

“Creating momentum between legality and sustainability efforts”

De EU Sustainable Tropical Timber Coalition

Bossenoverleg, Amsterdam, 5 Juni, 2013

Door: Anne van Steenoven



Ministerie van Economische Zaken

CONTENT

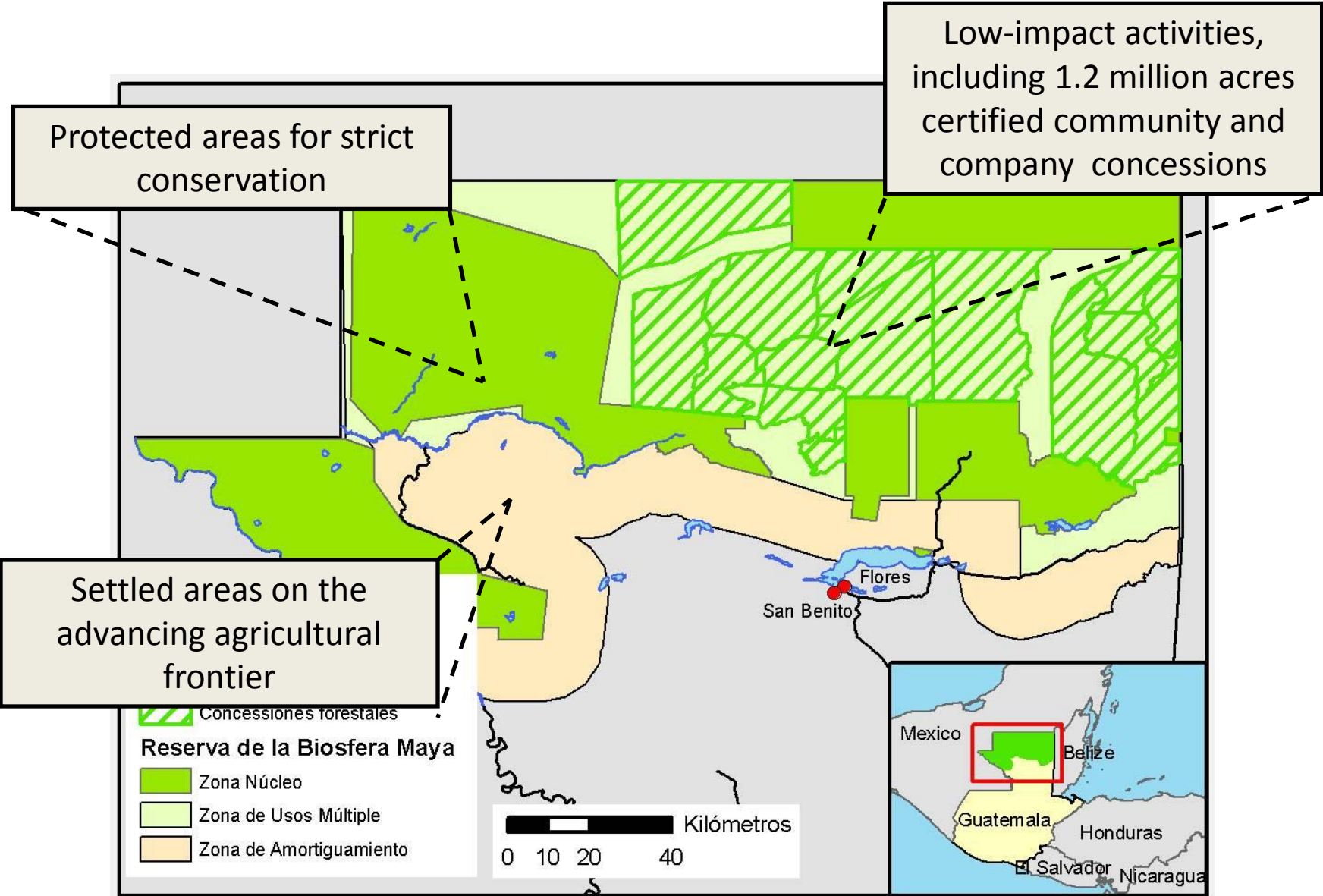
Sustainable Forest Management (SFM)

