



A Forest Partnership for Change



WWF and IKEA Forest Programme Overview, October 2018

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WWF and IKEA – a partnership for change

IKEA and WWF have been working together since 2002 to safeguard and manage precious natural resources and transform business for the benefit of people and planet. Through engagement, innovation and advocacy in 17 countries, the partnership supports responsible forest management, more sustainable cotton, and good water stewardship. The partnership is in its sixth phase (2017–2020).

Cover photo: James Morgan / WWF

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FOREWORD

Forests contain 80% of all life on land and cover around 30% of the Earth's land area. They help regulate our climate, purify the air we breathe, and provide the water we drink.

Yet forests face many threats. They are cut down for firewood, cleared to create agricultural land, and global market demand for commercial timber continues to increase.

Today, roughly half the world's virgin forests have disappeared and most of that loss has occurred over the past 50 years. In addition, forest quality is also declining and 60–70% of the world's forests are at risk from human activity, altered climate and associated fires and windstorms, and invasive species.

Globally, deforestation and forest degradation are likely to continue unless there is a fundamental shift in how forests are valued for the many benefits they provide.

Together, WWF and IKEA are promoting responsible forest management, good governance, and transparency in the global timber trade.

By improving standards and regulation, developing best practice, and encouraging innovation, our partnership is pioneering new ways for the forest sector to contribute to a sustainable global economy, supporting sustainable landscapes, and securing forest values for both present and future needs.

This briefing offers a summary of our forest partnership for change. We hope you will enjoy reading it and that you will be inspired to join us in protecting and realising the true value of forests.

Louise Carlsson

Programme Manager Forests
WWF Sweden

Mikhail Tarasov

Global Forestry Manager
IKEA of Sweden

FORESTS BY NUMBERS

*UNLESS OTHERWISE NOTED, THE INFORMATION ON THIS PAGE COMES FROM THE FAO FRA 2015

30% OF THE WORLD'S LAND SURFACE IS FOREST

OVER HALF OF THE WORLD'S FORESTS ARE IN 5 COUNTRIES: RUSSIA, BRAZIL, CANADA, UNITED STATES, AND CHINA.

FORESTS SEQUESTER BETWEEN

45-60%

OF LIVING TERRESTRIAL CARBON

CO₂

1.31 Billion hectares of forests (around one-third of the world's forest cover) are classified as intact forest landscapes

 7% OF TOTAL FOREST COVER IS PLANTED, YET THIS COULD PROVIDE AROUND 60% OF GLOBAL INDUSTRIAL ROUNDWOOD PRODUCTION

Temperate forests in much of the northern hemisphere are expanding. Tropical forests and forests in some temperate regions of the southern hemisphere are shrinking.

1.2 BILLION PEOPLE

ARE SUPPORTED BY FORESTS
300 MILLION PEOPLE LIVE IN FORESTS
INCLUDING 60 MILLION INDIGENOUS PEOPLE
10 MILLION WORK IN FOREST MANAGEMENT AND CONSERVATION

\$100 BILLION (USD)



THE VALUE OF WOOD REMOVED FROM FORESTS PER YEAR 2012-2017
ABOUT 44% OF FORESTS ARE TROPICAL, 8% SUBTROPICAL, 17% TEMPERATE & 31% ARE NORTHERN BOREAL

TOP 10

THE TEN COUNTRIES WITH THE LARGEST ANNUAL NET LOSS OF FOREST AREA, 2010-2015 ARE
1.BRAZIL 2.INDONESIA
3.MYANMAR 4.NIGERIA 5.UNITED REPUBLIC OF TANZANIA 6.PARAGUAY
7.ZIMBABWE 8.DEMOCRATIC REPUBLIC OF THE CONGO 9.ARGINENTINA 10.BOLIVIA

IKEA - BECOMING FOREST POSITIVE

Vision and business proposition

IKEA's vision is 'to create a better everyday life for the many people' and its business proposition is 'to offer a wide range of well-designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them'.

IKEA Wood Supply and Forestry Management

"In IKEA, 60% of our sales are connected to wood based products. Therefore, we have the ability – and responsibility – to influence not only how the wood is sourced but also how forests are managed."

Mikhail Tarasov, IKEA Global Forestry Manager

IKEA wants to have a positive impact on people and planet. IKEA aims to source the raw materials for their products in a responsible way – working with standards that include environmental, social and animal welfare criteria.

For the materials IKEA uses the most, like wood and cotton, IKEA focuses in particular on meeting recognised standards for more sustainable sourcing. For many years IKEA has worked with others to increase the supply of wood from responsibly managed forests and the company is one of the founding members of the Forest Stewardship Council (FSC).

IKEA's target for 2020 is that all wood used in IKEA products will come from more sustainable sources, defined as FSC-certified or recycled wood. In FY18, 85% of the wood sourced for use in IKEA products came from sources defined as more sustainable. And in countries where there are areas in which forests are at risk or where there has been a history of bad forestry practice, the target of 100% wood from more sustainable sources was met in 2017 – a major milestone.

The top five countries from which IKEA sources wood are Poland, Russia, Lithuania, Sweden and Germany, and in 2018 the business had 27 foresters working to ensure that all wood is sourced in compliance with company requirements.

As a large user of wood, sourcing from over 50 countries, IKEA can have a significant impact on the world's forests and the timber industry. That's why the company places sustainable forest management at the core of its business – working to eliminate forest degradation and deforestation and promoting its importance beyond IKEA's value chain.

So far, IKEA and WWF have helped improve forest management in Europe and Asia, and contributed to increasing global FSC-certified forests by an area about the size of Germany.

"We're going beyond our own needs and the wood used for our own products. We are contributing to making wood from more sustainable sources available to more companies. And we're promoting sustainable forestry methods across the industry to create a positive impact on communities, biodiversity and the climate. We are always looking for innovative ways to manage, protect, restore and regenerate forests. IKEA calls this becoming Forest Positive. We want to lead by example."

Mikhail Tarasov, IKEA Global Forestry Manager



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IKEA's vision is 'to create a better everyday life for the many people and its business proposition is 'to offer a wide range of well-designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them'.

