

Rupert Oliver

Director of Forest Industries Intelligence Limited

Rupert Oliver is Director of Forest Industries Intelligence Limited. He was formerly Editor of Hardwood Markets and has over 15 years experience working in the international timber trade and industry. He has written regularly on hardwood markets and forest management issues for a wide range of European trade and industry journals. He maintains close contacts with editorial staff of these journals and with representatives of the trade, industry, government, and NGOs throughout the EU. He has travelled widely, studying forestry practices and market development in North America, Europe, the Far East, and Africa. He is regularly consulted by international and national agencies on timber market developments and associated environmental issues and is a regular speaker at international conventions.

Rupert Oliver is a strong believer in the contribution that forestry and timber can make to sustainable development. He is devoted to encouraging increased market access for timber products from well managed forests. He is a strong advocate of inclusive approaches to environmental timber procurement, including recognition for a diverse range of credible forest certification schemes.

In previous work, Rupert Oliver spent 7 years with the UK Timber Trade Federation acting as an advisor on forestry and environmental issues. During this time he represented the TTF at an international level and advised timber trading companies on the development of environmental purchasing procedures. He also prepared numerous papers on forest certification and management in major timber supplying regions. Prior to this, Rupert Oliver worked for 12 months with ABW Associates Limited, a UK-Based overseas development consultancy specialising in development of computer systems for tropical forestry; and for 2 years with the Economic Forestry Group as a forestry contractor in the UK.

Rupert Oliver has a Masters Degree in Forest Business Administration from Aberdeen University and a BA(Hons) Degree in Geography from Oxford University. He was awarded the UK Forestry and Timber Association (FTA) Alan Mitchell Memorial Price for the best article published in FTA News in 2004.

Responding to emerging demands for verified legal and sustainable wood

Rupert Oliver

Forest Industries Intelligence Limited

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Introduction

- Defining nature and scope of the marketing challenge to American hardwoods resulting from demands for verified legal and sustainable timber
- Political moves to remove illegal wood from trade
- Private sector & ENGO efforts to promote verified sustainable wood products
- Suggestions on how to respond to the marketing challenge

