supply chains.

b) Transformed commitments into action.

c) Monitored and reported publicly against these commitments and are on track to achieve legal and sustainable supply chains by 2020.

It has been four years since the publication of our first Timber Scorecard so it is important to gauge which organisations and sectors have stepped up to fight deforestation and which have not, and what conclusions can be drawn from this. Through the production of each report, each company was introduced to the Scorecard, offered a preliminary score from an initial assessment and encouraged to update any relevant information before a final assessment was carried out. Despite this, however, low scoring companies are still failing to demonstrate a real commitment to tackling deforestation.

THE BUSINESS COMMUNITY CAN PLAY A VITAL ROLE IN GUARANTEEING FOREST RESOURCES ARE WELL-MANAGED, WHILE AT THE SAME TIME ENSURING THEIR OWN SUPPLY CHAINS ARE SIGNIFICANTLY MORE RESILIENT FOR THE FUTURE.

THE BIG PICTURE

Global forests play a vital role in nurturing life on our planet. They regulate the atmosphere, manage water cycles, provide clean air, preserve soil health and support land, coastal and freshwater-based flora and fauna – and have been doing so for millions of years. While forests capture one third of annual CO2 released from the burning of fossil fuels, the consensus of global scientists is that forests will need to at least remain stable and potentially expand significantly if we're to stay within safe temperature rise limits[2,3]. But despite their importance, the over-exploitation and inefficient management of these ecosystems means we are witnessing the degradation of our own life-support systems as we reshape the natural world.

More than a quarter (between 26% and 31%) of global tree cover loss between 2001 and 2015 was the direct result of forestry operations[4]. In addition to this, of the US$61bn of global exports from illegally deforested land, US$10bn can be attributed to the production of timber and wood products[5]. This inability to effectively manage a potentially renewable resource continues to put at risk more than half of the world's land-based animal and plant species as well as around 300 million people.

WWF's 2015 *Living Forests Report*[6] predicted that global demand for timber and wood products was set to triple between 2010 and 2050. This begs the question: how will we make the necessary changes to the way we manage our natural resources so we may secure a sustainable future for our ever-growing population? Continuing on a path of 'business as usual' will simply lead to the destruction of our world's forests. That's why we must make fundamental changes to the way we view, manage and consume forest resources if we hope to halt and reverse forest loss and degradation.

In recent years, we have welcomed time-bound international commitments to do just that. The Bonn Challenge and the New York Declaration on Forests (NYDF) aim, respectively, to restore 150 million hectares of deforested and degraded land by 2020 and to halve deforestation by 2020. Their ambition brought the issue of continued forest loss to the fore and signalled the need for effective institutional change, both for governments and businesses. Seven EU nations (including the UK) built on the targets outlined in the NYDF to become signatories to the Amsterdam Declaration – a non-binding political intention to support the private sector in eliminating deforestation from the production of agricultural commodities including paper and pulp by 2020. International commitments such as these – if implemented effectively – are fundamental steps to establishing a more prosperous future where nature is restored and its resources are better managed.

WE MUST MAKE FUNDAMENTAL CHANGES TO THE WAY WE VIEW, MANAGE AND CONSUME FOREST RESOURCES IF WE HOPE TO HALT AND REVERSE FOREST LOSS AND DEGRADATION.

GETTING IT RIGHT AT HOME

WWF's Forest Campaign

The UK is one of the largest importers of timber and wood products by value in the world. Having logged the majority of its own forest landscape between the industrial revolution (1760-1840) and the beginning of the 20th century, the UK retains only 13% forest cover. As a result, the UK relies on imported wood materials and now sources more than 80% of timber from abroad – with an overseas land footprint of more than four million hectares just for the production of timber (the total UK land area is just over 24 million hectares).

Our 2015 joint report with RSPB *Risky Business*,[7] identified that, although much of the UK's imported timber comes from 'countries considered low risk for deforestation, weak governance or labour', the UK retains an annual footprint of more than 750,000ha in high-risk countries. The report – which assessed the UK's overseas footprint for seven key deforestation-risk commodities – goes on to conclude that the UK's overseas footprint for timber, pulp and paper production far exceeds that of palm oil and soy combined.

For more than 30 years NGOs, with support from consumers, have demanded that the private sector change how they source their material to help combat global deforestation, climate change, human rights abuses and biodiversity loss. With support from both the public and private sectors, and in an effort to bolster international commitments, WWF-UK's Forest Campaign sought to address this. By first illustrating how and why the market can and should be transformed, WWF campaigned for the elimination of illegal and unsustainable practices within supply chains to the UK by 2020. Following the implementation of the EU Timber Regulation (EUTR) in 2013 – which ensures all in-scope timber products entering the EU are legally sourced – WWF-UK, alongside politicians, businesses and consumers, called for:

a) The product scope to be expanded to include all timber and wood products.

b) The EUTR to be implemented more rigorously throughout each EU Member State.

The run up to 2020

Both the UK government and businesses have made clear commitments to tackling illegal and unsustainable practices within global supply chains by signalling a commitment to a number of international agendas, including the UN Sustainable Development Goals. Many businesses included in the Timber Scorecard scope are signatories, not only of the 2014 Forest Campaign, but also of other commitments, such as the Consumer Goods Forum and the Tropical Forests Alliance 2020. Our Forest Campaign was designed to complement existing initiatives to help secure their success. Despite these efforts, however, further steps will be needed to push sectors over the finish line.

The UK government has played a key role in developing the EUTR and has pledged to retain the regulation following the UK's potential exit from the EU. While the EUTR ensures only legally sourced in-scope timber materials can be traded on the EU market, both the UK and the EU lack a legislative mechanism that guarantees these products have been sourced sustainably. As it stands, businesses aiming to source sustainably must make voluntary commitments to do so. By making these commitments, businesses can demonstrate the necessity for government intervention to level the playing field and guarantee that all timber and wood products entering the UK are sustainably sourced.

WWF CAMPAIGNED FOR THE ELIMINATION OF ILLEGAL AND UNSUSTAINABLE PRACTICES WITHIN SUPPLY CHAINS TO THE UK BY 2020.

[2] https://www.iucn.org/resources/issues-briefs/forests-and-climate-change

[3] IPCC, (2018): *Global warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty*.

[4] Curtis, PG et al (2018): Classifying drivers of global forest loss. *Science:* 361, p 1108. September 2018.

[5] Lawson, S (2014): *Consumer Goods and deforestation: An analysis of the extent and nature of illegality in forest conversion for agriculture and timber plantations*.

[6] WWF (2011): *WWF Living Forests Report*. WWF-UK, UK.

[7] WWF and RSPB (2017): *Risky Business: Understanding the UK's overseas footprint for deforestation-risk commodities*. WWF-UK, UK.

METHODOLOGY

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COMPANY SCOPE

For the final Timber Scorecard we selected 122 companies that rely on global timber resources and should therefore be considering how their operations have an impact on the stability of forest ecosystems. The companies assessed represent a wide cross-section of UK retailers – from publishers to furniture retailers and supermarkets to construction companies, varying in size from small and medium-sized enterprises (SMEs) to multinationals.

The company scope remains similar to that of our 2017 Timber Scorecard. We removed nine companies from the 2019 assessment, as a result of either a change in corporate structure or a halt in operations. Three organisations were added to the 2019 scope owing to their market share and reliance on timber and wood products.

HOW WE ASSESSED THE COMPANIES

The 2019 Scorecard scored companies on their commitments to responsible sourcing as well as their performance against these commitments. It was important to measure how companies are implementing the change they promised and whether or not they are on track to achieve the goals outlined in their commitments. Each company has been assigned a 'tree index' rating of between 0 and 3 according to the information they have made available publicly.

We identified 2017 as the cut-off year for the companies to be able to claim the information they offer is 'up to date'. This would be a big enough window of time to capture all data that would have relevance for the 2019 assessment.

To ensure the 2019 Scorecard fairly reflects the current level of sustainability and transparency for each business, our assessment included an initial preliminary scoring phase – which included an analysis of all existing publicly available information – followed by a feedback phase where we gave companies the chance to update any relevant information before we completed a final assessment. This was an opportunity for businesses to understand how they had been scored and what needed to be done to see an improved final score.