IDH Tropical Timber program

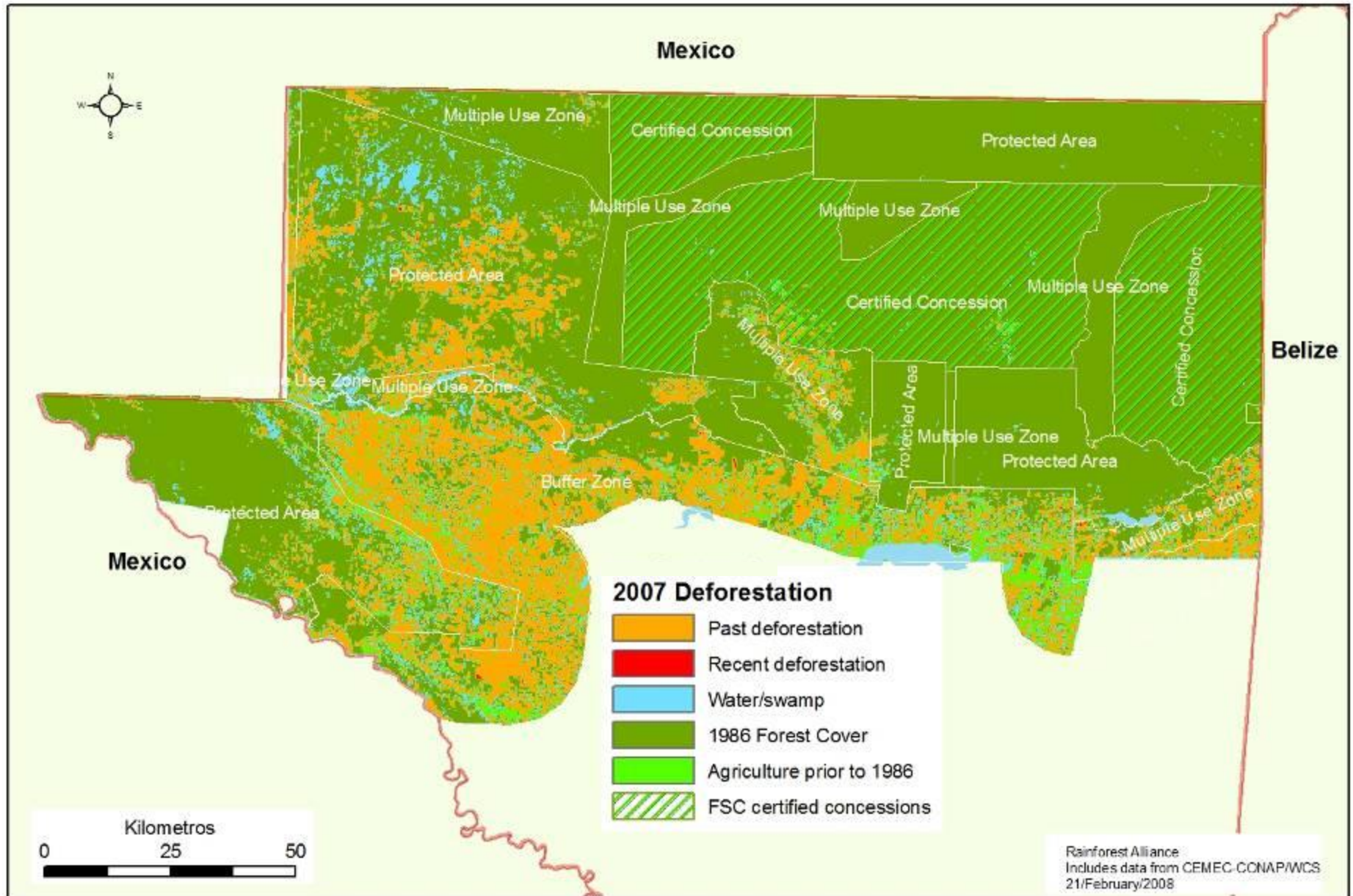
The Business Case of SFM

EU STTC to increase SFM

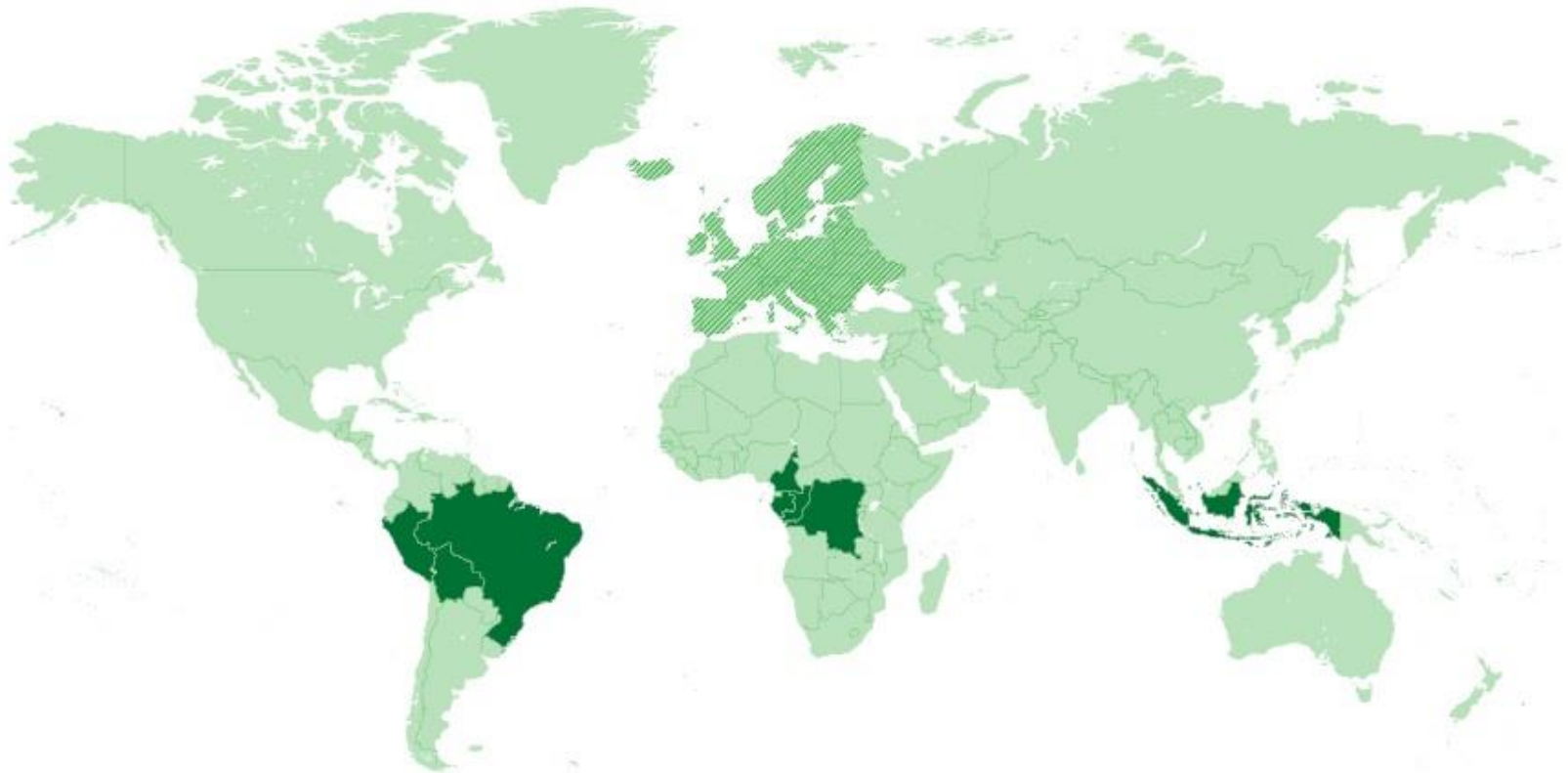
The Maya Biosphere Reserve, Guatemala



Source: RainForest Alliance



The Tropical Timber Programs



The Amazon Alternative
Certification of 4 million ha FSC forest
in Brazil, Peru and Bolivia



Congo Basin Program
