

Timber Trade Federation

Growing the Use of Wood



Wood for Who's Good?

Some UK experience in the timber market

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Presentation

1. Good wood v. bad wood
2. CSR in the UK timber trade
3. UK Market for Certified Timber
4. CSR and the Timber industry



10 year old Framire Plantation, Mbalmayo, Cameroon







Some Assumptions....

- All wood is good
- It must be good, it grows on trees!
- Timber exporting is good for development
- “Trust me I’m a trader!”



Badly Logged Forest



Well managed logging (reduced impact)



... the bad wood

- Illegal logging
- Deforestation in Indonesia, Brazil, Philippines, Africa, Siberia
- Not just a hardwood issue!
- Conflict Timber
 - Burma
 - Congo-Kinshasa
 - Cambodia
 - Liberia.....







Greenpeace International Press Release

“London, International — A criminal trail of illegally logged timber from the world's last rainforests, which is 'laundered' in China before arriving in Europe, the USA and other consumer countries, has been uncovered by a major Greenpeace investigation.



Admiralty Arch, Nelson's Column, House of Commons....





the only building material that grows on trees.

Most building materials, once taken from the earth, can never be replaced.

Wood is different. It grows on trees. And in Europe we are growing many more trees than we use.* This is very good news, because, of all building materials, wood makes the lowest impact on the environment, consuming less energy to fell, transport and process**. The Building Research

Establishment's *Green Guide to Housing* demonstrates that timber walls, floors and windows have lower environmental impact, contribute less to climate change and cause less air and water pollution.

Isn't it a good thing we'll never run out of trees? Find out more about the good wood can do by calling 0800 279 0016, or visiting www.woodforgood.com



wood. for good.

*wood. for good® is a promotional campaign sponsored by the Nordic Timber Council, the Forestry Commission, the UK Sawm Wood Promoters, the Timber Trade Federation, the Forestry & Timber Association, and the Northern Ireland Forest Service. All sponsors are committed to sustainable forest management and encourage independent certification.

* Europe enjoys an annual surplus of growth over harvest of 252million cubic metres (source: UN-ECE FAO TBFA 2000). That's almost 30 times the annual UK consumption of wood. ** The energy required to produce one tonne of building material: Timber 2,000 kW/HR; Aluminium 25,000 kW/HR; PVC 45,000 kW/HR (source: Centre for Alternative Technology)



wood. for good.

Pay our factory a visit.

home sweet home
good clean air
natural



What sort of factory would you let your children play in?

A steelworks? A quarry? An oilfield? A chemical plant? Our factories are forests. While producing timber, they also provide picnic spots, lakes and nature trails¹. Thousands of species of birds, animals and plants call them home. Their air is clean and good to breathe. They pump oxygen into the atmosphere and soak up the carbon dioxide that causes climate change. Every time you use wood you are helping to make sure that the forests will keep growing². So your children and your children's children will be able to enjoy visiting for years to come. For more information call 0800 279 0016 or visit www.woodforgood.com

¹The public has free access to 94% of forest land in Europe (MCPFE/UNECE FAO State of Europe's Forests 2003). Visit www.forestry.gov.uk/visitorcentres for forest leisure activities. ²The market for forest products helps finance sustainable forest management. Use wood from well-managed forests. Over 90% of all wood consumed in Europe is sourced from European forests, which are in surplus production (IIED, Using Wood to Mitigate Climate Change, 2004). For additional reassurance look for credible third party certification schemes like PEFC or FSC.