For the Scorecard to gauge how the UK private sector is supporting the shift to a 100% sustainable timber market, the methodology and scoring thresholds have evolved in line with WWF's expectations for a responsible business. For example, we wanted to understand how organisations are advocating for positive change by assessing how they are engaging with their stakeholders on key forest-resource issues – particularly how operational change for suppliers and behavioural change for consumers would help halt deforestation within timber product supply chains. We expected these changes to mean two things:

1. Low scoring organisations in 2017 that have since failed to implement sufficient sustainable sourcing practices would score the same or – in most cases – less in our 2019 assessment. Heightened scoring thresholds means we are asking more of businesses, so if nothing has changed since our last assessment, it's likely companies would score lower in the 2019 assessment.
2. Organisations that have implemented effective sourcing policies and continued to perform against them would score higher in our final report. New scoring metrics to measure commitments to sustainability means new opportunities to achieve a higher score overall.

Through the 2019 Timber Scorecard we also wanted to understand if and how companies are embedding sustainable sourcing policies within their environmental strategies. Doing this means the Scorecard would help measure the degree to which companies are making the link between sustainable sourcing issues and their environmental footprint. Recognising that direct and indirect environmental impacts are equally important is a key step towards effectively managing the footprint of an organisation.

THE METHODOLOGY AND SCORING THRESHOLDS HAVE EVOLVED IN LINE WITH WWF'S EXPECTATIONS FOR A RESPONSIBLE BUSINESS.

SCORING SYSTEM

Category	Description	Why it's important	Assessment metric	What we look for
Commitment and advocacy	Points were awarded for a robust Timber Procurement Policy and what it says – including commitments to the EU Timber Regulation – as well as awareness and actions on reducing the overall environmental footprint of the company's activities. It was also important to understand whether these policies applied to goods-not-for-resale (GNFR) – e.g. office paper, packaging, furniture. We also looked for evidence of stakeholder engagement – primarily suppliers and customers – on key issues around forest resources and procurement.	The Timber Procurement Policy (TPP) is the backbone of a company's commitment to sourcing. Implementing a robust TPP requires all operations to consider responsible sourcing in the decision-making process. Referencing the EUTR also demonstrates a company's extended knowledge of the environmental issues associated with timber sourcing as well their legal obligations. Understanding their commitment to reduce their wider environmental footprint demonstrates whether or not the company is 1) aware of the timber product procurement's place within environmental management and 2) truly committed to reducing its overall environmental footprint. Engaging with suppliers and consumers is fundamental in how companies advocate for positive change. Influencing supply chain practices can have positive implications not just for one business but for an entire sector. Changing consumer buying behaviour so customers understand the necessity of sustainably sourced products will change how certification schemes are perceived by businesses and encourage uptake across sectors.	**Timber Procurement Policy**	• Does the company have a TPP? Is it a specific document or part of a wider procurement/ environmental policy? • Does it include time-bound commitments and an action plan to achieve the overall goal? • Is it clear what will and will not be purchased? • Does it ensure only credibly certified materials (FSC or PEFC) will be purchased? • Does it commit to monitoring and reporting?
			Wider sustainability policy	• Is the TPP embedded within a wider sustainability policy to limit the company's environmental footprint? • Are there commitments in place to reduce footprint? • Has the company considered its contribution to achieving SDGs and supporting biodiversity?
			EUTR commitment	• Is there a reference and commitment in place to operate within the legal boundaries of the EUTR?
			Does the TPP apply to goods-not-for-resale?	• Are sustainable sourcing policies applied within internal operations and practice – e.g. office paper, construction materials, packaging, furniture, office/shop fittings etc.
			Engagement with supply chain and customers	• Does the company engage with its supply chain and customers on key issues on forest resources? • If so, how does it engage? Surveys, public campaigns, meetings, knowledge sharing, recognition/awards, supplier certification support etc.
Monitoring and performance	Points were awarded for the availability of annual performance statements (CSR/Sustainability Report or on a webpage) as well as the performance itself. We only accepted performance data from 2017 onwards. We accepted recycled and/ or FSC, PEFC and FLEGT-licensed certified materials as 'responsibly sourced'.	Annually monitoring and reporting on procurement activities helps determine if a company has kept to its aforementioned commitments. Procurement data not only illustrates how far a company has progressed along its sustainability journey but also if organisations and sectors are on track to meet the goal outlined in WWF-UK's Forest Campaign – 100% sustainable timber market by 2020.	**Performance assessment**	• Does the company annually report on how timber/wood products have been sourced? • If so, how is the performance assessment being made publicly available? CSR/Sustainability report, news piece, webpage update? • Is the most recent assessment (2017 onwards) available? • Is annual performance displayed across a timeline?
			Performance data	• How much (volume/%) timber/ wood products have been procured from recycled, FSC and/or PEFC or legal and traceable sources? • Is there a clear distinction between FSC and PEFC?
Transparency	In this section we assessed the availability and ease of finding the relevant information. We took note of where information was kept (parent/ subsidiary company website) and the time it took to gather all relevant information.	The Timber Scorecard is built on the belief that transparency is an important step towards implementing sustainable practices. Committed organisations should demonstrate how they are performing against their targets clearly so stakeholders are aware what impact the business has on our planet.	**Availability and ease of finding information**	• How is the information/data being communicated? • Is the information/data easy to find on the website? • Is information/data available on request?

FINAL SCORES

PERFORMANCE

In our final assessment of supply chain transparency and performance, 35% of companies scored a **3 Trees** rating, while at the other end of the scale 34% scored a rating of **0 Trees**.

Reviewing company performance across our three Timber Scorecards, we can see clearly that efforts to establish more sustainable and transparent supply chains by businesses has almost plateaued since the dramatic progress made between the 2015 and 2017 Scorecards (see Figures 2 & 3). However, it must be noted that – with the addition of new scoring metrics – companies that have maintained a high score in the 2019 assessment have in fact improved their operations in line with their commitments.

The number of lowest performing companies has increased substantially in the 2019 Scorecard, after the decrease in **0 Tree** companies we saw in 2017. The proportion is now back to around the level it was in the 2015 Scorecard. As outlined in our **Methodology**, this was to be expected.

Figure 1: 2019 Timber Scorecard Company Performance

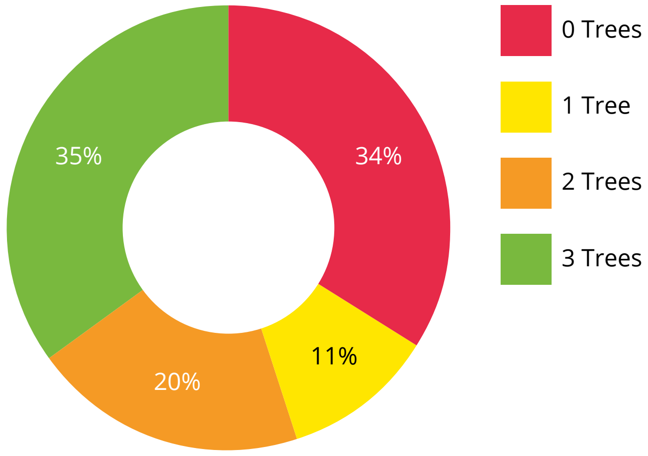


Figure 2: 2017 Timber Scorecard Company Performance

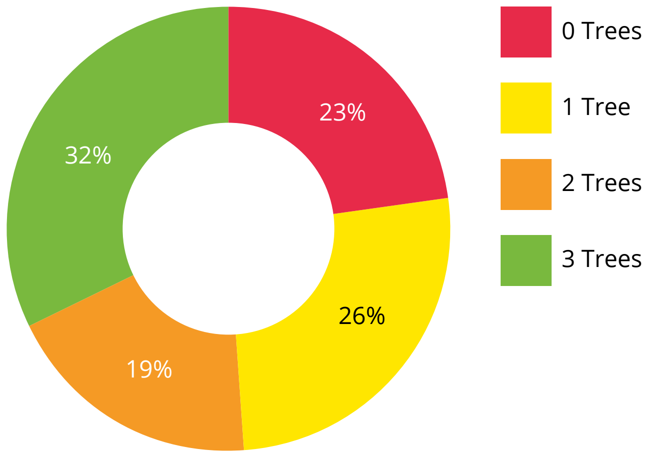
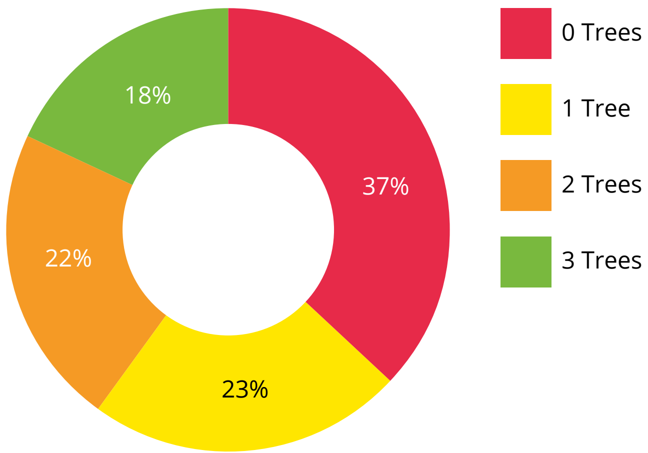


Figure 3: 2015 Timber Scorecard Company Performance



RESULTS BREAKDOWN BY TREE SCORE

A total of **42 companies scored a 3 Tree rating in 2019.** This means companies have public commitments to sourcing timber and paper products sustainably – specifically indicating they give priority to using FSC and recycled materials. And that they put this in context with the role and requirements of the EUTR. They have set up policies and control systems. They report openly and accurately about their performance against their policy commitment. And they have a good understanding of the source of all their timber and timber products. **They are sourcing at least 70% of material from certified and/or recycled sources.** They are showing their competitors that it is possible to act responsibly when it comes to forest trade.