Certification of 4 million ha FSC forest
in Cameroon, DRC, Congo and Gabon

The Borneo Initiative.

The Borneo Initiative
Certification of 4 million ha FSC
forest in Indonesia



SFM is effective and in recent years growing strongly

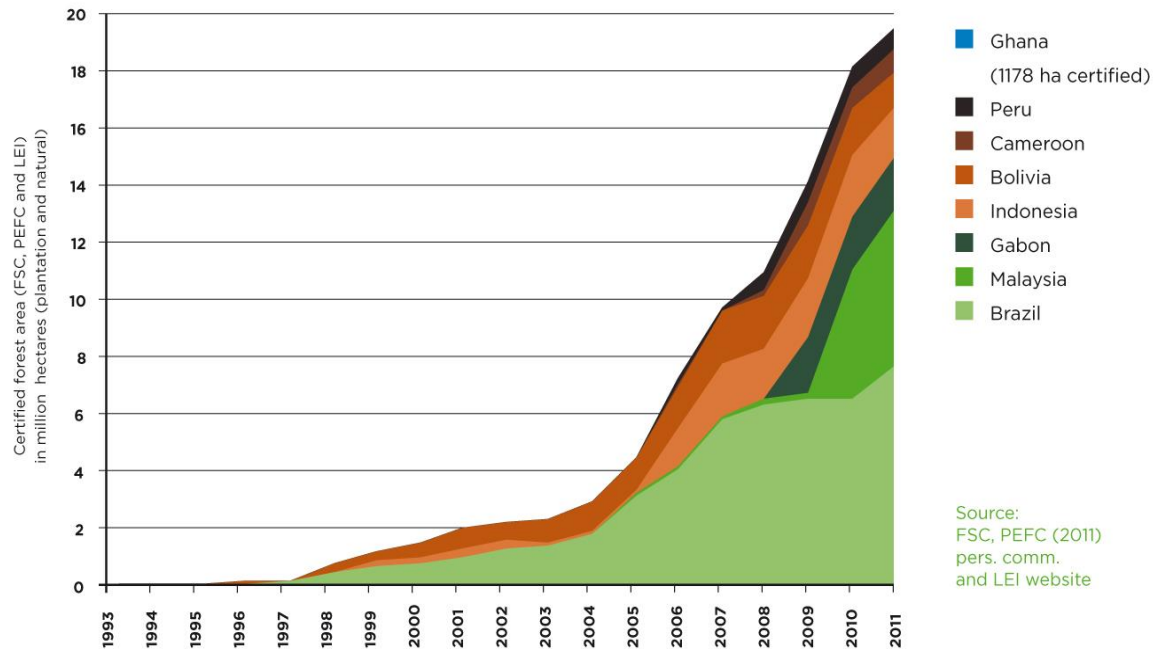
From 2010 till 31 Dec 2012, 2,5 million hectares (ha) of TF became FSC certified worldwide.