"Wood is a very important raw material for IKEA. We want to ensure we use wood from responsibly managed sources and we want to use our demand for this wood to help drive improvements in forest management. Ultimately, we want IKEA to leave a positive footprint beyond the forest areas in which we operate. Working in partnership with WWF and others over the last 15 years, we have helped certify around 35 million hectares of forest to FSC standards. We are determined to continue this work, bringing even more FSC wood on to the market. I think the possibilities of this work are fantastic!"

Lena Pripp-Kovac, Sustainability Manager, IKEA of Sweden

WWF – PARTNERING FOR A FUTURE IN HARMONY WITH NATURE

“IKEA shows how a multinational company can influence the market and contribute to finding workable solutions to often very complex issues. Our partnership rests on mutual commitment to promoting responsible forest management and securing forest values for both present and future needs.”

Håkan Wirtén, CEO,
WWF Sweden

We are living in a time of unprecedented risk but also unparalleled opportunity for the future of our planet and our society. A time where the world’s wildlife has halved in less than a generation; oceans, rivers and forests are struggling to cope with the growing pressure we place upon them; and where we are still on a path toward catastrophic climate change.

It’s also a time when the science is clearer than ever before, awareness is at an all-time high, commitments are more ambitious and innovation more impactful. Growing numbers of companies are addressing climate change, using natural resources more sustainably and greening supply chains.

These massive opportunities are why WWF engages in powerful and influential partnerships, innovative solutions, sustainable financing, in-depth monitoring and large-scale mobilisation of people.

Our global goals

Globally, WWF has six major goals – forests, oceans, wildlife, food, climate & energy, and freshwater – and focuses on three key drivers of environmental problems – markets, finance and governance.

We want to ensure that the world’s most important fisheries and ocean ecosystems are productive and resilient and improve livelihoods and biodiversity; the most iconic and endangered species are secured and recovering in the wild; terrestrial biodiversity and the integrity of our most important forests, including their benefits to human well-being, is enhanced and maintained; freshwater ecosystems and flow regimes provide water for people and nature; a global shift toward a low carbon and climate resilient future is achieved; and that sustainable food systems conserve nature and maintain food security.

At the same time, we are also focusing on three key drivers of environmental problems: transforming international markets so goods and services are produced and consumed more sustainably; moving toward financial systems that favour long-term wealth creation and inclusive development and protection of natural assets; and tackling the inequitable global governance system where the vast majority of people affected by environmental change remain voiceless and unable to influence change.

Collaboration with business

We know that one organisation alone can’t affect the change we need. That’s why we rely on partnership to find solutions to conservation challenges such as deforestation, overfishing, water scarcity and climate change. The changes we need can only come about through the efforts of many actors – local communities and multinational companies, governments and NGOs, finance institutions and development agencies, consumers and researchers. Companies in particular have a responsibility to ensure the natural resources and ecosystems that underpin their business are used sustainably, without compromising biodiversity.

By working with the corporate sector, WWF is able to make a difference at a scale that matters and drive conservation results that would not otherwise be possible. Together, anything is possible.

“IKEA is committed to building sustainable supply chains, sourcing from more sustainable sources and advancing responsible forestry. In 2020, 100% of the wood we use will come from sustainable sources. Our partnership with WWF is critical in achieving this target. So far, we’ve contributed to the certification of 35 million ha of forest and we are looking into how to address key factors to increase this reach.”

Mikhail Tarasov, IKEA
Global Forestry Manager



Globally, WWF has six major goals – forests, oceans, wildlife, food, climate & energy, and freshwater – and focuses on three key drivers of environmental problems – markets, finance and governance.

“Our partnership with IKEA is instrumental in promoting sustainable forest management practices and helping halt forest loss in the places where we work together. Together, our aim is to transform the global forest products market for the better.”