A total of **24 companies scored a 2 Tree rating in 2019**. Companies in this category have made a start on the journey to sustainable timber and wood products, and have made good progress. These companies have made commitments to sourcing FSC, PEFC or recycled products and have established control mechanisms over their use of timber and wood products.

A total of **14 companies scored a 1 Tree rating in 2019**. These companies are only just starting to address the sustainability of their timber and wood products. Businesses have the bare bones of policies and systems in place but they have yet to put in the work needed to transform their businesses. They have limited publicly available information on their actual purchasing practices or the proportion of certified/recycled timber and wood products being sourced.

A total of **41 companies scored a 0 Tree rating in 2019**. These companies have failed to show any progress on sourcing sustainable timber and wood products. They have communicated little, if any, useful information as to their purchasing policies, and the proportion of certified or recycled product purchased or the source of their timber products. These companies urgently need to change their timber and wood product sourcing reporting practices if they are going to keep up with their competitors and become responsible corporate citizens. There is no excuse for inaction.

	Company	Sector	Responded
Maintained 3 Trees from 2017	Bellway	Home Builders	Yes
	Boots UK	Retailer	Yes
	Brooks Bros (UK)	Timber	Yes
	Co-Op	Retailer	Yes
	Danzer	Timber	Yes
	Hachette UK	Paper, Printing & Publishing	
	HarperCollins Publishers Inc	Paper, Printing & Publishing	Yes
	Haymarket Media Group	Paper, Printing & Publishing	Yes
	Homebase	Furniture	Yes
	IG Design Group	Paper, Printing & Publishing	Yes
	Immediate Media Co	Paper, Printing & Publishing	Yes
	James Latham	Timber	Yes
	Kimberley-Clark	Paper Hygiene	Yes
	Kingfisher (including B&Q and Screwfix)	Retailer	Yes
	Lendlease	Construction	Yes
	Mace Group	Construction	Yes
	Marks and Spencer	Retailer	
	Mondi Plc	Paper, Printing & Publishing	Yes
	Office Depot UK	Retailer	Yes
	Penguin Random House	Paper, Printing & Publishing	Yes
	Redrow Homes	Home Builders	Yes
	Sainsbury's	Retailer	Yes
	Saint-Gobain Building Distribution	Timber	Yes
	SCA	Paper Hygiene	Yes
	Steinbeis Papier	Paper, Printing & Publishing	
	Tetra Pak	Paper, Printing & Publishing	
	The Solid Wood Flooring Company	Timber	Yes
	Travis Perkins (including Wickes)	Construction	Yes
	Willmott Dixon Group	Construction	Yes
	Wm Morrison Supermarkets	Retailer	
Improved their score to 3 Trees	Barratt Homes	Home Builders	Yes
	Berkeley Group	Home Builders	Yes
	BSW Timber Group	Timber	Yes
	Cambridge University Press	Paper, Printing & Publishing	Yes
	Crest Nicholson	Construction	Yes
	Hallmark Cards	Paper, Printing & Publishing	Yes
	IKEA	Furniture	Yes
	Network Rail	Infrastructure	Yes
	Nobia UK	Furniture	Yes
	Pan Macmillan	Paper, Printing & Publishing	Yes
	Pearson	Paper, Printing & Publishing	Yes
	Tesco	Retailer	Yes
	Woodscape	Retailer	Yes

	Company	Sector	Responded
Maintained 2 Trees from 2017	Asda	Retail	Yes
	Bramblecrest	Furniture	Yes
	Forest Enterprise	Timber	
	John Lewis	Retailer	Yes
	McDonald's	Restaurant	Yes
	Pureprint Group	Paper, Printing & Publishing	
	TI Media (formerly Time Inc UK)	Paper, Printing & Publishing	Yes
	Williams Lea	Paper, Printing & Publishing	Yes
Regressed back to 2 Trees	Antalis	Paper, Printing & Publishing	Yes
	Balfour Beatty	Construction	Yes
	Bensons for Beds	Furniture	Yes
	Sky	Media	Yes
	Sofidel	Furniture	
	Waitrose	Retailer	Yes
	WH Smith	Retailer	Yes
Improved their score to 2 Trees	Debenhams Retail	Retailer	Yes
	DFS	Furniture	Yes
	Dunelm Group	Retailer	Yes
	Next	Furniture	Yes
	Paperchase	Paper, Printing & Publishing	Yes
	Selfridges	Furniture	Yes
	Skanska	Construction	
	The Sofa Workshop	Furniture	Yes
Scored for the first time and received 2 Trees	Laing O'Rourke	Construction	Yes

	Company	Sector	Responded
Maintained 1 Tree from 2017	Bovis Homes	Home Builders	
	Bloomsbury Publishing	Paper, Printing & Publishing	
	Card Factory (Sportswift)	Paper, Printing & Publishing	
	Early Learning Centre (Mothercare)	Retailer	
	Furniture Village	Furniture	Yes
	Oak Furniture Land	Furniture	
	Ryman	Furniture	
	Staples UK	Furniture	Yes
	Yamaha	Musical Instruments	Yes
Regressed back to 1 Tree	Bauer Media	Paper, Printing & Publishing	
	Harveys Furniture	Furniture	Yes
	Timber Link International	Timber	
	UK Greetings	Paper, Printing & Publishing	
Improved their score to 1 Tree	Oxford University Press	Paper, Printing & Publishing	Yes

	Company	Sector	Responded
Maintained 0 Trees from 2017	A. Share & Sons (SCS)	Furniture	
	Blackwell UK	Paper, Printing & Publishing	
	Cath Kidston	Retailer	Yes
	Dreams	Furniture	Yes
	Fender Musical Instruments	Musical Instruments	
	Foyles	Paper, Printing & Publishing	
	Harrods	Retailer	
	Harvey Nichols	Furniture	
	Heals	Retailer	
	Hearst	Paper, Printing & Publishing	
	Liberty	Retailer	Yes
	Made.com	Furniture	
	Nest.co.uk	Furniture	
	Roset (UK)	Furniture	Yes
	Sharps	Furniture	
	Simon & Schuster	Paper, Printing & Publishing	
	Tanglewood Guitars	Musical Instruments	
	The Entertainer	Retailer	
	Thekitchendepot.co.uk	Furniture	
	Waterstones	Paper, Printing & Publishing	
	Wren Kitchen	Timber	Yes
	Wyevale Garden Centres	Furniture	
Regressed back to 0 Trees	Clinton Cards	Paper, Printing & Publishing	
	Dobbies	Furniture	
	Feather & Black	Furniture	Yes
	Gardman	Furniture	
	Guardian Media Group	Paper, Printing & Publishing	
	Hamleys of London	Retailer	
	House of Fraser	Retailer	
	Jansen International UK	Furniture	
	Klondyke	Furniture	
	Laura Ashley	Retailer	Yes
	Matalan	Retailer	Yes
	Muji	Furniture	
	Notcutts	Furniture	Yes
	Persimmon	Home Builders	
	The Great British Card Company	Paper, Printing & Publishing	Yes
	The White Company (UK)	Retailer	
	Steinhoff	Retailer	Yes
Scored for the first time and received 0 Trees	Amazon	e-Commerce	Yes
	Wayfair	Furniture	