=> **Of which the IDH programs contributed 1,7 million ha (68%)**

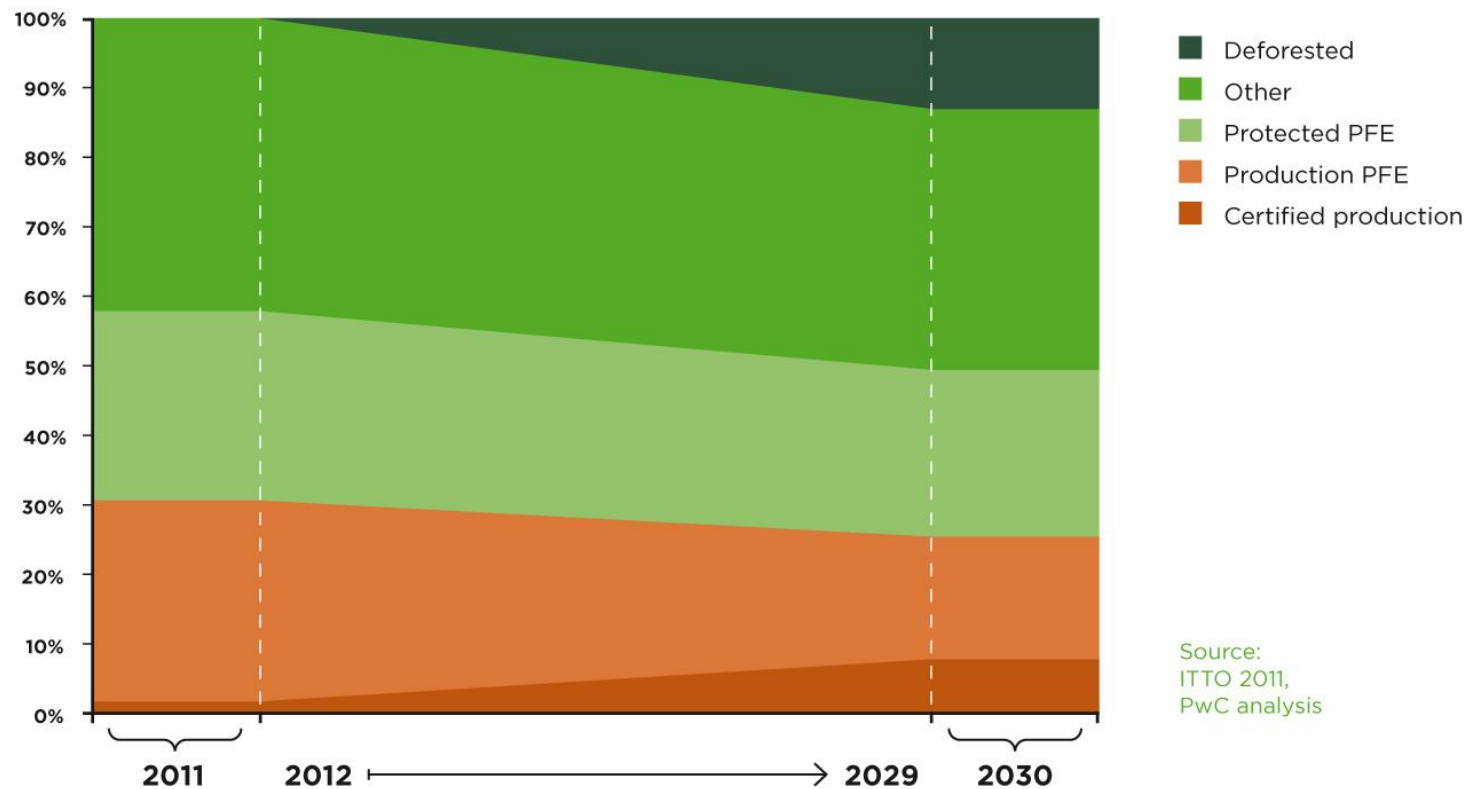
But after two decades of efforts we reached only 6% of tropical production forest