Alistair Monument, Leader, WWF Forest Practice

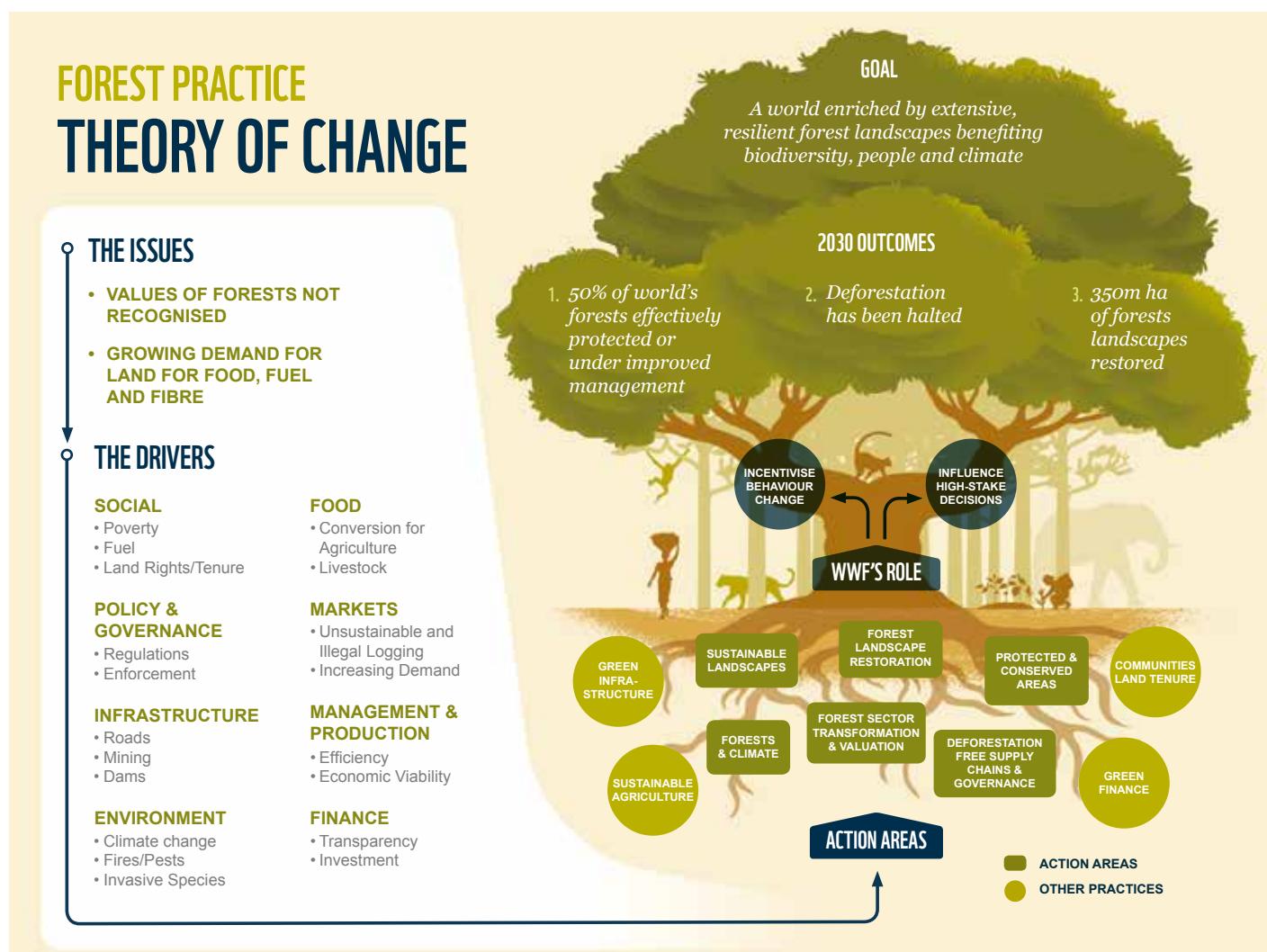
WWF FOREST PRACTICE

Our partnership with IKEA makes a key contribution to WWF's Forest Practice and achieving our global forest goal. We tackle the most pressing threats facing forests by combining local field knowledge with global expertise. We deliver influential ground-breaking research and science to contribute to a future with healthy forests. Working with businesses, governments, civil society and consumers, we invest in forest sector sustainability through knowledge-sharing, empowering leadership and supportive approaches.

2030 Outcomes for Forests

WWF takes a solutions-oriented, integrated and local-to-global approach to tackling deforestation and forest degradation. We aim to achieve our vision for forests through the following 2030 outcomes:

- 50% of the world's forests are effectively protected or under improved management
- Deforestation has been halted
- 350 million ha of forest landscapes are restored



WWF AND IKEA FOREST PROGRAMME

The world's forests are vital for a living planet. That's why WWF and IKEA are working together to promote responsible forest management, good governance, and transparency in the global timber trade.

We want to ensure forests are safeguarded for present and future needs.

When our partnership began in 2002, we had five forest projects in seven countries. Today, we are running nine projects across 15 different countries and are proud of what we have achieved. While many challenges remain, our projects have helped improve forest management and forest policies in Europe and Asia, and contributed to the certification of over 35 million ha of forest as responsibly managed.

Together we can make a difference.

Our Forest Vision

The world's forests are protected and managed within the limits of a single planet to halt forest degradation and deforestation, while providing equitable economic and social benefits to the people and business that depend on them.

"IKEA is a frontrunner in promoting responsible forest management, and we look forward to developing and implementing an inclusive landscape approach and becoming even stronger champions of forest biodiversity and forest values."

Alistair Monument,
Leader, WWF Forest Practice

Delivering on this vision, our partnership forest programme addresses four priority objectives.

Strengthening Policy & Enforcement

We work to strengthen policy, legislation and governance structures so that they are more effective in mitigating projected forest loss and degradation (see page 12).

Improving Standards & Verification

We work to establish and strengthen certification standards and verification mechanisms and enable their implementation (see page 12).

Promoting a Landscape Approach

We work to demonstrate approaches that ensure forest ecosystem services are valued and conserved at a landscape scale (see page 13).

Increasing Supply Chain Accountability & Transparency

We strive to increase commitments, action, transparency and leadership by increasing awareness and capacity of key companies, communities, and consumers across the supply chain (see page 14).

"Sustainability, including our Forest Positive approach, is an integral part of our business. It is only when forests are managed in the way that balances commercial, conservational, social and other values that we can secure a long-term sustainable supply of wood to satisfy our growing needs. I believe the partnership with WWF over fifteen years has proven to have a tremendous value not only in improving forestry management, but also in driving market transformation."

Mikhail Tarasov, IKEA Global Forestry Manager

Forest Programme Governance

The partnership Forest Steering Group (FSG) meets several times a year to give strategic guidance, approve any major changes and discuss overall strategy for the WWF and IKEA Forest Programme. Its members, from both WWF and IKEA, all hold senior strategic roles.

Project Management Groups (PMG), which include co-workers from WWF and IKEA, design, discuss and agree on project implementation. Coordinators at WWF Sweden support the projects and act as a link between the FSG and the PMGs.





WWF and IKEA have worked together since 2002. Today the partnership runs forest projects in 15 countries supporting responsible forest management.

Forest Programme History

PHASE 1 2002–2005

- Global Toolkits: HCFV, PathFinder, Producer Group
- Bulgaria
- China
- Estonia
- Latvia
- Lithuania
- Romania
- Russia

PHASE 2 2005–2008

- HCVF Resource Network
- Bulgaria
- Cambodia
- China
- Laos
- Latvia
- Lithuania
- Romania
- Russia
- Ukraine

PHASE 3 2008–2011

- HCVF Resource Network
- Bulgaria
- Cambodia
- China
- Laos
- Lithuania
- Romania
- Russia
- Ukraine
- Vietnam

PHASE 4 2011–2014

- WWF Capacity building to achieve Zero Net Deforestation & Forest Degradation
- WWF Living Forest Campaign
- GFTN Support Unit
- Bosnia Herzegovina
- Bulgaria
- Cambodia
- China
- Indonesia
- Laos
- Lithuania
- Romania
- Russia
- Ukraine
- Vietnam

PHASE 5 2014–2017

- Forest Positive; global
- Bosnia Herzegovina
- Bulgaria
- Cambodia
- China
- India
- Indonesia
- Laos
- Romania
- Russia
- Slovakia
- Thailand
- Ukraine
- Vietnam

PHASE 6 2017–2020

- Forests For Life
- Bosnia Herzegovina
- Bulgaria
- Cambodia
- China
- India
- Indonesia
- Laos
- Myanmar
- Portugal
- Romania
- Russia
- Slovakia
- Thailand
- Ukraine
- Vietnam

OUR FOREST OBJECTIVES

All project activities contribute to one or more of our four objectives.