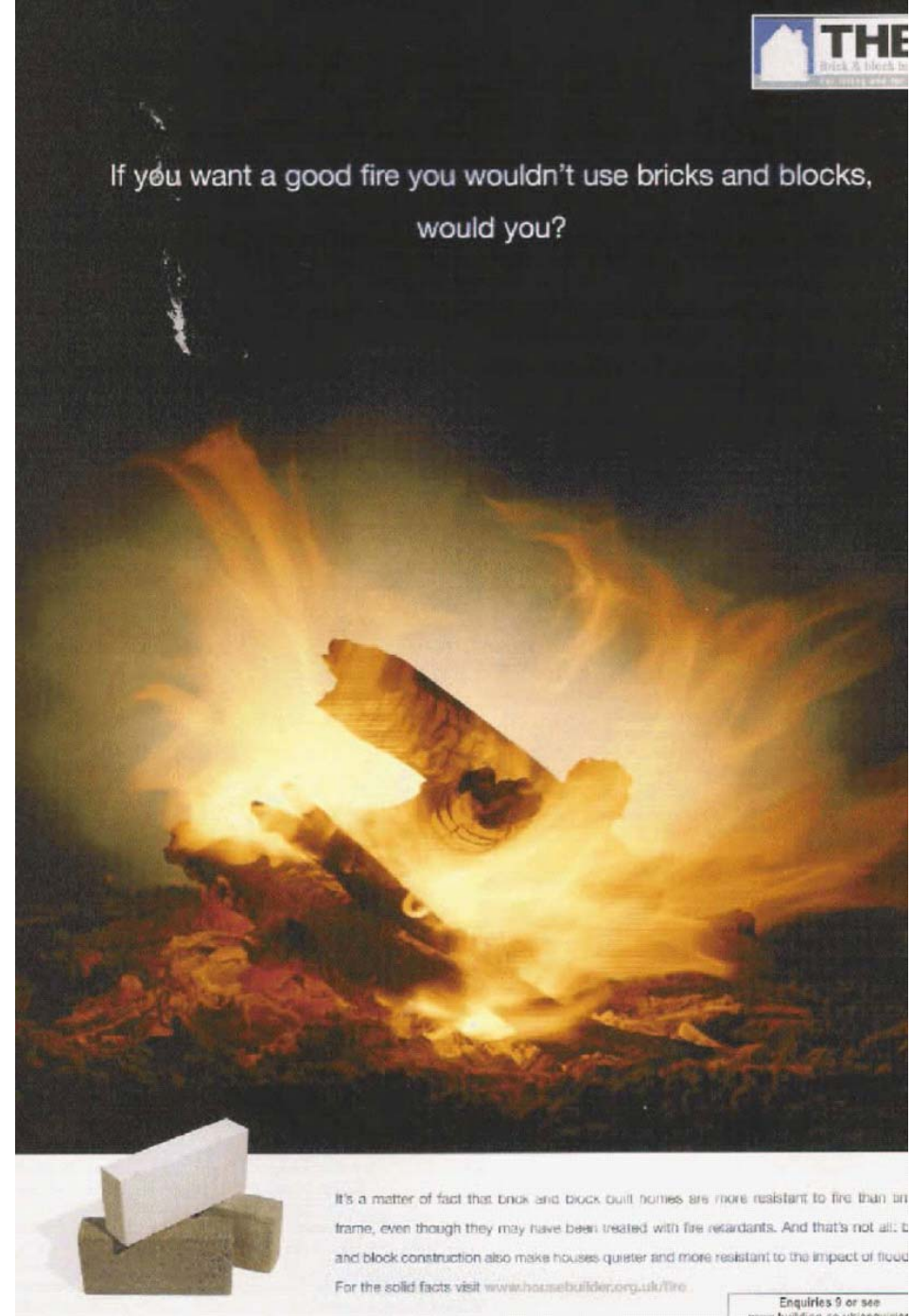
wood. for good. is a promotional campaign sponsored by the Nordic Timber Council, the Forestry Commission, the UK Sawm Wood Promoters, the Timber Trade Federation and the Northern Ireland Forest Service. All members are committed to sustainable forest management. In each of the members' countries credible third party certification schemes are now operating and increased areas of forest are being certified.



“Save a tree use PVC”

“As a tree, timber does symbolise environmental goodness. However, the processes necessary to make it a viable building material removes much of it's assumed green credentials.”

www.concretecentre.com



THE
Brick & block
builders' association

If you want a good fire you wouldn't use bricks and blocks,
would you?

It's a matter of fact that brick and block built homes are more resistant to fire than an
frame, even though they may have been treated with fire retardants. And that's not all: brick
and block construction also make houses quieter and more resistant to the impact of flood.
For the solid facts visit www.housebuilder.org.uk/fire

Enquiries 0 or see
www.housebuilder.org.uk

2. CSR in the UK Timber Trade: What to do about the bad wood!



CSR in Action in the TTF

A. Code of Conduct



TTF Code of Conduct

New: TTF will issue
specific
guidance on
buying
complying with
the Code of
Conduct for
purchases from
high risk
countries



TTF ACTION

- A. Code of Conduct
- B. €7m EU Timber Trade Action Plan with the Tropical Forest Trust – verified legal timber from 150 mills and forests in Indonesia, Malaysia, Gabon, Congo-Brazzaville, Cameroon, China, Brazil, Guyana, Bolivia