Removing illegal wood from trade

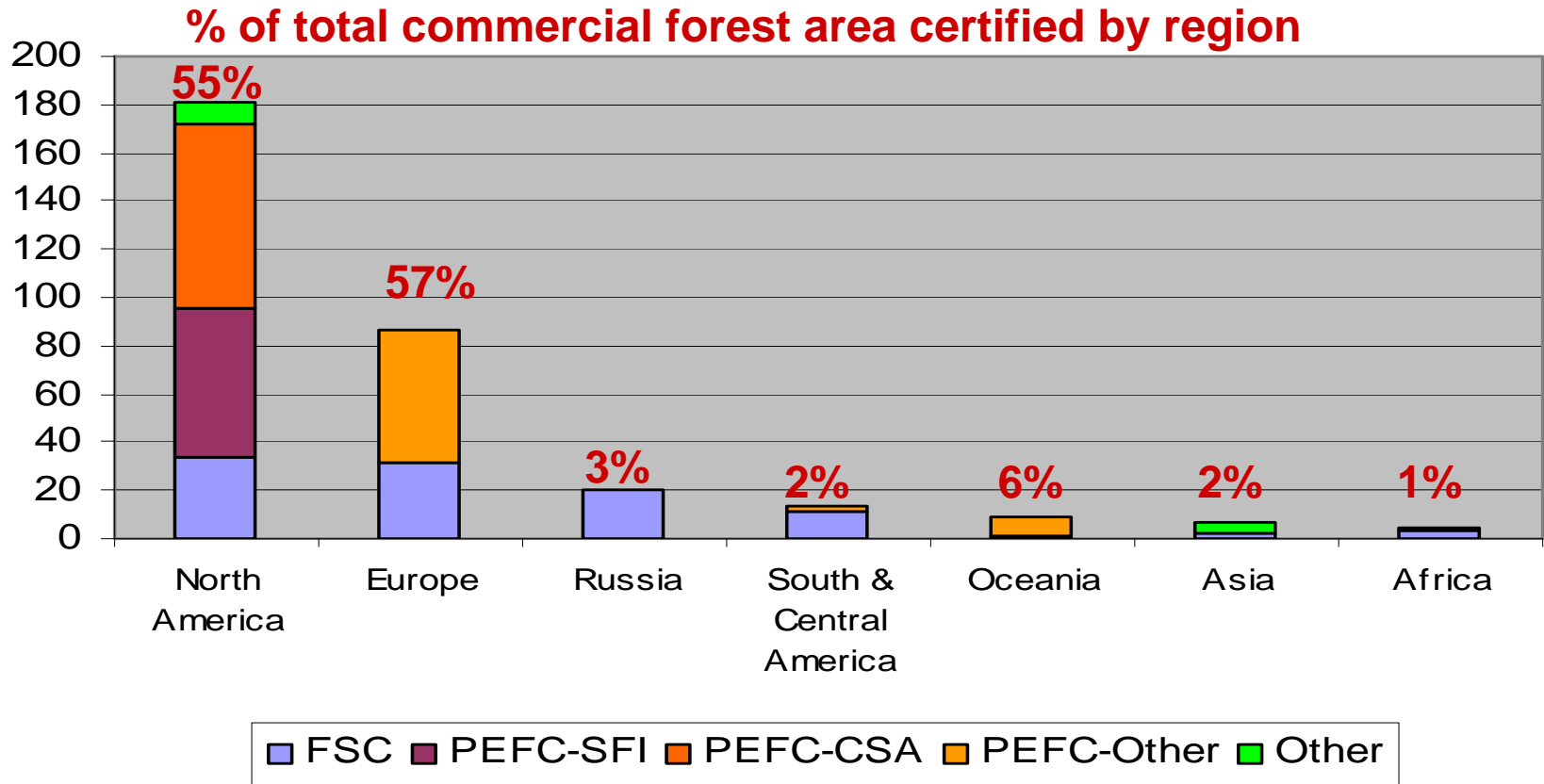
- 5-10% world wood trade of suspicious origin
- Considerable political will
- Subject of G8 Action Programme and Regional Forest Law Enforcement and Governance (FLEG) initiatives
- Link between deforestation and climate change
- Producers concerned about unfair competition
- Lacey Act Amendment, May 2008
- Possible EU legislation
 - Proposal expected 15 October
 - Impose requirement for “due diligence” on all operators in the EU forest products sector
- Importers codes of conduct and procurement policies
- AHEC commissioned risk study an effective response

Promoting certified sustainable products

Main drivers

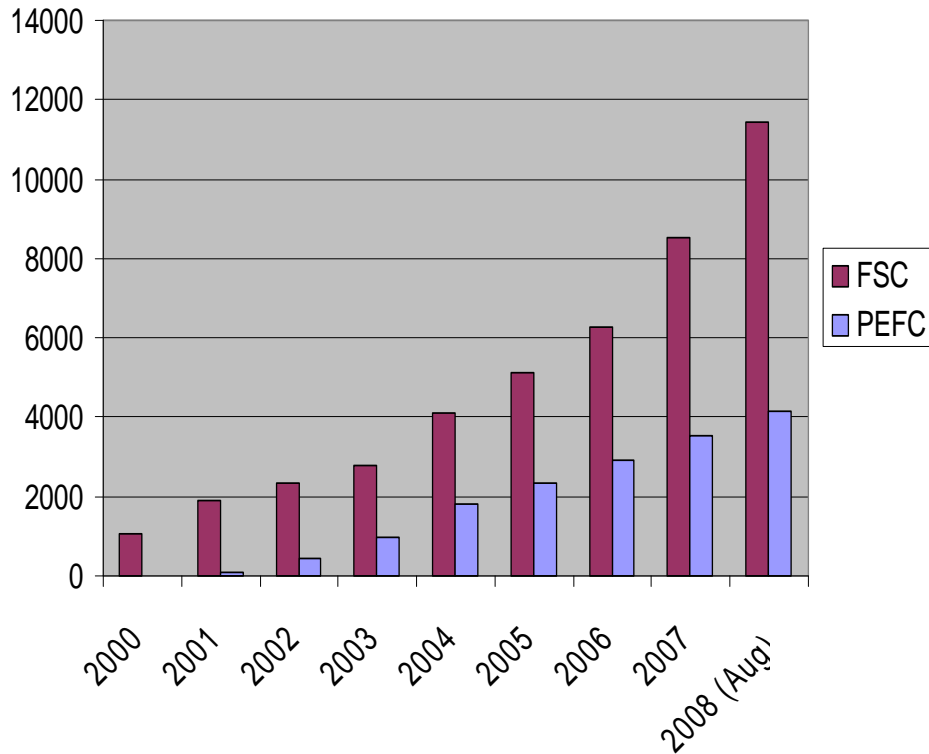
- Certification systems promotion of product labels
- Large campaigning groups supporting FSC
- Large retailers and distributors brand protection
- Forest owners and traders that have bought into the certification process
- Green Building Initiatives (LEED, BREEAM)
- Central government procurement policies in the EU demanding sustainable wood (Germany, Belgium, UK – from April 2009, Netherlands)