1. Strengthening Policy & Enforcement

We work to strengthen policy, legislation and governance structures so that they are more effective in mitigating projected forest loss and degradation.

"Business has a huge role to play in effective conservation and realising a sustainable market. We need to work together to develop risk-based and pragmatic solutions for responsible forest management."

**Julia Young, Director,
WWF Global Forest Sector Transformation &
Valuation**

This objective addresses the rules, processes, instruments, people and organisations that regulate how we interact with our forests. The delivery of responsible forest management relies heavily on robust governance. Yet insufficient or contradictory legal frameworks, corruption and weak law enforcement all pose severe challenges to effective governance in many countries.

Improving forest governance leads to better compliance with forest laws and regulations, delivering fairer and more effective management of the natural, human and financial resources found in the forest. In many countries, improved and more consistent forest policies and legislation are needed to ensure land use decisions and forest management consistently safeguard the ecological, social and economic values of the forest.

Our partnership contributes to improved forest governance by engaging with policy and decision-makers while also supporting increased business participation.

2. Improving Standards & Verification

We work to establish and strengthen certification standards and verification mechanisms and enable their implementation.

Standards and verification mechanisms can help address some of the most severe problems affecting forests, such as deforestation. This goes beyond simply which trees to cut – alongside meeting many environmental requirements, a forest is only responsibly managed if the social and economic well-being of workers and local communities are also considered.

Credible certification has an important role to play in discouraging destructive practices and helps protect the many different values found in the forest from being squandered or gradually depleted. IKEA and WWF believe that the FSC is the only credible forest certification system available today.

WWF and IKEA aim to strengthen responsible forest management in the partnership's priority places, and increase the area of credibly certified and well-managed forest. One way to achieve this is to increase awareness and develop capacity for proper implementation of FSC working procedures. Our partnership also facilitates stakeholder participation in FSC consultations, and supports improvement in forest certification systems. This includes developing national standards for FSC-certification and improving High Conservation Value Forest (HCVF) tools.



© James Morgan / WWF

3. Promoting a Landscape Approach

We work to demonstrate approaches that ensure that forest ecosystem services are valued and conserved at a landscape scale.

In conservation, a landscape is a socio-ecological system that consists of natural and/or human-modified ecosystems, and which is influenced by distinct ecological, historical, economic and socio-cultural processes and activities. Through a landscape approach, stakeholders in a landscape aim to reconcile competing social, economic and environmental needs, going beyond often unsustainable sectoral approaches, and aiming to ensure that local, national and international needs and interests are met.

We are developing and piloting landscape approaches to deforestation-free commodity production and sourcing in priority conservation areas and supporting improved land use planning practices in both public and private sectors. We are also promoting the integration of certified timber production and non-timber forest products within jurisdictional investment programmes.

In the Danube-Carpathian region, we are using a landscape approach to support the protection of all virgin and old growth forests. In the Greater Mekong, we will call for landscape finance investment and enable communities to map and monitor high conservation value forests. In Indonesia, we are working to ensure that best practice is integrated into land use management plans. And in India, we will support responsible bamboo production and livelihood improvement through market integration in a selected landscape.

4. Increasing Supply Chain Accountability & Transparency

We strive to increase commitments, action, transparency and leadership by increasing awareness and capacity of key companies, communities, and consumers across the supply chain.

Improving forest law enforcement and increasing regulation of trade in wood products can help make responsible, transparent forest trade a mainstream practice that helps protect the environment and significantly reduce the incentive for illegal logging.

Illegal logging and timber trade are the harvesting, transporting, processing, buying or selling of timber in violation of national laws, and can involve local communities, governments and companies as well as consumers. It may also include less obvious acts such as breaking license agreements, tax evasion, corrupting government officials, or harvesting healthy trees that ought to be preserved through exploiting loopholes in existing forest legislation.

Driven by the world's appetite for cheap timber and paper products, illegal logging is a global challenge. The associated trade is a multi-billion-dollar industry with far-reaching consequences for responsible producers and retailers trying to do the right thing, and unsuspecting consumers.

WWF and IKEA aim to transform the global timber market, and increase the proportion of responsibly managed forests and transparently traded forest products.

We are working to strengthen national legislation and guidelines to ensure adequate implementation of the EU Timber Regulation (EUTR). In addition, developing national wood risk assessments (according to the new FSC Controlled Wood standard), can help more businesses ensure that their forest products originate from acceptable sources, providing a stronger market chain for certified and controlled forest products. Finally, increased awareness of responsible forest practices and the consequences of trade and consumption of forest products produced in an irresponsible way can help consumers make better choices.

Our partnership also promotes responsible timber trade through WWF's Global Forest & Trade Network (GFTN) which aims to create market conditions that support conservation of forests while providing economic and social benefits for businesses and the people that depend on them.

THE HIGH CONSERVATION VALUE (HCV) APPROACH

The HCV approach was initially developed by the Forest Stewardship Council (FSC) in the context of responsible forest management but is now widely used to define the highest level of safeguard needed across a huge range of land uses. HCVs are biological, ecological, social or cultural values which are outstandingly significant or critically important at the national, regional or global level.

All natural habitats possess inherent conservation value. These include the presence of rare or endemic species, provision of ecosystem services, sacred sites, or resources harvested by local residents.