TTAP – Supply Chain Management



Long and complex



A verified legal supply chain



TTF ACTION

- A. Code of Conduct
- B. €7m EU Timber Trade Action Plan –
verified legal timber from 147 mills and
forests in Indonesia, Malaysia, Gabon,
Congo-Brazzaville, Cameroon, China,
Brazil, Guyana, Bolivia
- C. Responsible Purchasing Policy



36 audited RPP Companies in 2007

- AW Champion Ltd,
- Arnold Laver & Co Ltd,
- Brooks Brothers
- BSW Timber plc
- Caledonian Plywood
- Capricorn Timber
- Channel Woodcraft Ltd
- Crown Timber
- Danzer
- DLH
- Finnforest UK Ltd
- Finnish Fibreboard
- Flatau Dick (UK) Ltd
- Frank Gresham
- Gill & Robinson Ltd
- Hanson Plywood
- Hollanden Timber Ltd
- Hoppings Softwood Products
- Howarth Timber
- International Plywood
- James Donaldson
- James Latham plc
- John Boddy
- John Robertson
- John Wright
- Howie
- Medite (Coillte)
- Morgan & Co
- Premier Forest Products
- PT Agencies Ltd
- SCA Timber Supply Ltd
- Snows Timber
- T Brewer & Co Ltd
- Timber Connection Ltd
- Wolseley UK
- Wood International (Far East)



Where is the risk greatest?

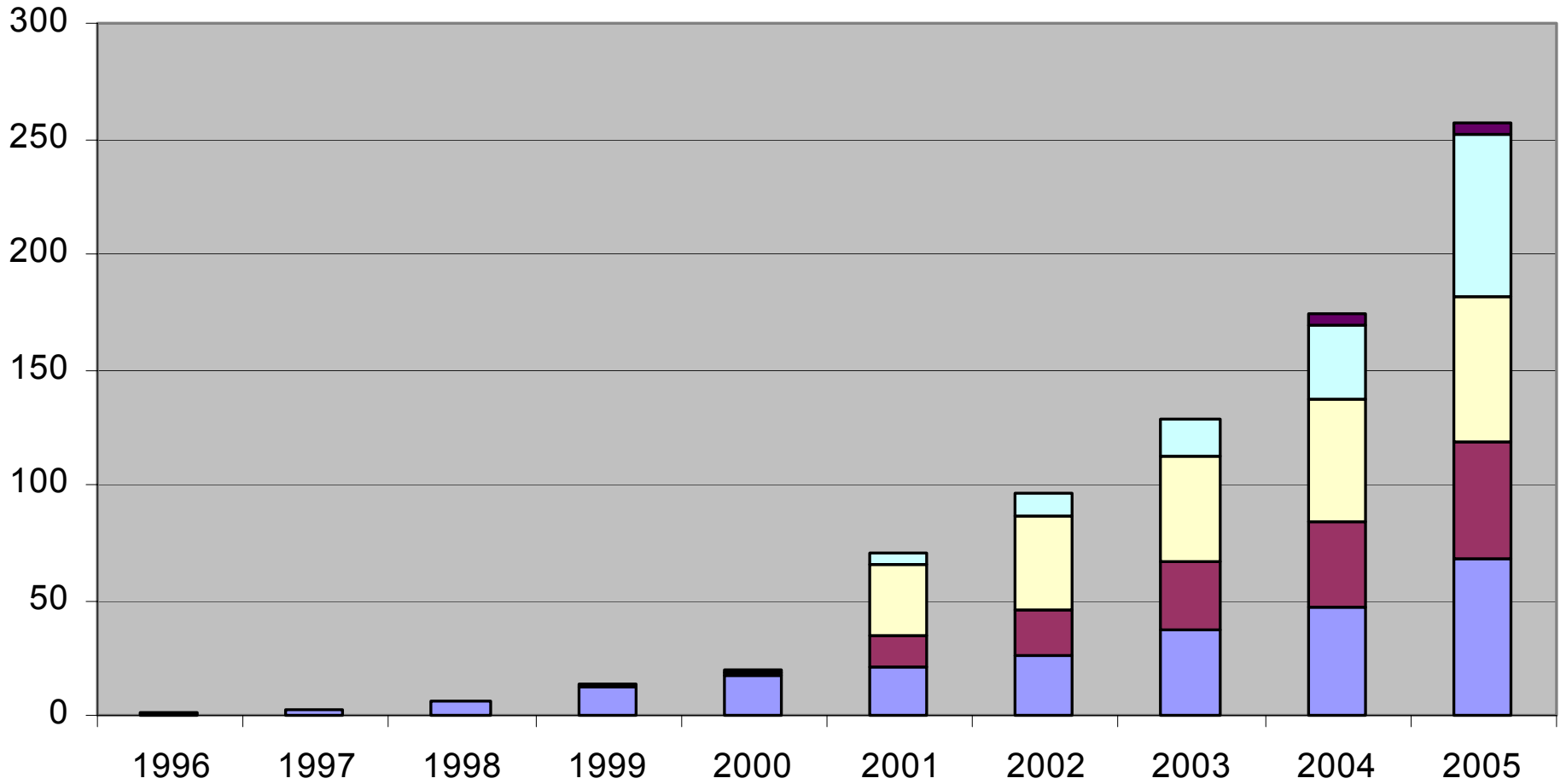
Where the forest is going fastest!