Source: Probos, 2013

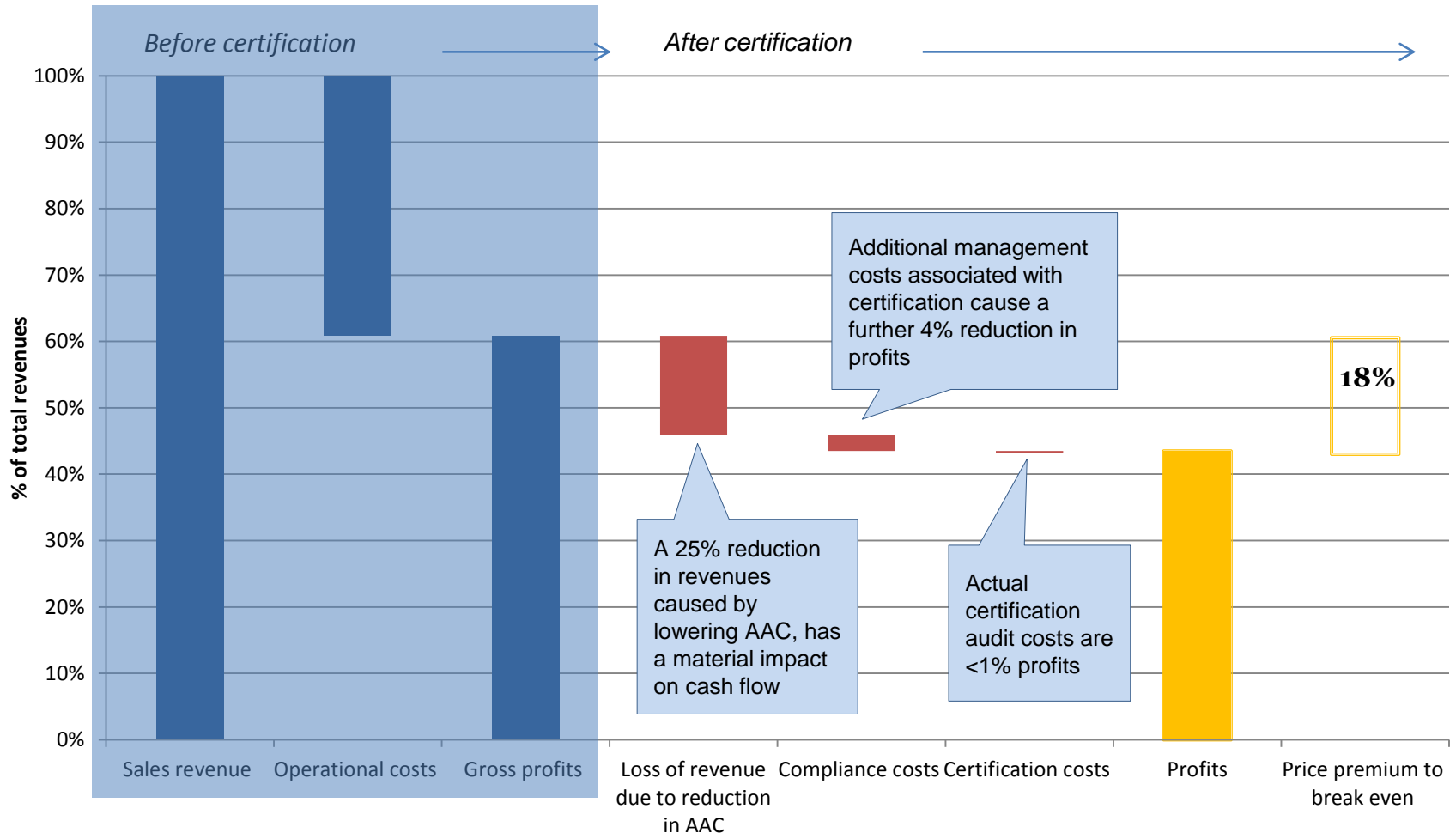
Diagram 1
Progress to date of certification in tropical forests



Business-as-usual won't get us there: 96 mill ha SFM in 2030 (against 120 mill ha deforested)



Underlying problem: the weak business case for SFM

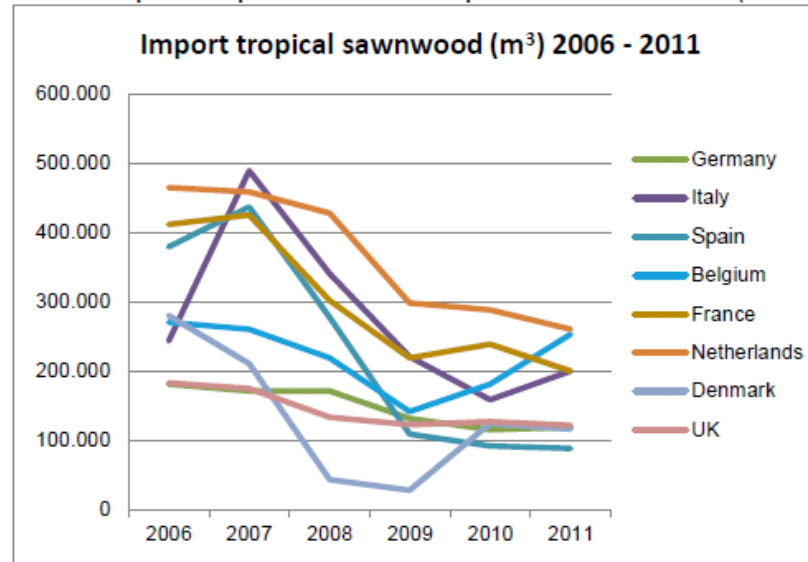


Moreover, market changes in Europe require us to refocus our approach...