There are six categories of HCV each requiring critical areas in a landscape to be identified and appropriately managed:

- concentration of biodiversity
- large, landscape level ecosystems
- threatened ecosystems and habitats
- critical ecosystem services
- basic needs of local communities
- traditional cultural identity

See Appendix D for more information on the six types of High Conservation Value Forest (page 55) and find out more at <http://www.hcvnetwork.org/>

WWF and IKEA aim to transform the global timber market, and increase the proportion of responsibly managed forests and transparently traded forest products.

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THE FOREST STEWARDSHIP COUNCIL (FSC)

The FSC is an independent, non-governmental and non-profit organisation founded in the early 1990s by forest owners, timber industries, social groups and environmental organisations. It promotes environmentally responsible, socially beneficial and economically viable forest management worldwide. The FSC standard is a set of ten common principles and criteria (see appendix C on page 54).

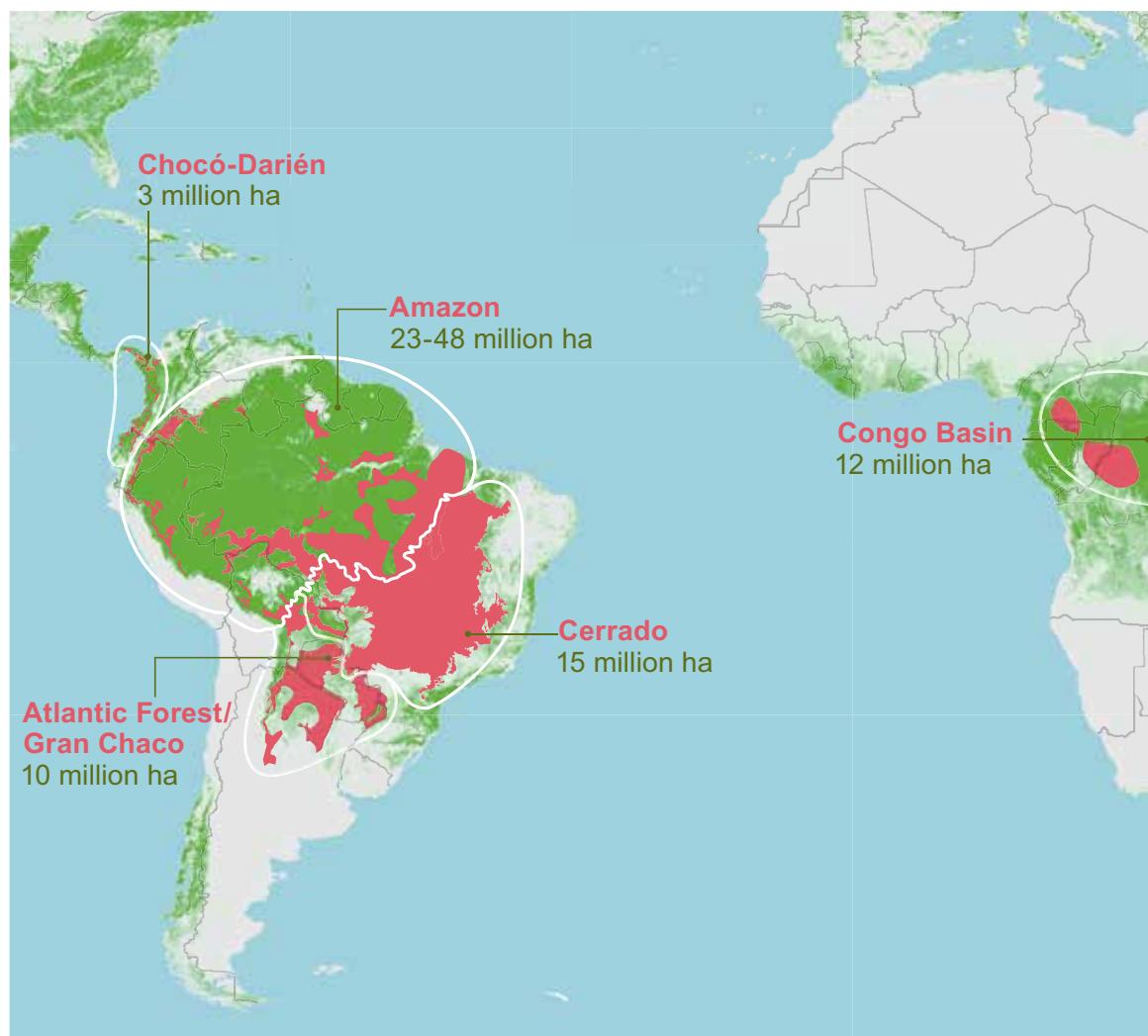
Some countries have developed a national FSC standard adapted to local forest types and conditions. As of August 2018, over 200 million ha of forest land across 86 countries are FSC-certified. Nearly 85% of the certified area is located in North America and Europe, less than 5% is found in Asia. The number of Chain of Custody certificates covers nearly 35,000 companies worldwide.