3. UK Market for Certified Timber: the results of CSR Policies



**Chart 1: Change in certified forest area December 1996-2005
(million hectares)**



■ FSC ■ SFI/PEFC ■ OTHER PEFC ■ CSA/PEFC ■ MTCC

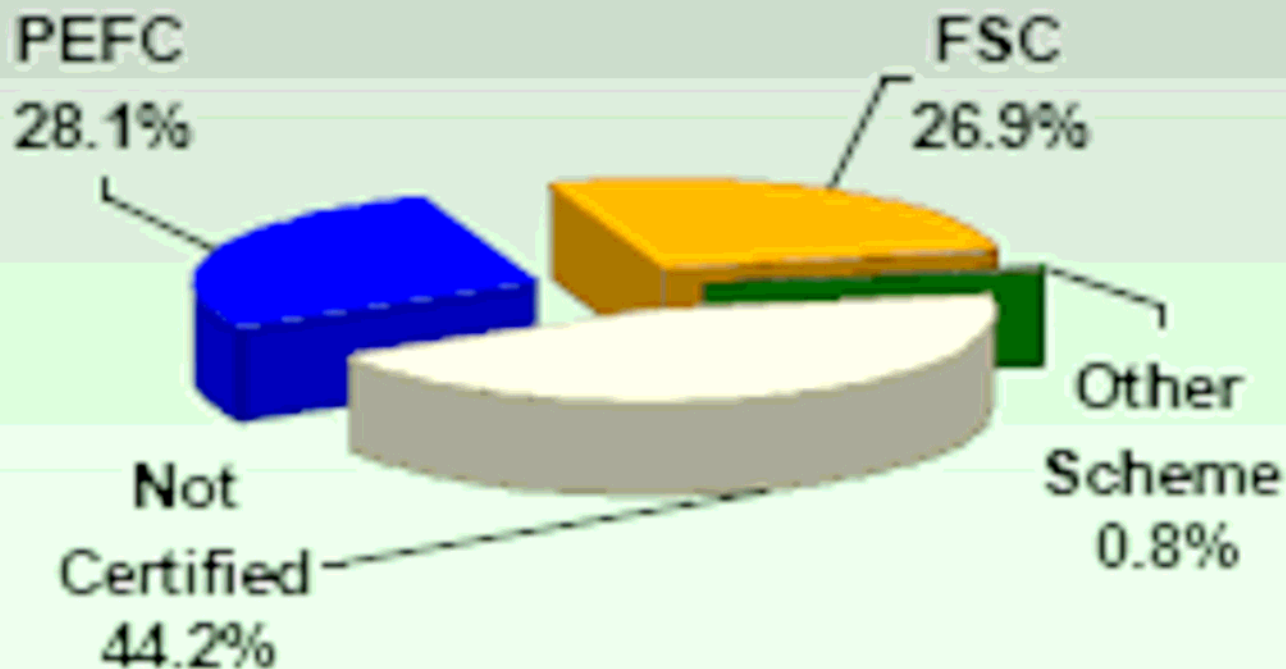


- Certified supply is increasing
- UK imports;
 - 60% certified in 2006
 - rising by 5% p.a.