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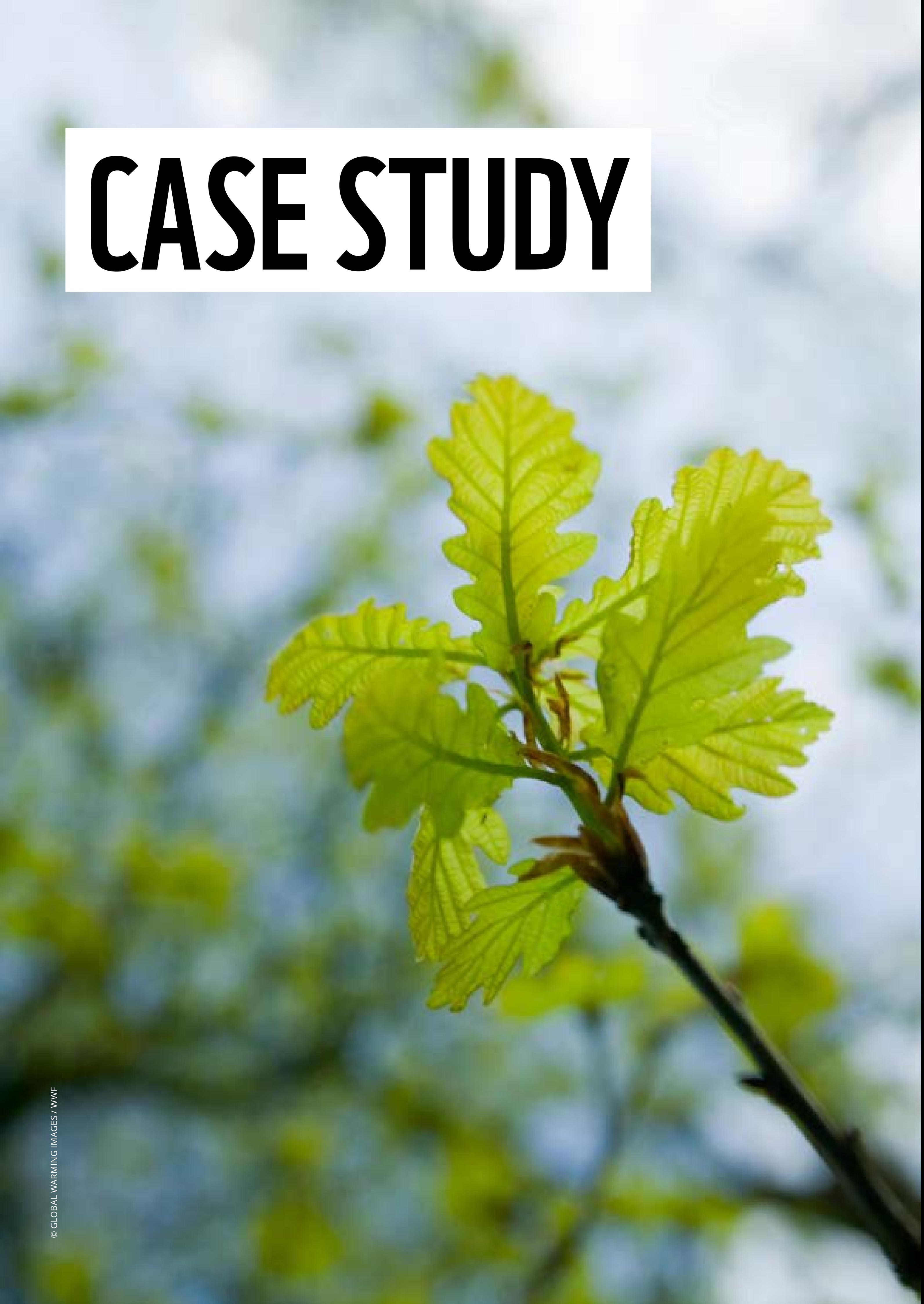

CASE STUDY

TESCO'S JOURNEY TO 3 TREES

As the UK's largest supermarket retailer, Tesco's use of timber and wood products – such as office supplies, cooking utensils, toys and household products – is extensive. As a member of the Consumer Goods Forum, Tesco is committed to achieving zero-net deforestation in its sourcing of timber products by 2020.

At the time of our first Timber Scorecard in 2015, Tesco was only just beginning to demonstrate the sustainability of its timber products. With little evidence of sustainable sourcing being made publicly available, Tesco scored 1+ tree.

In the years since, Tesco has taken significant steps towards becoming a more transparent business. Its newly available timber procurement policy outlines and guides its commitment to sourcing 100% certified or recycled timber and wood-fibre materials by 2020. For the 2018 calendar year, 87% of Tesco UK's own-brand timber and wood products were from sustainable sources (FSC, PEFC or recycled). Additionally, Tesco was able to evidence its engagement with suppliers and customers, in an ongoing effort to keep stakeholders informed on forest resources issues and solutions.

Recognising the sheer scale and potential impact it may have on the world, Tesco has continued to be a key driver of change, by striving to ensure that what it buys and sells is sustainable and by engaging with stakeholders on the importance of responsible sourcing.

Where next?

Tesco has made considerable and measurable progress since 2015. To continue on this path, it has committed to do the following:

1. Ensure sustainable sourcing policies are also being applied to goods-not-for-resale and evidence this in its procurement policies.
2. Conduct annual assessments on progress against its timber procurement target and make these publicly available.
3. Continue to work closely with suppliers, colleagues, experts and consumers, to advocate for positive change not just in UK legislation but in key production landscapes overseas where it has a significant environmental footprint.

"We are delighted with our score of 3 trees, and proud of the progress we have made. We recognise that our journey doesn't stop here. We intend to continue engaging with our supply chain to ensure that 100% of our timber products are from FSC/PEFC/recycled sources by 2020."

Daniel Salter, Group Responsible Sourcing Manager (Forests), Tesco

ANALYSIS

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PERFORMANCE BY SECTOR

Figure 4 offers an insight into the differences between each sector's performance overall. Notable top performing sectors include Construction & Home Builders and Paper Hygiene, with more than two thirds of businesses in each sector attaining a **3 Tree** score. Both of these industries use a substantial proportion of timber products throughout their operations, so it is promising to see this level of progress.

Performing to mixed results across all scoring metrics, the Retail and Paper, Printing & Publishing industries demonstrated clear progress but further improvement is still needed. The fact that more than half of the organisations in both these industries have achieved at least a **2 Tree** rating clearly demonstrates the potential for the whole sector to be performing better. Not doing so after years of progression by peers within their industry may point to a lack of commitment to responsible sourcing by lower performing companies.

The Musical Instruments and Furniture industries have once again failed to make any significant strides since the publication of our 2017 Timber Scorecard – save for IKEA, Homebase and Nobia UK, which have progressed year-on-year. Both industries are intrinsically reliant on forest resources and yet show little evidence of understanding a) the unequivocal importance of stable global forest systems, and b) the business benefits of establishing a resilient resource base and how these two points are innately intertwined.

Although the EUTR inhibits illegal timber materials being placed on the EU market, the scope of the Regulation does not currently cover all forest products – specifically all musical instruments and nearly half of all furniture products. Without the legal obligation to carry out due diligence on specific products, the production of certain furniture and musical instruments could be linked to illegal logging, while contributing to the loss of biodiversity and the abuse of human rights. The private sector needs to understand the potential financial benefits of sustainable sourcing. FSC-certified forest managers accrue significant financial benefits in addition to (and because of) increased market access and quality control as well as a reduction in accidents which have direct benefits for their clients[8].

Figure 5 illustrates how companies with varying dependence on timber and wood products scored in the 2019 assessment. Similar to the findings from the 2017 Timber Scorecard, companies with timber as a core resource performed better overall.

COMMITMENTS TO THE 2020 SUSTAINABLE MARKET GOAL

With our global forest systems under extreme pressure from illegal logging and unsustainable management, the private sector's time to turn this issue around is running out. Of the 122 companies assessed, we found only 23% have either set a 100% sustainable sourcing target by 2020 or have already achieved their target. A further 7% of businesses have committed to achieving 100% sustainable sourcing by 2025 at the latest. Despite the majority of businesses publishing a timber procurement policy, 70% are yet to make any publicly available time-bound commitment to achieving a fully sustainable supply chain, let alone one for 2020 (Figure 6).

Additionally, nearly half of the companies are failing to recognise the connection between sustainable sourcing and their environmental footprint. Only 55% of companies with responsible sourcing policies made it clear that their environmental footprint was not purely operational (office-based carbon, water and waste emissions for example) but also comprised of their overseas footprint from resource extraction and product manufacturing.