Find out more at <https://ic.fsc.org>

IKEA is one
of the founding
members of FSC

FORESTS FOR LIFE

PROJECT PERIOD
2011-2020

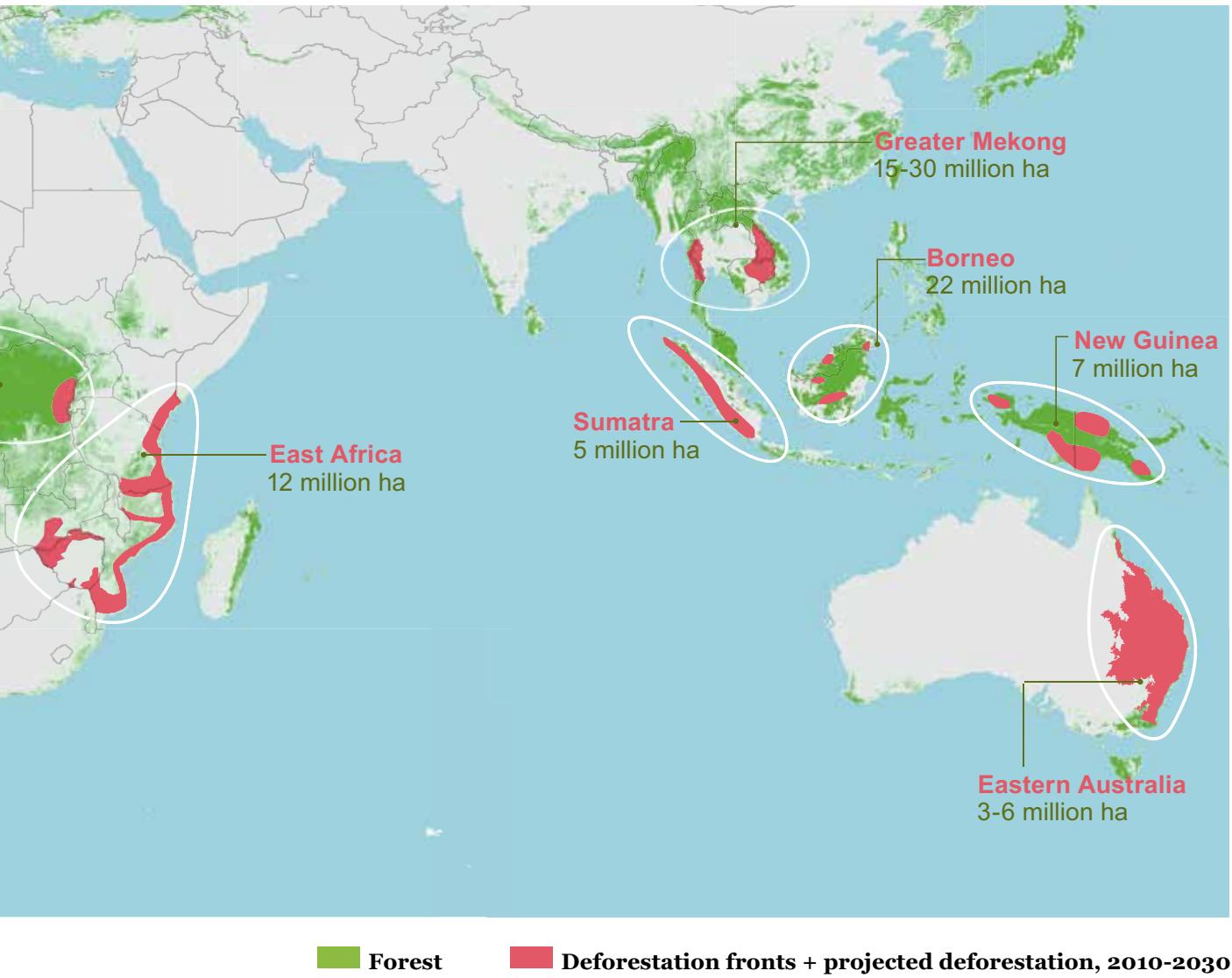


Saving Forests Around the World

In the past few years, halting deforestation and forest degradation has become a priority for campaigners and businesses and in global public policy fora on climate change, green economies and biodiversity conservation. Deforestation in particular has caught private sector attention, generating a groundswell of deforestation-free commitments and momentum for urgent action. And in 2015, WWF published the *Living Forest Report: Saving Forests at Risk*, calling for concerted efforts to halt deforestation in the eleven places in the world which will account for over 80% of global forest loss by 2030.

Forest degradation has attracted less attention even though it has major implications for biodiversity, climate, social welfare and supply of energy, materials and food. One study suggests that as much as 70% of the world's forests are at risk of being degraded by human activities, altered microclimate, and non-forest species¹, exceeding the percentage of forests currently at risk for active conversion.

¹ Nick M. Haddad et al (2015) Habitat fragmentation and its lasting impact on Earth's ecosystems. *Science Advances*.



In many cases, as the reproductive and ecosystem service provision of standing forests deteriorates, forests become more vulnerable to fire and encroachment, leading to outright deforestation. Consequently, WWF, together with partners like IKEA, has a major role to play in addressing global forest degradation through driving responsible forest management and forest landscape restoration.

Current Objectives, Key Outcomes and Results

WWF's Forest Practice has set ambitious global objectives to effectively protect and improve the management of the world's forests, halt deforestation, and accelerate the scale of forest landscape restoration. To support this global ambition, our Forests For Life team continues to lead and coordinate our global advocacy for commitment and action that reflect the scale and urgency with which threats to the world's forests and climate need to be tackled. Working closely with IKEA, we have four priorities.

Strengthening Policy & Enforcement

We are assessing and strengthening forest policy and governance in key countries and encouraging target governments to reduce forest degradation and improve the quality of degraded forests. We make tools, analysis and support available to WWF and local stakeholders to enable effective engagement in forest governance on the ground.

Examples of key outcomes and results

"WWF's vision is an innovative forest sector that values and safeguards forests. By improving forest governance, and implementing sustainable practices on the ground and responsible trade worldwide, we can maximise the benefits of biodiversity-rich, productive forests and at the same time embrace an inclusive, respectful culture that supports people and planet."

Julia Young, Director, Global Forest Sector Transformation, WWF

- Improving forest governance globally by successfully advocating for stronger regulatory frameworks to curb domestic, regional, and international trade in products containing illegally sourced timber. We developed and updated national legality frameworks and guidance for 12 countries including China, Indonesia, Republic of Congo, Vietnam, as well as knowledge products such as GFTN's interactive online Guide to Legal and Responsible Sourcing, 'Exporting in a Shifting Legal Landscape 2nd Edition', and associated training kits.
- A big step forward in supporting better forest governance has come through the development of an Enabling Environment Assessment Tool to assess forest governance at national and subnational levels. So far, we have applied it in more than ten countries, including Colombia, Panama, Bolivia, Peru, Republic of Congo, Central African Republic, Cameroon and Democratic Republic of Congo.

Improving Standards & Verification

We are working to increase the efficiency, relevance and credibility of FSC systems and governance to help deliver sustainable production forestry which has the support of all stakeholders. We are also working to make FSC-certification more accessible to smallholders, while exploring alternative verification mechanisms that complement FSC in places where FSC-certification may not be feasible.

