Promotion of the Trade of Legal and Sustainable Timber and Timber Products

Forest Programme of WWF China

Sep 21, 2006, Friendship Hotel in Beijing
1. Curbing Illegal Logging in Russia and Rewarding Legal Forestry in Russia and China

2. Market Approach – CFTN (China Forest and Trade Network)

3. Saving Tropical Forest – FCI (Forest Conversion Initiative)
**Purpose:** To promote use of practical and affordable systems to identify legally-sourced wood in supply chains involving Russia and China

**Output 1** Training CSR staff of companies on how to identify illegal sourced timber

**Output 2** Two demonstration pilots for “verified legal” wood (Russia forest to China factory) supply chains

**Output 3** Formulate a costs and benefits Case study report for “verified legal” wood in C/B from Russia to China factory

**Output 4** Recommendations to stakeholders on improved methods for legal verification of wood supply in China

**Output 5** Video highlighting the impacts of illegal logging, the risk to companies that take no action and the approach recommended in the “keep it legal” manual

**Output 6** Update “keep it legal” manual in Russia and China

**Output 7** Report and recommendations on improved methods for control of transboundary timber shipments and compilation of customs statistics

**Purpose:** To promote use of practical and affordable systems to identify legally-sourced wood in China

**Output 3** Cost/benefit study for “verified legal” wood from China forest to factory

**Output 4** Recommendations to stakeholders on improved methods for legal verification of wood supply in China

**Output 5** One demonstration pilot in China (China forest to factory)

**Output 6** Update “keep it legal” manual in China

**Output 7** Report and recommendations on improved methods for control of transboundary timber shipments and compilation of customs statistics
China Forest and Trade Network

• CFTN: by providing trade opportunities between companies committed to achieving and supporting responsible forestry to ensure the source legality in the raw material supply chain for forest products

• Launched in March 8, 2005 in Hong Kong

• Achievements:
  ✓ 8 members (5 in mainland and 3 in HK)
  ✓ 15 applicants under baseline appraisal
  ✓ Outreach hundreds companies
  ✓ Encourage 2 FMUs apply for FSC certification
China Forest and Trade Network

1. Member recruitment
   • Baseline appraisal and action plan for applicants
   • Stepwise approach to improve the wood resource purchasing
   • Capacity Building on sustainable purchasing

2. Market link
   • Europe, US, Japan – China
   • China – Russia, Indonesia, Brazil
WWF Forest Conversion Initiative

Objective
Ensure that forests with high conservation values and with important concentrations of species, are no longer threatened by the expansion of oil palm and soy in tropical forest area such as Indonesia, Brazil

Strategy
By working with stakeholders to switch mainstream production of palm oil and soy to sustainable practices
What are the Roundtable Process?

Objectives
- Develop criteria for sustainable palm & soy plantations
- Source from sustainable plantations
- Implement them in pilot projects
- Communicate to stakeholders and public

Participants (140 members)
- Producers
- Investors
- NGOs
- Retailers
- Crushers, Traders
- Manufacturers

Process
- The Roundtable is a process, not a single event
What is WWF doing in China?

- From mid 2003: market research (overview & key companies)
- From mid 2004: working with business
- Today: formally launching our work in Public, asking for support from:
  - industry, financial institutions, Government and consumers
  - COFCO (China National Cereal, Oils and Food stuffs Corp.), one of the largest importer, became a member of RSPO
- The Future:
  - Encourage Chinese companies to participate in the Roundtables to help influence the debate
  - Create links between China and Malaysia/Indonesia on Palm Oil to promote the use of the Sustainability Criteria

Communicate with all concerned.
Let’s leave our children a living planet