TOP PERFORMING SECTORS INCLUDE CONSTRUCTION & HOME BUILDERS AND PAPER HYGIENE, WITH MORE THAN TWO THIRDS OF BUSINESSES IN EACH SECTOR ATTAINING A 3 TREE SCORE.

[8] WWF (2015): *Profitability and sustainability in responsibly forestry: Economic impacts of FSC certification on forest operators.*

Figure 4: Performance by Sector

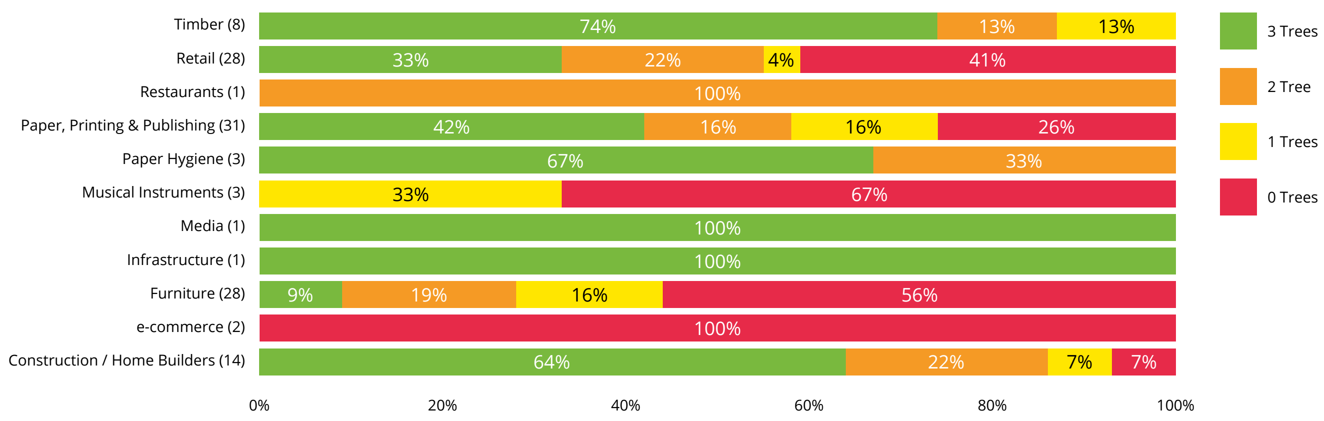


Figure 5: Timber Significance

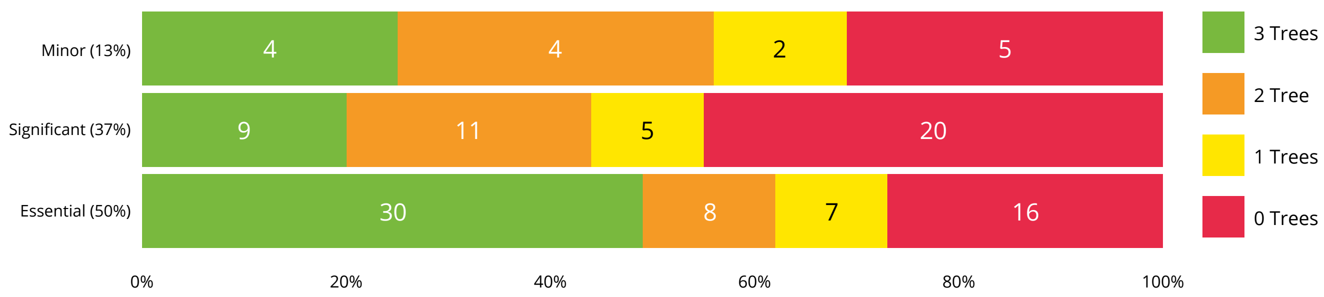
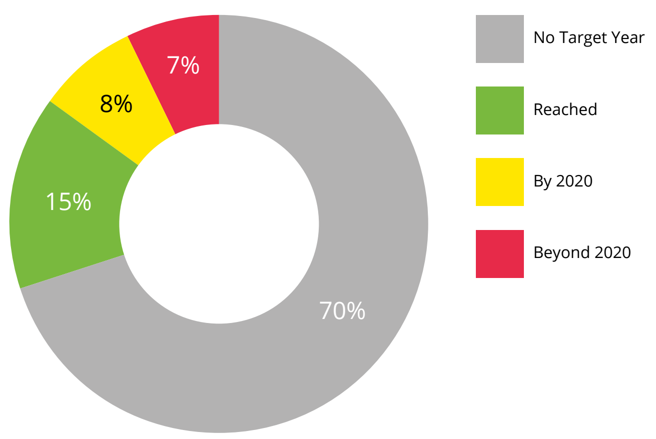


Figure 6: % of companies with a published target to achieve 100% sustainable sourcing by 2020



Advocacy is another key factor in the fight for our world. Depending on their size and degree of commitment, businesses can demonstrate a robust level of influence over how both supply chains and consumers make decisions. However, only 37% of businesses are engaging with their customers on issues related to timber-product sourcing while 58% are engaging with their suppliers (Figures 7A and 7B). Encouraging suppliers to source responsibly and in line with third-party certification systems will not only secure benefits for a single business but has the potential to reshape an entire sector. Any company that is serious about implementing change needs to be engaging with its supply chain and using its buying power to demand traceable and responsibly sourced materials.

MONITORING AND REPORTING

To understand where the UK timber trade stands ahead of 2020 – a milestone year for many international commitments, such as the Consumer Goods Forum and the New York Declaration on Forests – our 2019 Timber Scorecard sought to determine how many companies are currently operating in line with the required targets.

We identified companies that are on track to source 100% sustainable timber products by 2020 and those that are currently purchasing at least 85% of their timber products from certified sources. Figure 8 shows that 41% of businesses reported sourcing more than 85% of their timber products from certified and/or recycled sources which puts them in good stead to achieve 100% in the next few years. Nearly 12% are currently sourcing below this level while the remaining 47.5% of companies failed to publish their latest sourcing data – offering very little change from 50% in 2017.

Following the surge of information – primarily commitments, policies, and sourcing data – being made publicly available between the publications of the 2015 and 2017 Timber Scorecards, the final Timber Scorecard showcases how these commitments evolved into action and how companies are contributing to the protection of global forests. However, despite the majority of commitments promising to report year-on-year, monitoring and reporting proved to be the biggest hurdle in the private sector's progression towards transparency. Figure 9 illustrates how each sector has performed regarding transparency on sourcing data.

Figure 7A: Stakeholder Engagement

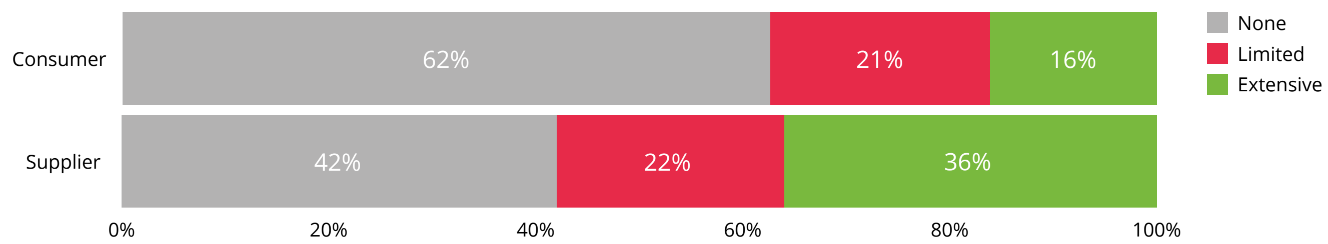


Figure 7B: Types of stakeholder engagement

Consumers	Suppliers
• Surveys • Face-to-face meetings • Campaigns • Blogs • News & updates	• Research & knowledge sharing • Voluntary certification • Working groups • Face-to-face meetings • Reward schemes

