

AN ADVISORY NOTE FOR RETAILERS



WOOD PRODUCTS CERTIFICATION - CURRENT ISSUES AND THE PEFC APPROACH

The demand for sustainable wood-based products has been increasing steadily in recent years. Governments around the world have recognised the need for action to tackle deforestation, and many signed up to the New York Declaration on Forests in September 2014. Deforestation is now at the heart of climate change policies. However, for retailers it is increasingly complex to ensure legality and sustainability due to the widespread use of wood-based products, potential cost implications and emerging public policy. Added to this there is a growing customer demand for action.

PEFC as the world's largest and the best recognised timber certification scheme has produced this short Q&A to both inform and guide policy and procurement decision making.

1. WHAT IS PEFC?

PEFC (Programme for Endorsement of Forest Certification) is an independent, not for profit organisation that offers a system to ensure you are buying sustainable wood fibre. This is achieved through two separate but linked processes – **Sustainable Forest Management** and **Chain of Custody Certification**.

PEFC is the largest scheme and over 260 million hectares of forest are certified to PEFC's sustainable forest management standards. These certified forests supply more than 16,000 companies globally.

2. WHAT IS SUSTAINABLE FOREST MANAGEMENT (SFM)?

Sustainable forest management ensures the wood products you buy originate from forests managed in line with challenging environmental, social and economic requirements – balancing people, planet and profit.

This includes:

- **Maintaining** & increasing the health and vitality of forest ecosystems & biodiversity;
- **Protecting** ecologically important forest areas, wildlife, waterways & soil;
- **Preventing** unauthorised activities such as illegal logging;
- **Promoting** long term health and well-being of forest communities and their rights;
- **Safeguarding** areas which are important in meeting the basic needs of local communities;
- **Complying** with all fundamental ILO (International Labour Organisation) conventions such as safe working conditions.

3. PEFC CHAIN OF CUSTODY CERTIFICATION

To track timber or fibre from certified forests to your products a **Chain of Custody certification (CoC)** audit process is used. This demonstrates that each step of the supply chain – from the forest to the final product – has been closely monitored with independent auditing. This unbroken link is transparent proof that forest products such as packaging have been sourced from legally managed and certified forests.

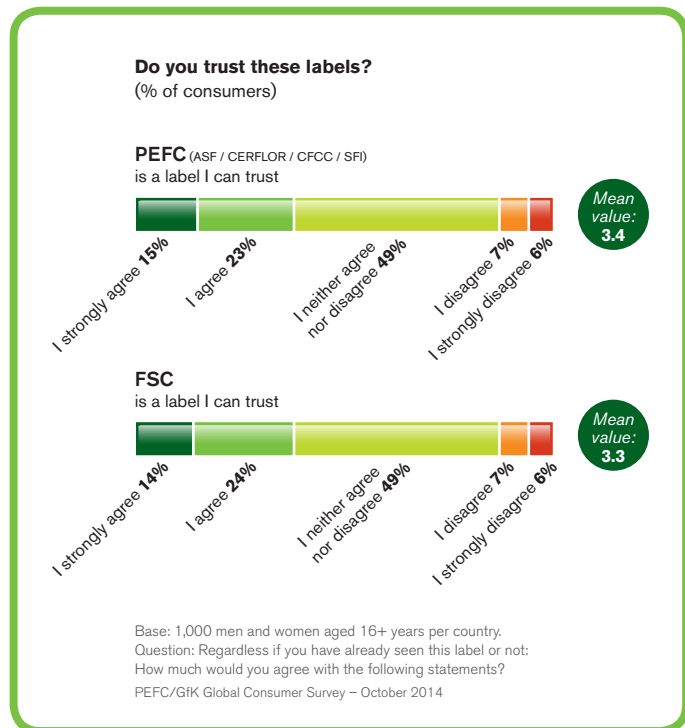


4. DO CERTIFIED PRODUCTS COST MORE?

Certification should not necessarily result in a price premium. The best way to ensure this is to adopt an inclusive approach to procurement to avoid a monopoly situation. This means approving the two most robust schemes, namely PEFC and FSC. This flexibility combined with the large volumes PEFC provides should mitigate any price increases. The Consumer Goods Forum (CGF), Kellogg's, John Lewis, Asda and many others adopt this approach already.