Certified forest area by scheme and region in April 2008



**Total world forest area 325 million has, up 6% in 2008.
11% of global commercial forest area is certified**

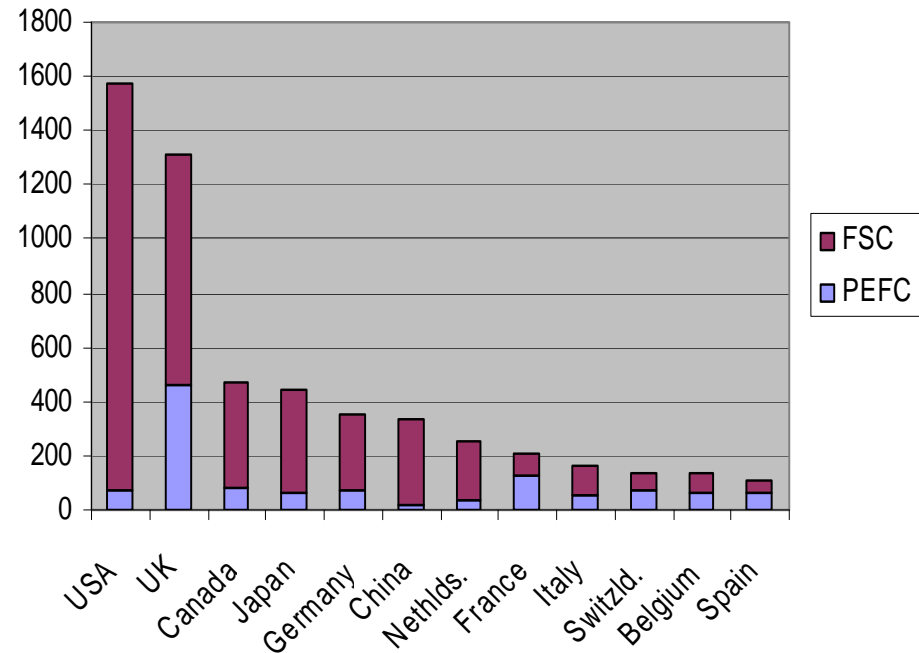
FSC and PEFC chain of custody certificates Dec 2000 to Aug 2008



- In 2007 FSC and PEFC CoC certificates issued globally up 30% to over 12000.
- Strong growth continued into 2008 a further 29% increase to end August.

-But growth concentrated in a limited range of countries, notably USA and UK
-Much of the growth in the paper sector

Increase in CoC certificates issued between December 2006 and August 2008



Market access challenge to American Hardwoods

- Costs of mobilising millions of small owners to certify may be high
- Certified products demand in sectors important to U.S. hardwoods remains fickle and narrowly focused
- AHEC lobbying for recognition of risk assessment as an appropriate tool to demonstrate “sustainability” in areas dominated by small low intensity forest operations and with good governance
- Limits to this approach:
 - Resistance from ENGOs and certified producers
 - Risk assessment is a difficult concept to communicate
 - Consumers want the simplicity and convenience of a certificate

How to respond to the challenge?

- Codes of conduct & responsible procurement policies
 - Raising awareness of the issues
 - Common objectives reflecting needs of industry
 - Corporate level actions to supplement region-wide data
 - Communication
 - Can be structured to encourage wider uptake of certification
 - Only Japanese government currently recognises industry codes as sufficient evidence of conformance
- Chain of custody certification
 - Dual FSC and PEFC CoC certification
 - Delivering FSC controlled wood as a first step
 - Encourage wider uptake of forest certification
- Exploiting new more flexible and cost effective certification frameworks for small low intensity forest operations – group certification, regional certification, resource manager certification
- Leveraging new sources of finance – e.g. carbon markets

Thank you!

Questions?