Decreasing EU imports of tropical timber

Imports

Chart 17. Import of tropical sawnwood in m³ product from 2006 to 2011 (source: JFSQ database¹⁷)



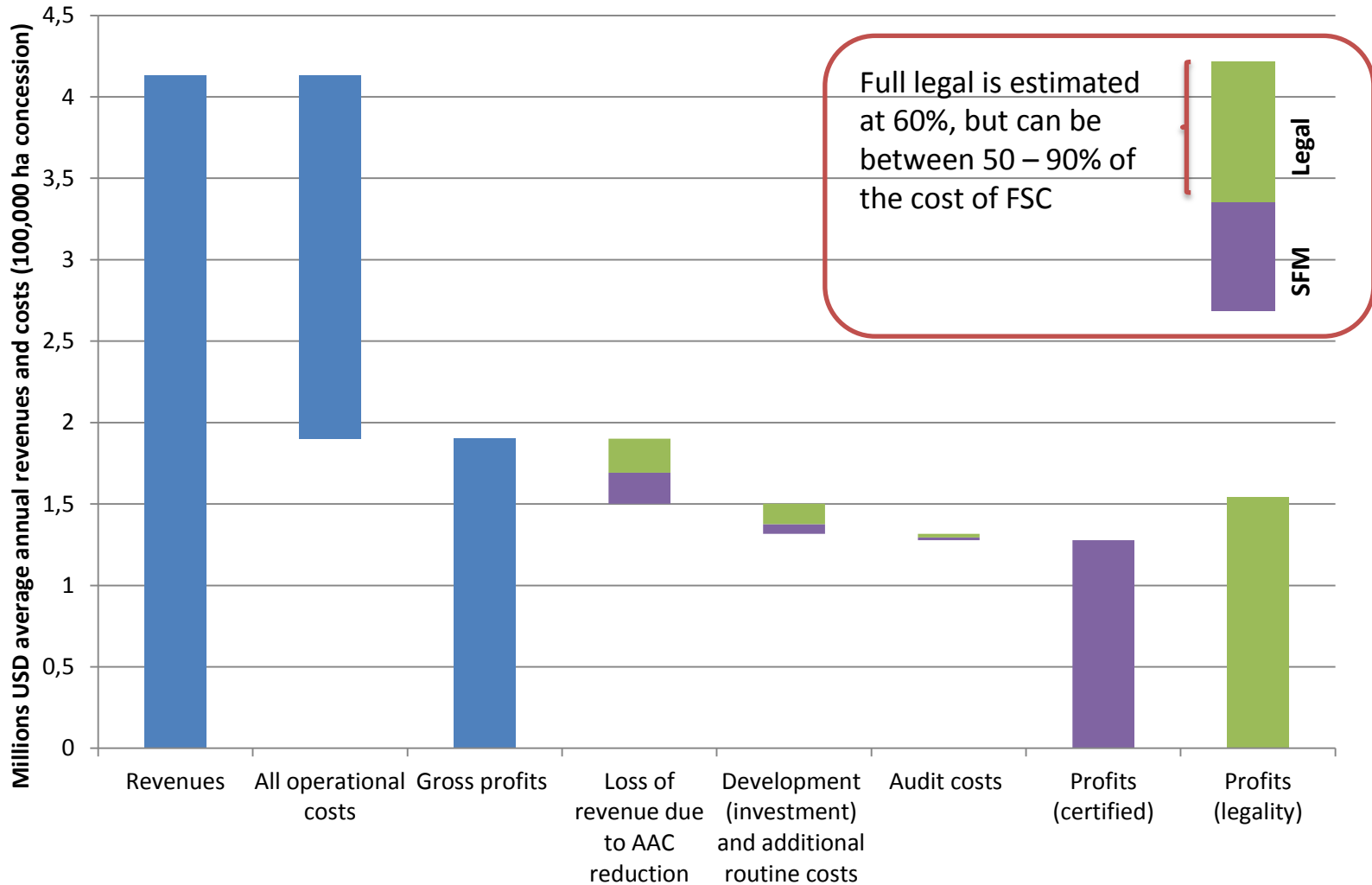
Source: Probos

Table 9. Import of tropical sawnwood in m³ product from 2006 to 2011 (source: JFSQ database¹⁸)

	2006	2007	%	2008	%	2009	%	2010	%	2011	%
Belgium	270,000	260,290	-3.60	218,620	-16.01	141,190	-35.42	181,060	28.24	252,740	39.59
France	412,220	425,750	3.28	302,160	-29.03	218,460	-27.70	238,490	9.17	199,570	-16.32
Germany	181,210	171,000	-5.63	171,000	0.00	131,090	-23.34	115,390	-11.98	118,950	3.09
Italy	243,330	489,000	100.96	341,000	-30.27	221,000	-35.19	158,000	-28.51	200,000	26.58
Spain	379,000	437,240	15.37	277,850	-36.45	108,550	-60.93	91,270	-15.92	87,630	-3.99
Netherlands	465,000	459,000	-1.29	428,000	-6.75	298,000	-30.37	288,000	-3.36	260,000	-9.72
Denmark	280,540	210,590	-24.93	42,610	-79.77	27,940	-34.43	124,140	344.31	116,100	-6.48
UK	183,000	174,610	-4.58	133,480	-23.56	122,000	-8.60	127,020	4.11	121,750	4.15
Total	2,416,306	2,629,487	8.82	1,916,728	-27.11	1,270,239	-33.73	1,325,380	4.34	1,358,751	2.52