Examples of key outcomes and results

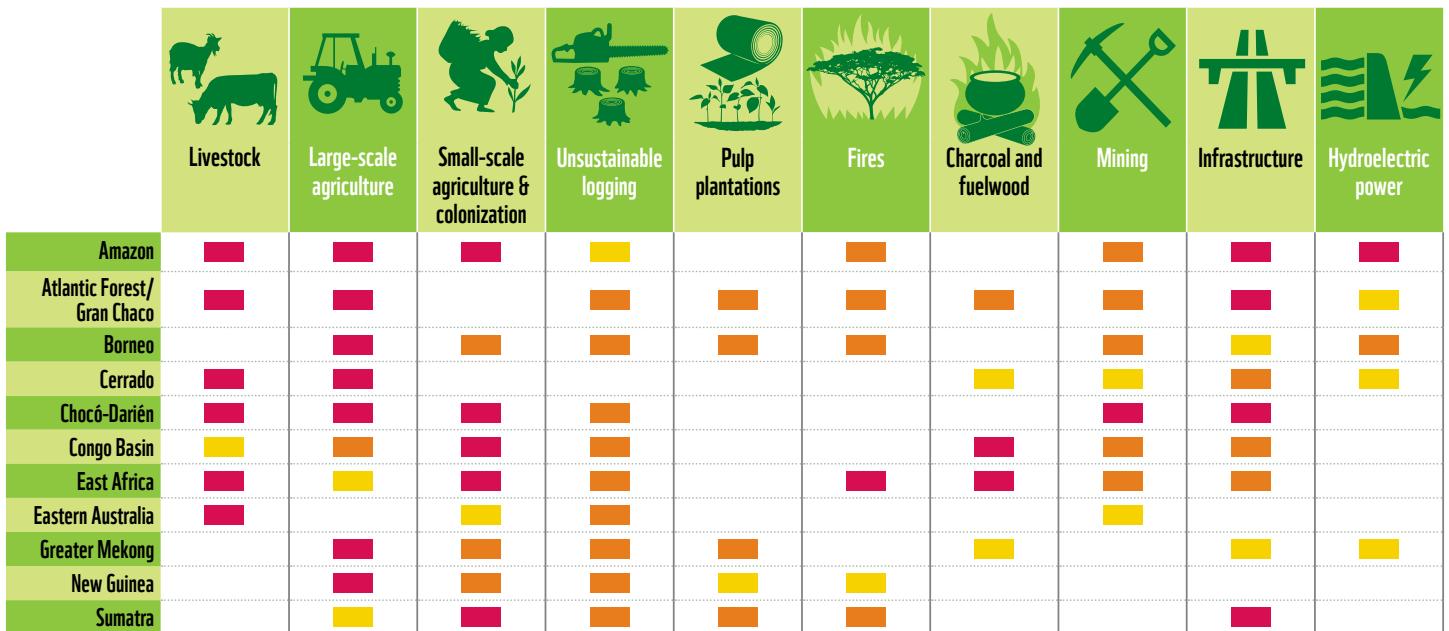
- Helping strengthen FSC standards and governance of the FSC system through active topic review, including the release of key guidance on intact forest landscapes; working group support and participation on revision of the FSC requirements on conversion and approaches appropriate for certification; broad stakeholder engagement on over 90 motions for FSC adaptation and improvement at the FSC General Assembly; engagement in FSC national standard development; and scientific evaluation of FSC's benefits to biodiversity and people – including in Peru, Chile and Russia – in collaboration with companies such as IKEA in an Value and Impact Analysis Project.

Promoting a Landscape Approach

We are developing and piloting guidance on jurisdictional approaches to deforestation-free commodity production and sourcing to catalyse improved forest governance at scale through leveraging market forces. We are also working to identify mechanisms that stimulate sustainable forest product trade and related business within priority landscapes, and promoting the integration of certified timber production and non-timber forest products within jurisdictional investment programmes.

Examples of key outcomes and results

- In 2015, we launched a forest campaign at the World Forestry Congress, calling for global actions against deforestation and forest degradation. The campaign built on the Living Forest Report which demonstrates the value of forests to a 'one planet' economy, highlights the huge challenges in realising that value, and presents solutions.



Summary of main pressures on forests in different deforestation fronts

 Primary cause of forest loss and/or severe degradation
  Important secondary cause of forest loss and/or severe degradation
  Less important cause of forest loss and/or severe degradation
  Not a cause of forest loss and/or severe degradation

Increasing Supply Chain Accountability & Transparency

We are revamping the Global Forest & Trade Network (GFTN) as a leadership platform that promotes forest sector best practice, innovation, sector accountability and leadership in halting deforestation and forest degradation. We are working to increase the number of companies in target countries that make commitments, demonstrate action through public reporting, and show leadership through dissemination of tools and guidance, collaboration with associations and supporters, and advocacy. We are supporting target companies and NGO/CSO coalitions act to reduce forest degradation and improve the quality of degraded forests.

Examples of key outcomes and results

- Increasing FSC brand recognition worldwide and making the business case for responsible forest management and credible certification with consumer campaigns in multiple countries including China, India, Indonesia, US, and Vietnam, as well as by research including Profitability and Sustainability of Responsible Forestry and Responsible Sourcing of Forest Products.
- Promoting steady growth in FSC uptake from 155.6 million ha in 2012 to 200.5 million ha in 2018. This is in part due to our management of the GFTN, as current and former GFTN participants account for over 47% of total FSC-certified area in countries where GFTN engages with forest managers. GFTN participants produce and/or trade 98 million m³ of credibly certified (FSC) or recycled material annually as of 2017.

By working together, WWF and IKEA are helping to mainstream responsible forest management, and equitable and inclusive land use practices for forests, people and nature.

BOSNIA AND HERZEGOVINA

PROJECT PERIOD
2011-2020

Forests as a Catalyst for Bringing People Together

More than half of Bosnia and Herzegovina is covered by forests which contain more than 250 native forest species, many of which are endemic and important for European biodiversity. The country has 5,000 confirmed taxa of species, subspecies, varieties and forms of vascular flora, and as much as 30% of all endemic Balkan flora (1,800 species) is contained within Bosnia and Herzegovina.