Figure 8: % of Certified Material Reported

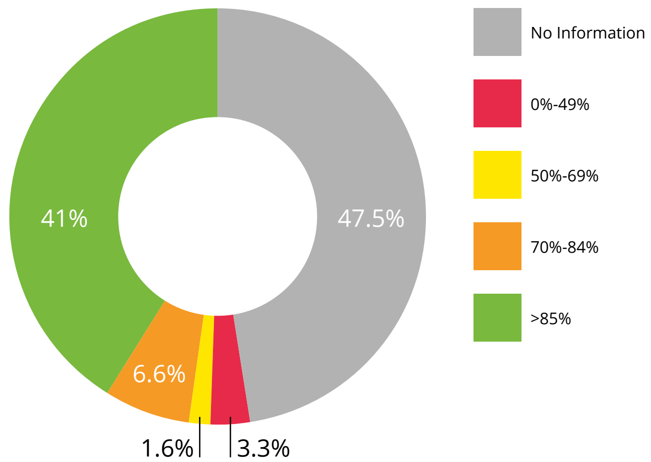
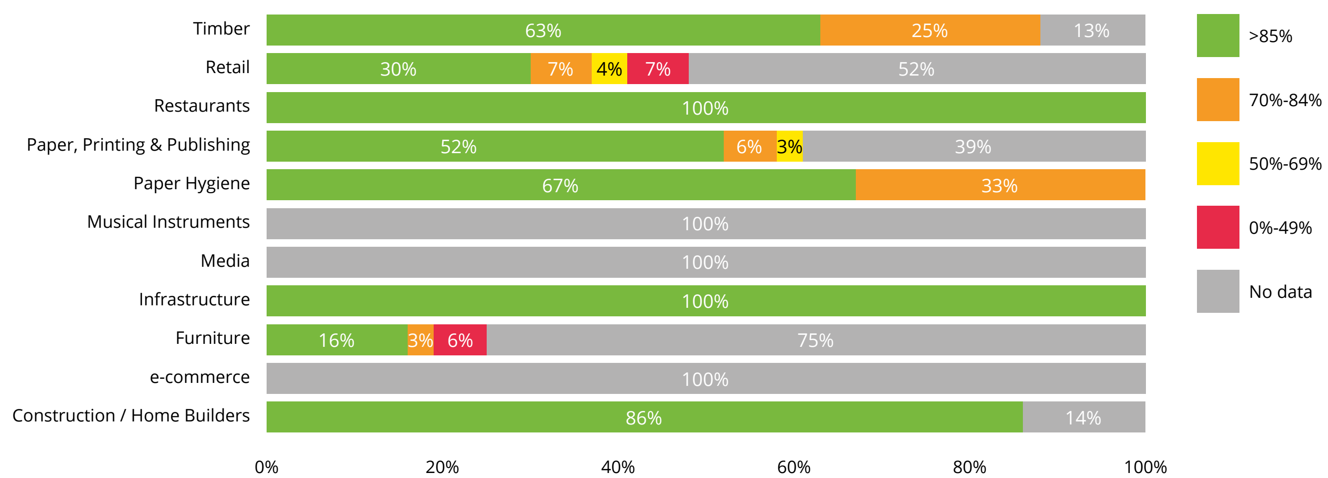


Figure 9: % of Certified Material Reported by Sector



CONCLUSION

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OVERVIEW

In 2014, we called for the UK timber market to be 100% sustainable by 2020 – in line with international targets and with support from over 50 companies. The Timber Scorecard's role in achieving this was to establish a baseline of performance for key UK timber product buyers, demonstrate the necessity for positive change and act as a platform to engage with businesses on forest resource issues while demanding change.

Our final Scorecard offers a glimpse into the current state of play within the private sector. Its results suggest the market is *not* on track to be 100% sustainable by 2020. Of the 122 companies included in the 2019 Scorecard, our findings confirm the 43 that have achieved **3 Trees** have either reached this goal or are on track to reach it, while another 24 that attained **2 Trees** are falling just short of the mark. The remaining 55 organisations that have scored either **1 Tree** or **0 Trees** are still far from delivery, despite many of these businesses operating with timber as a core resource.

There are clear leaders throughout the 11 sectors included in this assessment. We hoped the presence of such leaders would create the need for change among all companies to stay competitive, as well as demonstrating the potential benefits of sustainable and transparent sourcing. However, this does not seem to be the case: there are still laggards within each sector, too. With 2020 fast approaching and the topic of deforestation having been firmly placed in the global conscience for more than 30 years, overall progress by the private sector so far has been uninspired.

The leaders

While there was only a small increase in the number of companies achieving a **3 Tree** and **2 Tree** score between the 2017 and 2019 Timber Scorecards, it is promising at least to find that these companies have acknowledged the benefits of responsible sourcing and continue on the path towards achieving a zero-deforestation supply chain. That said, the majority of **2 Tree** companies are failing to monitor and report on progress effectively despite showcasing consistency and progression across other areas. This hurdle is consistent across the majority of businesses and is worth flagging to help interpret why many businesses failed to achieve the top score. The key concern now is that the lack of public reporting could signal a lack of implementation and performance against commitments.

The laggards

There are still a large number of organisations failing year-on-year to demonstrate any real commitment in changing their procurement practices. These have scored either **1 Tree** or **0 Trees**. The lack of transparency by these organisations is a clear red flag that points to a lack of monitoring and traceability of the timber products they buy and sell. If 45% of the brands included in this study are still failing to progress and push for change, it is unlikely their supply chains – usually reacting to pressure from their clients – are progressing either. Without information about the degree to which these businesses are a detriment to global forest health, consumers should opt to purchase products from brands with better transparency.

RECURRING CHALLENGES

The Scorecard has helped to highlight which companies and sectors are leading the way and which are lagging behind. To help provide context, our findings also shine a light on multiple hurdles that all organisations are still tripping over. If the private sector is to play a role in tackling global forest loss and degradation – which it must – WWF calls for businesses to consider the following:

Monitoring and reporting

Nearly half (47.5%) of companies we assessed failed to ensure performance data was up-to-date and publicly available. Without providing data that demonstrates commitment and progress, a company cannot feasibly claim to be part of the solution. For those organisations that have failed to publish up-to-date information, there may be two potential explanations:

1. As noted in the 2017 Timber Scorecard, companies could be making progress behind the scenes but not yet be prepared to make (or see little value in making) this information publicly available.

2. Despite commitments, companies are failing to monitor and report on the origin of their timber products effectively.

We believe that, regardless of their level of progress, companies should operate transparently and demonstrate how they are sourcing their materials year-on-year. Progress aside, companies have a duty to their customers and to the planet to be honest about where their products are coming from and under what conditions the materials have been harvested. Companies failing to provide relevant information are depriving consumers of their right to make an informed decision.

Time-bound commitments

Only 23% of companies included in the Scorecard have either already achieved 100% sustainable sourcing or have set a commitment to do so by 2020. From this finding, we can infer that our call for the UK's timber trade to be 100% sustainable by 2020 won't be answered, and international milestones are also expected to be missed. Despite commitments to source 100% of timber materials responsibly, more than two thirds of companies have yet to set a deadline to achieve this target. Without a time-bound public statement to drive ambitions forward, companies can simply shift priorities while maintaining the guise of a responsible business.

Environmental footprint

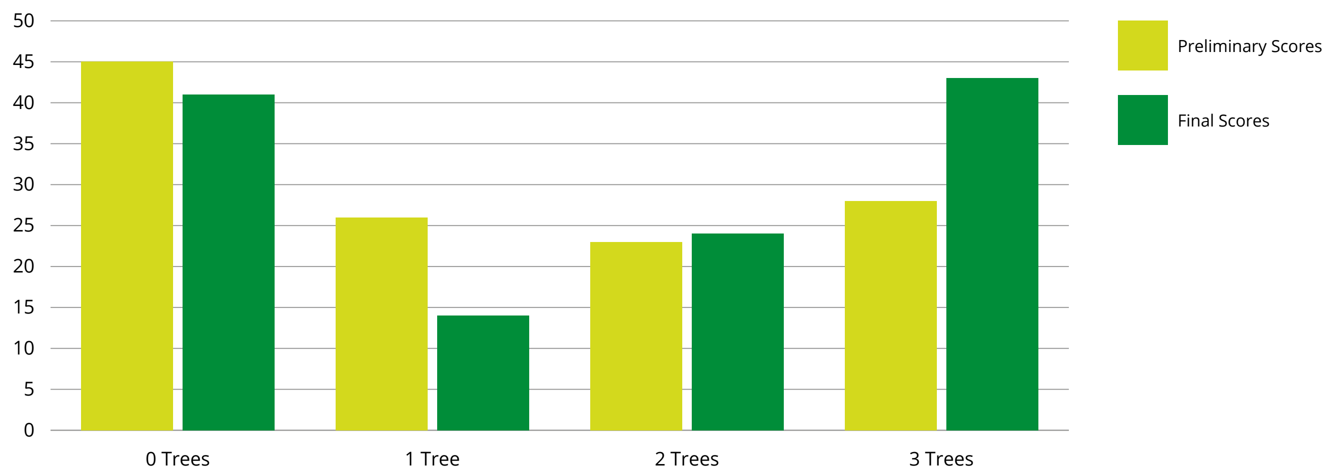
We found that only 55% of companies had made the link between sustainable sourcing and their environmental footprint. An organisation's environmental footprint comprises more than just its carbon emissions, its water use and its waste. However, those that have produced a timber procurement policy have done so in isolation of their wider environmental strategies. Although most of the world's resources originate from nature, many companies seemingly fail to consider the extraction of these resources as part of their environmental strategy.