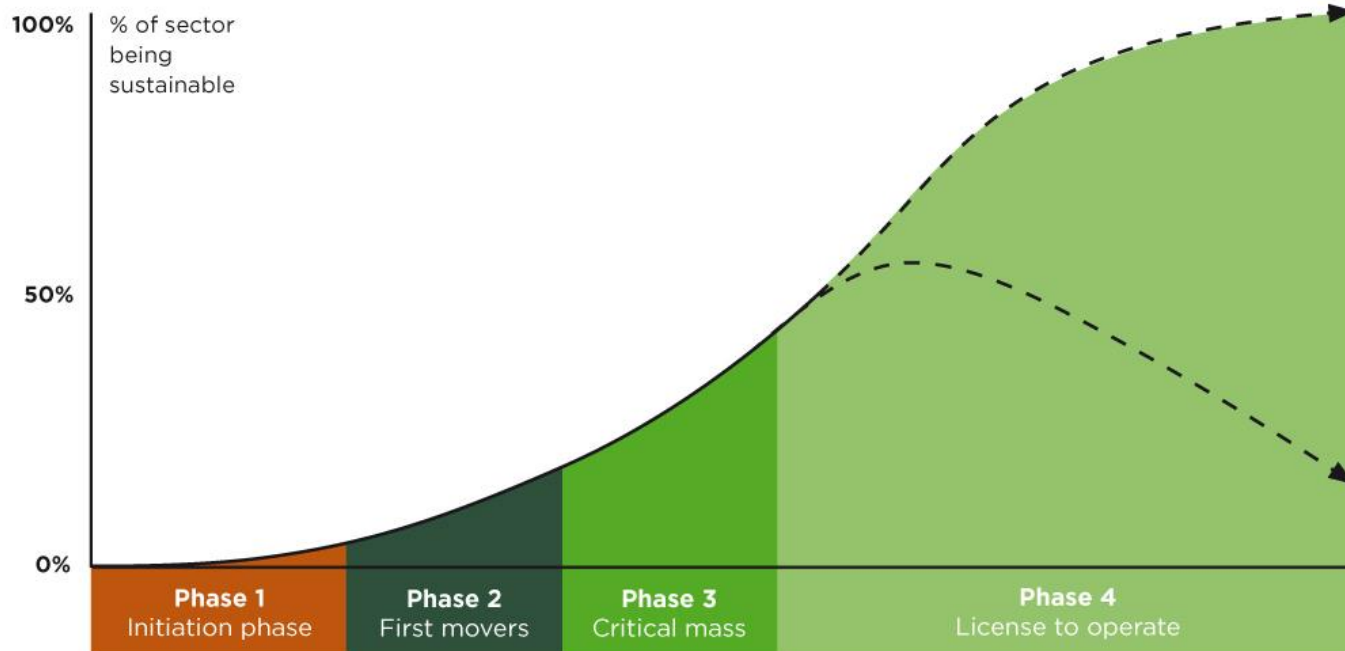


Legality reduces relative SFM costs by 60%



Source: PWC

Legality as a game changer for SFM



Source: New Foresight

The opportunity

Legality raises the benchmark for forestry operations, thereby lowering the relative costs of SFM

The risk

Race to the bottom – a narrow 'legal only' focus becomes the norm

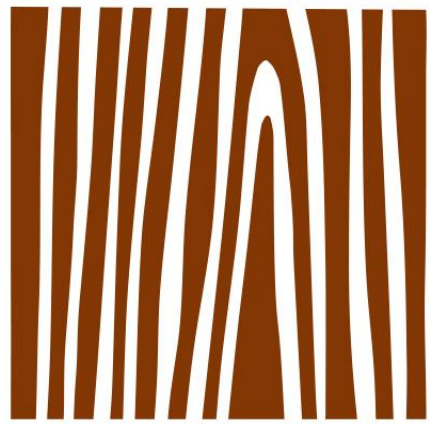
The new business case for SFM

No matter what, producers need to invest in legal compliance (EU TR / Lacey Act / etc.)

By taking a small additional step, producers can fully integrate sustainability in their operations

This would boost the supply of sustainably produced timber, providing buyers with legal assurance but also better marketability and long-term supply security

All this requires is a strong united message from the market to producers to walk the extra mile = EU STTC



STTC

EU SUSTAINABLE TROPICAL TIMBER COALITION

Shared ambition of key players in the EU:

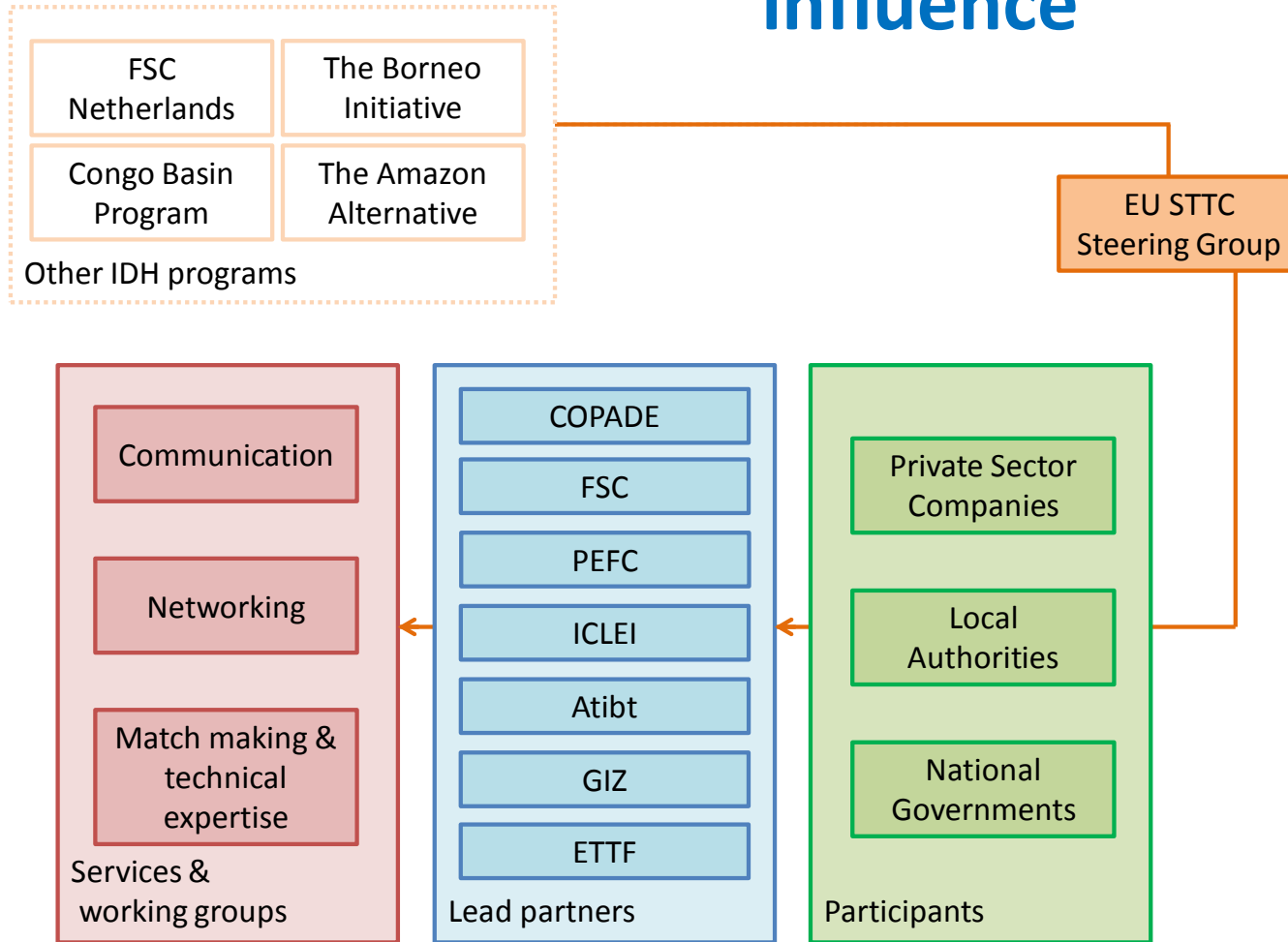
To **accelerate demand** for certified or licensed timber from **sustainably managed tropical forests** to the tipping point of 30% and to put to a halt to declining use of tropical timber in the EU, through **bundling demand** and creating **synergies between legality and sustainability** efforts.



Ministerie van Economische Zaken

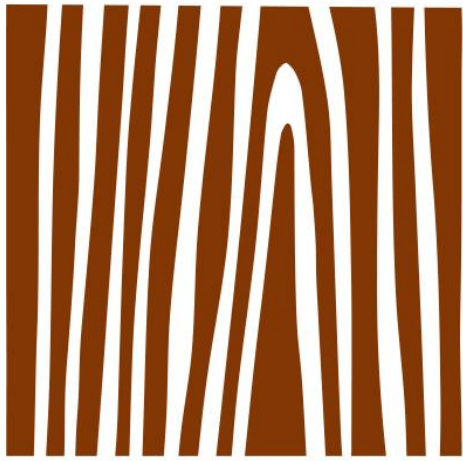


Key players contribute to this combined ambition from their own sphere of influence



EU STTC as source of support for realizing individual and combined ambitions

- EU STTC provides a platform for cooperation, sharing knowledge and experiences, providing practical tools and strategies.
- Working groups on various topics:
 - *Promoting tropical timber on the EU market;*
 - *Legality and sustainability;*
 - *PR and communication;*
 - *Business encounters;*
 - *Technical issues.*
- Co-funded services on various topics for companies & authorities joining the STTC:
 - Communication: PR, materials, etc.
 - Networking: learning and business encounters.
 - Technical support: consultancy and training.



STTC



EU SUSTAINABLE TROPICAL TIMBER COALITION

Get informed - Spot the opportunities - Join the coalition

www.eusttc.com

Mark van Benthem (mark.vanbenthem@probos.nl)

Anne van Steenoven (vansteenoven@idhsustainabletrade.com)

Lead partners: COPADE, ETTF, FSC International, PEFC International, ICLEI, etc