5. WE ALREADY SPECIFY FSC OR PEFC CERTIFIED MATERIAL. WHY SHOULD WE ASK FOR BOTH CERTIFICATION SYSTEMS?

Currently only about 10% of the world's forests are certified. Of this 10%, approximately **60% are certified to PEFC** and the remaining 40% to FSC. Therefore, if a company does not approve both schemes it is limiting its sourcing options and potentially volumes and costs. Consumer research has shown that both schemes are well regarded and accepted.



6. CAN I USE A LABEL ON PACK AND HOW MUCH DOES THIS COST?

The PEFC label is **exclusively available on PEFC-certified products**, to highlight and distinguish products and packaging made from these responsibly sourced materials. By asking the question of your suppliers, particularly around packaging and marketing collateral, you may find they are already providing you with PEFC material but not labelling it.

Certified suppliers can apply the PEFC label using their unique license number and easily customise it to meet your specific needs using the on-line **PEFC Label Generator** treee.es/pefclabel.

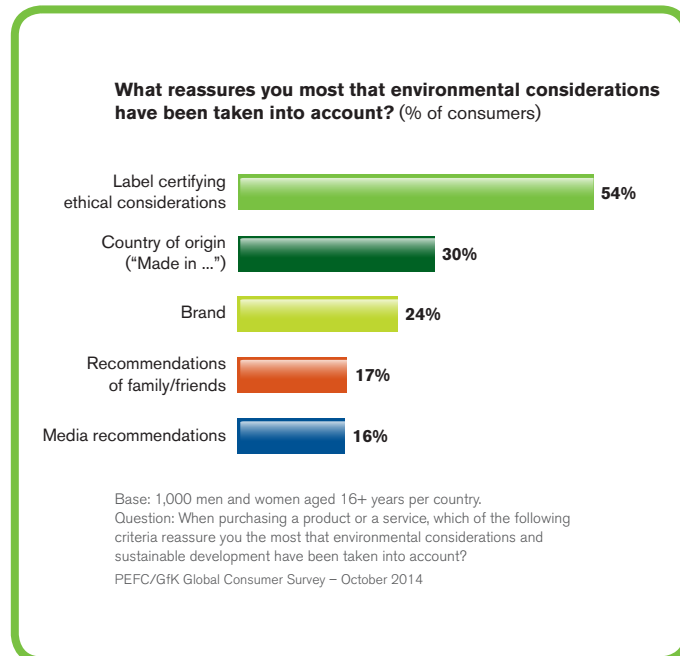
7. WHY SHOULD I ASK MY SUPPLIERS TO APPLY THE PEFC LABEL ON CERTIFIED PRODUCTS?

Bearing in mind that it's free to use the label, applying it demonstrates to your customers, colleagues, external stakeholders and consumers that you have used sustainable timber and wood-fibre sources.

Benefits include:

- **You can use** the PEFC label on certified product packaging to publicly communicate your company's commitment to sustainability and a healthy future for the world's forests
- **More than 80%** of consumers globally want companies sourcing certified material from sustainable managed forests to use certification labels, according to the first PEFC/GfK Global Consumer Survey

- **Labels communicate trust** and add brand value. Environmental labels such as PEFC's enable companies to communicate their commitment to responsible sourcing. The PEFC/GfK Survey showed that over half of all consumers consider certification labels as the most reassuring proof that environmental and sustainable development considerations have been taken into account



- **According to the 2013 Regeneration Study**, purchasing a product in environmentally friendly packaging is a key environmental action that consumers can engage in. The same study showed more than a third of consumers regularly search for environmental labels, which is confirmed through the PEFC/GfK survey which found that nearly **30%** of all consumers actively look for forest certification labels.

8. HOW MUCH DOES IT COST TO USE THE PEFC LABEL?

As a retailer **it's free to use the label**. The costs are borne by the certified supplier as part their annual certification fee.

9. HOW CAN I CHECK IF MY SUPPLIERS ARE PEFC CHAIN OF CUSTODY CERTIFIED?

PEFC has a database which can be accessed via the PEFC UK website treee.es/find-certified. This is a free service and provides an instant check.

10. DOES PEFC PROVIDE MORE ADVICE AND SUPPORT?

PEFC has a dedicated UK team that is on hand to provide training, information materials and support. They are available for technical questions, advice on how communicate PEFC certification beyond the use of the label and also to provide insight into future risks and laws around wood-based products, free of charge.

For further information contact: Hilary Khawam
hilary.khawam@pefc.co.uk