Stakeholder engagement

We found that stakeholder engagement is still lacking across all sectors. Just over a third of companies are engaging with their customer base regarding key forest issues, while 58% are engaging with their suppliers.

Suppliers have the power to reorient the supply chain and echo changes and new guidelines further down to those that manage the forests and deal with the extraction of materials. Where the option of FSC-certified material is not available, businesses need to use their buying power to advocate for change and demand that suppliers adopt FSC standards.

Figure 10: Score shift between the Preliminary and Final company assessments



Customers also hold a great deal of power through their purchasing behaviour. More and more customers are becoming aware of the impact of what they choose to buy and are opting for sustainable products over non-sustainable products where possible. For this reason alone, brands must do more to actively engage with their customers and communicate the action they are taking and the achievements they have made in tackling habitat degradation so customers can make an informed decision.

Many other stakeholders – such as staff, peers, government, community/institutions and investors – are paying more attention to how brands operate on an environmental level. For investors, third-party assessments such as the Timber Scorecard offer an insight into company performance as well as an opportunity to engage companies on operational and transparency improvements.

OUR FINAL SCORECARD

Our intention was that the Timber Scorecard should identify shortfalls and engage relevant stakeholders. By doing so, it has been effective at instigating and documenting the shift in private sector transparency between 2015 and 2019. However, in our preliminary review, we observed that the majority of companies were failing to adequately update their policy documents and their sourcing data year-on-year. Only following our company engagement and review process – where we communicate preliminary scores in confidence and allow companies time to update and offer further information to aid our assessment – did we start to see the final scores climb (see Figure 10).

We were pleased that the majority of businesses we engaged with responded positively following the preliminary scoring and worked quickly to improve their score. However, truly transparent companies should not need an annual nudge to update their data. In the final Scorecard, we remain concerned that transparency standards will begin to slip in the absence of this assessment mechanism.

WHAT'S NEXT?

THE ROLE OF BUSINESS

No more excuses

Establishing a robust procurement policy and due diligence system to ensure products are sourced legally and sustainably can no longer be considered a colossal challenge for businesses – especially large businesses and multinationals whose supply chain infrastructures are well established. The world is calling for an end to deforestation, an end to habitat degradation and an end to climate change – and it is the private sector's responsibility to deliver. In a constantly growing global economy, companies seeking any form of a future should strive to operate more responsibly, with careful consideration for how their operations may impact the world.

Next steps

Companies need to either start or keep asking where their timber products are coming from. WWF, alongside a plethora of NGOs, government bodies and businesses are continuously advocating for the implementation of legally-binding measures that would level the playing field and require private sector procurement policies to be monitored, publicly reported and improved. Adopting voluntary commitments now, which include third-party certification (FSC) on all timber products, simply puts a business ahead of the curve in an ever-changing, increasingly sustainability-focused global market.

For companies setting out on their sustainability journey, and therefore wanting to eliminate deforestation from their supply chains, we recommend the following steps:

1. Produce, implement and publish a sustainable timber procurement policy with the goal of eliminating illegal and unsustainable practices from your supply chain. The policy must be time-bound, target driven and have a defined remit listing which goods/goods-not-for-resale are covered. The policy must also include a yearly action plan that outlines the steps in reaching its goal.

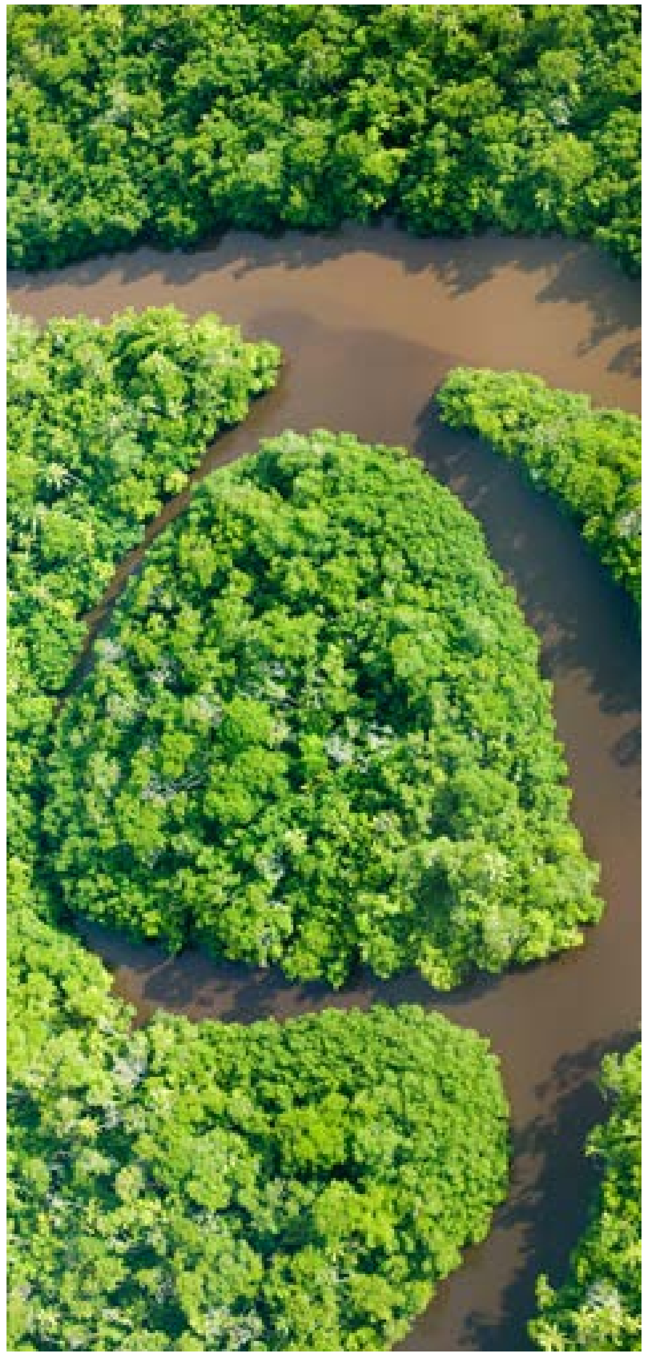
2. Engage staff and suppliers to ensure new policies are understood and adhered to. For multi-brand retailers, this is an opportunity to reach out to those brands to encourage the adoption of similar practices in an effort to eliminate deforestation from the shelves.

3. Adopt third-party certification standards (such as FSC) to ensure products are both legally and sustainably sourced.

4. Monitor and report on progress in a clear and concise way, either in an annual report or through online updates. This is an opportunity to engage with stakeholders – customers, investors, communities, governments, peers – on the progress that has (or has not) been made, the challenges that were identified and the solutions that were implemented.

When developing and implementing commitments, companies should look to the Accountability Framework initiative (AFi) – a common set of norms and guidelines for companies to adopt to address deforestation, ecosystem conversion and human rights violations.

The Timber Scorecard has demonstrated that commitments in regard to deforestation-risk commodities – despite being largely focused on '100% sustainable' or 'zero-deforestation' – often differ in intent, while also lacking a structured approach to monitoring and reporting. The AFi aims to address this by offering an industry-wide standard for implementing commitments, fostering transparency and tracking progress.



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THE ROLE OF GOVERNMENT

Significant progress is being made by responsible businesses that recognise the operational benefits associated with sustainable sourcing. But we also need government intervention, to ensure laggards are also held accountable for their environmental impacts. Without regulation, companies can continue to 'green-wash' their products in an effort to capitalise on public concern for the environment without making any significant changes to their supply chain.

With a relatively small number of businesses certifying to credible independent third-party standards, progress is often too slow and fragmented. Therefore, if we are to stimulate change within a relatively short time-frame, voluntary efforts to halt deforestation need to become an operational necessity.