Supply and Demand

Proportion of Certified Imports to the UK by Scheme, 2005

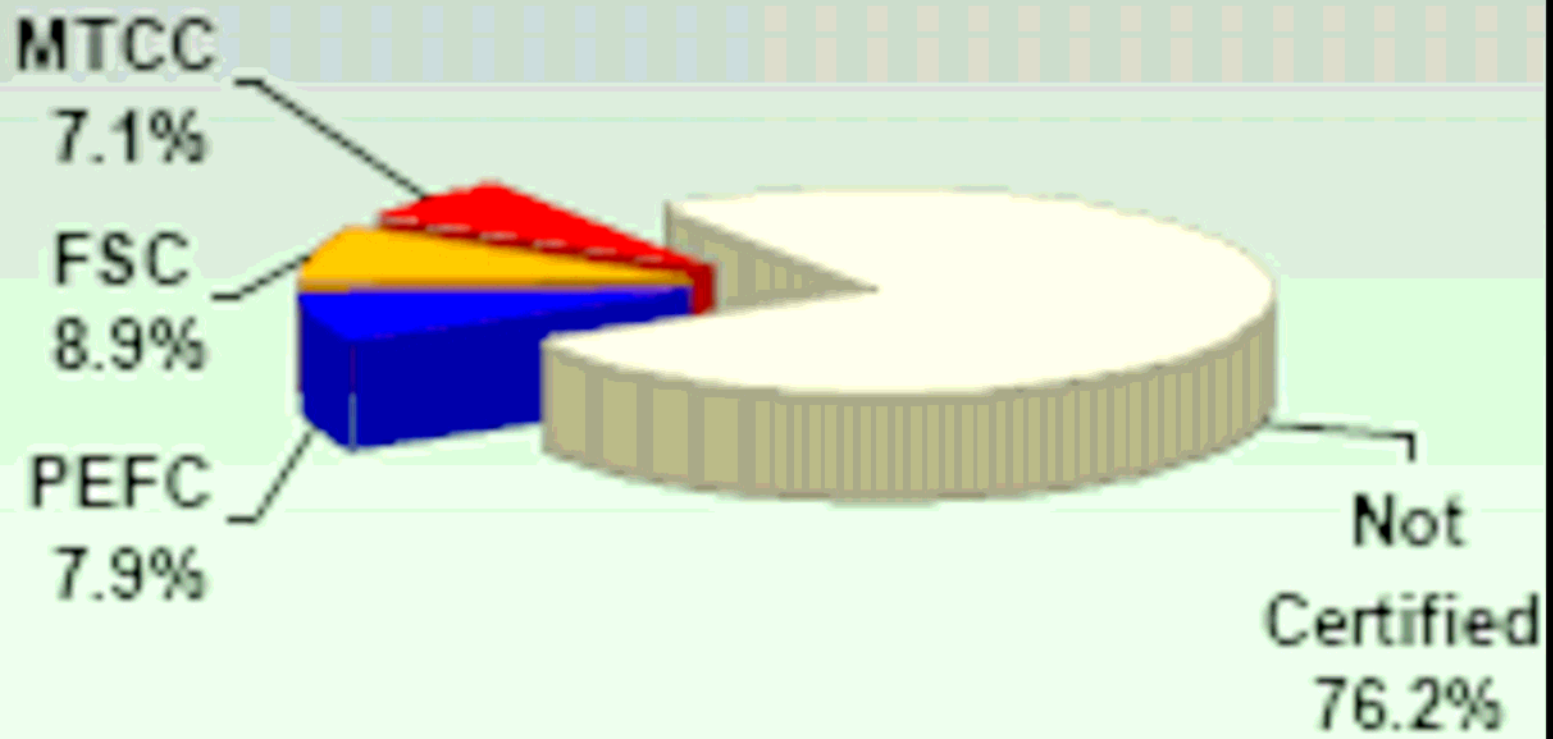


Is certified timber available in all product categories?