UK contribution

If the UK is to reduce its imported deforestation footprint and be a leader in environmental conservation following its potential exit from the EU, the government needs to implement a robust legal framework and enforcement body to ensure only sustainable materials are being imported. The UK government's ambitious 25 Year Environment Plan (25YEP) is an opportunity to connect the puzzle pieces in an effort to leave the world in a better condition than when we inherited it.

The effective implementation of the 25YEP would commit all public and private sector organisations in the UK to reduce their global environmental footprint by enhancing sustainability and supporting zero deforestation supply chains.

To achieve this, WWF, along with other civil society organisations believe a legally binding due diligence obligation might hold the key to driving awareness of the social and environmental impact associated with unsustainable sourcing at board level. It would also help anticipate, avoid and remedy issues in the future. The introduction of mandatory due diligence would require businesses to recognise their environmental footprint, publish their performance annually and reduce it by incorporating the environment more routinely into planning and operations. Furthermore, it would allow stakeholders, such as civil society and investors to monitor and track progress.

As a way of addressing the UK's global footprint, the government must also look to implement a mechanism to promote improved natural resource management in developing countries and trading partners. For the government to deliver on its 25YEP, it needs to work closely with businesses, NGOs, producer countries and intermediary countries to identify actions across supply chains in an effort to improve the sustainability of products and reduce deforestation. Actions could include:

a) Identifying its foreign and domestic environmental footprint.

b) Developing a time-bound action plan to reduce its impact.

c) Reporting on progress in minimising its impact.

ROLE OF CONSUMERS

In addition to the work the government and private sector need to undertake, consumers must recognise that they too have a part to play. In an effort to bring about change, consumers should:

1. Look for a certification label, such as FSC, to ensure the products they are purchasing have been sourced and produced responsibly.

2. Use their buying power to support businesses that have made – and are performing against – commitments to source responsibly.

3. Keep researching and asking businesses where their timber materials are coming from. It is important to explore opportunities to engage with businesses through multiple channels, including social media, petitions, campaigns and surveys.

INTERNATIONAL INITIATIVES: PUBLIC AND PRIVATE SECTOR COLLABORATION

WWF's Timber Scorecard research found that only 26 of the 122 companies publicly committed to supporting the UN Sustainable Development Goals – specifically SDG15: Life on Land, which commits to protecting, restoring and promoting sustainable use of terrestrial ecosystems. The private sector needs to understand its role in conserving global ecosystems and how responsible sourcing contributes to achieving global targets. As already noted, private sector efforts are often too fragmented to achieve the level of impact needed to halt global deforestation. Companies must seek support from peers, governments and civil society to implement programmes that guarantee maximum impact.

A small number of companies have signed up to international programmes and commitments, such as the New York Declaration on Forests and the Consumer Goods Forum – both of which have established ambitious 2020 targets. Without enough public and private sector involvement, commitments to these targets will continue to fall short. Existing and future signatories of international initiatives need to fully adopt the practices, methodology, ethos and intended outcome if they are to make any real difference.

FURTHER INFORMATION

DEFORESTATION- AND CONVERSION-FREE

'Deforestation- and conversion-free' or 'd/c free' refers to producing, sourcing, or investing financially in a commodity that does not cause or contribute to deforestation and/or conversion of natural forests and ecosystems.

EU TIMBER REGULATION (EUTR)

The EUTR, which came into full effect in March 2013, grew out of the EU Action Plan on Forest Law Enforcement, Governance and Trade (FLEGT), which was first adopted in 2003. The Action Plan recognised the important role of the EU as a large consumer of timber products. It set out actions to prevent illegal timber products being imported into the EU, and to encourage demand for timber from responsible sources.

The focus of the EUTR is on the legality of timber rather than its sustainability. In simple terms, the EUTR only requires evidence of due diligence to demonstrate legal purchasing, not sustainability. However, this requirement for compliance has an impact throughout the supply chain and sends a clear message regarding legality. If the EUTR were improved, and loopholes tightened, there could be an increase in the use and understanding of legal timber, which would be likely to result in more sustainable timber.

The EUTR covers a wide range of timber and wood products that were harvested both in and outside the EU. A 2014 report by NewLeaf for WWF-UK, *In or Out? Can the European Union's Timber Regulation keep out illegal timber?*,[9] demonstrates that the EUTR's current scope is not comprehensive enough to be effective in prohibiting illegal timber from being placed on the EU market. The research identified 934 CN headings and sub-headings that contained timber and wood-based products. Of these, only 47% are 'in scope', and 2% are exempt from the EUTR.

The most materially significant 'out of scope' codes include an assortment of products such as seating, printed materials, charcoal and musical instruments, as well as less obvious items such as fireworks and cellulose and its chemical derivatives.

FOREST CERTIFICATION

Launched in the 1990s, forest certification is widely seen as the most important initiative of the last two decades to promote better forest management. The process of forest certification involves an independent party issuing a certificate which verifies that an area of forest is managed to defined environmental and social standards and in compliance with relevant laws. Certification schemes with chain of custody requirements oblige certificate holders who want to sell timber products as certified to track all of their logs from certified forests.

Forest certification is an important mechanism for improving and monitoring forest management, and for tracing and labelling timber, wood products and non-timber forest products. The quality of forest management is assessed against a series of agreed standards by independent, experienced auditors – a process which is also subject to governance and criteria to ensure reliable and robust outcomes. Credible forest certification covers much more than just logging practices: it also accounts for the social and economic wellbeing of workers and local communities, transparency and inclusiveness in decision-making, and impacts on the forest and its biodiversity – especially where this is recognised as having high conservation value.

WWF understands the threats facing forests today. But trying to prohibit the use of forest resources isn't a viable solution. Responsible forest management is an important solution and a credible system of certification can ensure the sustainable management of these vital resources. However, certification is not a universal remedy against the world's forest crises – it cannot replace scientifically sound regulations and legislation.

We consider the Forest Stewardship Council (FSC) to be the best certification system to ensure environmentally responsible, socially beneficial and economically viable management of forests at present, so we recommend the FSC system to consumers, forest managers, policymakers and businesses.

[9] WWF & NewLeaf (2014): *In or Out? Can the European Union's Timber Regulation keep out illegal timber?* WWF-UK, Godalming, UK.

FSC

FSC is a global, not-for-profit organisation dedicated to the promotion of responsible forest management worldwide. Its vision is that the world's forests meet the social, ecological and economic rights and needs of the present generation without compromising those of future generations. FSC's mission is to promote environmentally appropriate, socially beneficial and economically viable management of the world's forests. This mission is implemented through a global strategy with five goals:

1. Advancing globally responsible forest management.
2. Ensuring equitable access to the benefits of FSC systems.
3. Ensuring integrity, credibility and transparency in the FSC system.
4. Creating business value for products from FSC certified forests.
5. Strengthening global networks to deliver on goals 1 to 4.

FSC delivers these goals through activities which are managed and developed through six programme areas: forests, chain of custody, social policy, monitoring and evaluation, quality assurance, and ecosystem services.

PEFC

PEFC is currently the world's largest forest certification system. It is an international, non-profit, non-governmental organisation promoting sustainable forest management through independent third-party certification.

PEFC is primarily industry led and works throughout the entire forest supply chain to promote good practice in the forest and to ensure timber and non-timber forest products are produced with respect for ecological, social and ethical standards. PEFC was founded in 1999 in response to the specific requirements of small family forest owners. It works by endorsing national forest certification systems developed collaboratively by all interested stakeholders and has recognised certification systems in 36 countries.

TIMBER RECYCLING AND RECOVERED FIBRE

Recycling wood and paper reduces the amount of timber that needs to be sourced from forests. Nearly all types of solid timber can be reused if recovered and separated from waste. Timber can be recycled from buildings and used again in products such as furniture and flooring. Smaller, less valuable wood scraps can be collected and used to make particleboard and other composite products.

In the UK, more than half the wood previously sent to landfill is now recycled. Paper can be recycled and reused several times, thus reducing the volume of virgin wood fibre needed to produce paper products. Using recycled fibre can reduce the energy requirements and overall environmental footprint of producing a particular product; it also reduces the volume of material sent to landfill.

ZERO-NET DEFORESTATION

Zero net deforestation refers to no net loss in forest area between two points in time, taking into account both losses from deforestation and gains from forest regeneration and restoration. Zero net deforestation would typically be assessed with reference to a given geographic area (e.g., a district, state, nation, or globe) and a given timeframe.

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TIMBER SCORECARD 2019: MEASURING PROGRESS IN SUSTAINABILITY AMONG UK TIMBER PRODUCT BUYERS

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