- Yes, but
- Some structural timber is only available in PEFC

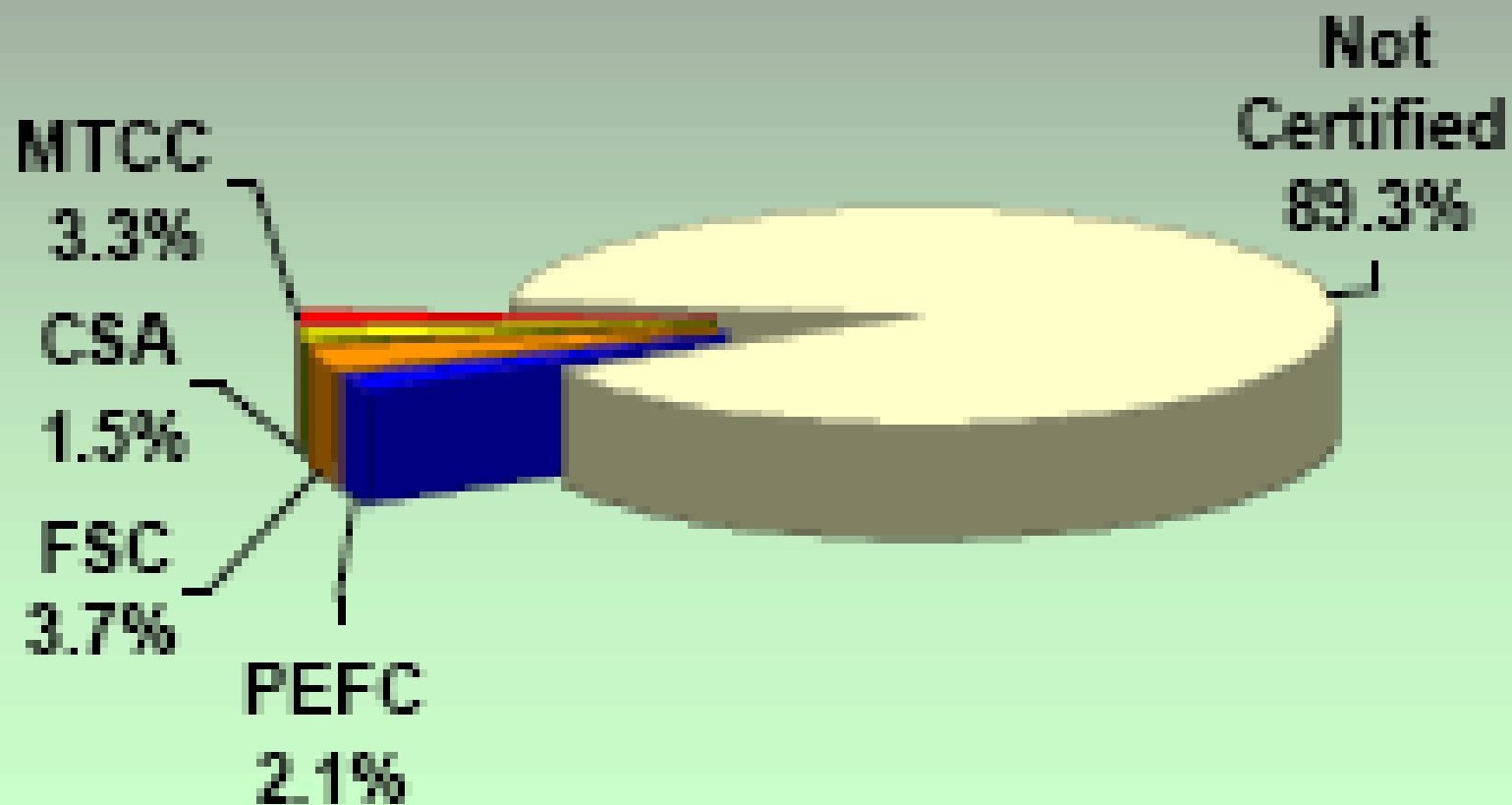


Proportion of Certified Hardwood Plywood Imports by Scheme, 2005



23.8% of hardwood plywood imports certified.

Proportion of Certified Hardwood Imports by Scheme, 2005



10.7% of sawn hardwood imports are certified.

UK Market Studies

- Reports by Rupert Oliver and Nick Moore
- Overall demand for certified timber = 10%
- Supply of certified timber = 60%
- SUPPLY is 6x demand
- Key segments have a small (2-7%) premium:
 - Hardwood plywood
 - Hardwood sawntimber
- Steady but low demand for verified legal timber
- It should be rising!



UK Government Procurement (CPET)

- Big push to improve implementation
- Change in policy announced April 2007:
 - From April 2009 government will only purchase sustainable FLEGT licensed timber
 - From April 2015 government will only purchase sustainable timber
- Controversial!
- Consultation now being undertaken
- Likely to be “modified or fine tuned”!



4. CSR and the Timber Industry



Corporate Social Responsibility

- Going beyond compliance with law
- Making sure our industry is having a positive impact on society
- Building confidence in the timber industry
- Strengthening our competitive advantage
- Leadership
- There is a role here for the UNECE Timber Committee
 - Encouraging best practice and working together





Wood for Who's Good?

Good Wood =
Good Business

An orangutan is sitting on a dark wooden platform in a lush green forest. The orangutan is holding a banana in its mouth and eating it. A speech bubble with a green border points from the text 'Thank You' to the orangutan. In the background, there are large tree trunks and dense foliage.

Thank You

Timber Trade Federation

Growing the Use of Wood



www.ttf.co.uk

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