Although the wood processing industry is one of the most important export industries for Bosnia and Herzegovina, the republic suffers from economic stagnation due to complex administrative structures. Since the war in the 1990s, the country has also had a reputation for rampant illegal logging, and its forests are in dire need of conservation. Less than 2% of the total land area is designated as protected, making responsible forest management through forest certification even more important.

With the adoption of the Bosnia and Herzegovina (BiH) FSC Standard, application of the improved HCVF tool, and enhanced capacity on the EU Timber Regulation, Bosnia and Herzegovina is striving to align with international forestry standards. The partnership is supporting FSC-certification of state forests and further development of the BiH FSC Standard, while facilitating dialogue among key stakeholders on the Federal Law on Forests currently under parliamentary review.

Working together in Bosnia and Herzegovina, WWF and IKEA are supporting responsible forest management, helping increase FSC-certified areas and reducing illegal logging.



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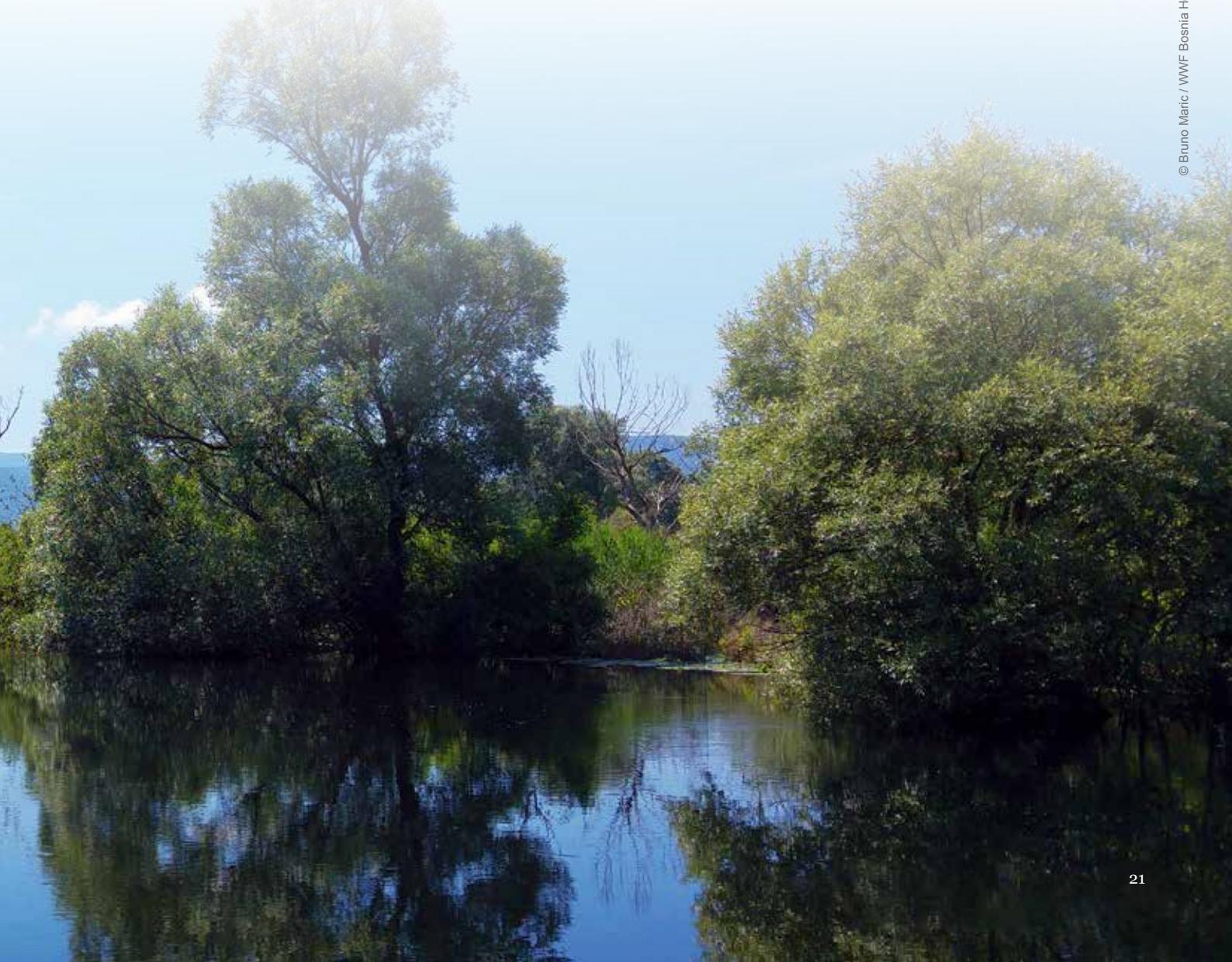
Current Objectives, Key Outcomes and Results

Strengthening Policy & Enforcement

We are working to ensure the draft Federal Law on Forests supports stakeholder dialogue and provides knowledge-sharing for smallholders.

Examples of key outcomes and results

- From the outset of the partnership project, workshops and awareness-raising activities on responsible forest management have built capacity and galvanised support for forest certification among NGOs and public administrations, and triggered exploration of how wood processing companies can ensure wood supply chain legality in line with the EU Timber Regulation (EUTR).
- The legal platform, established by the partnership, was a catalyst for improved communication among the key stakeholders on the draft federal law on forests. It is the only place, currently, where the forestry community can brainstorm on and learn about forest policy issues of primary concern in the BiH Federation. It provides key stakeholders the opportunity to voice their opinions about the draft forest law and related legal and policy issues, as well as share knowledge about forest legislation in EU and non-EU neighbouring countries.



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BOSNIA AND HERZEGOVINA

Improving Standards & Verification

We are working to develop a national FSC Standard for Bosnia and Herzegovina as a key component of our work. This has been challenging owing to the complex and unstable political relationship between the BiH Federation, the Republic of Srpska and the Brcko District, with each administrative unit having different laws and political systems. Nevertheless, in 2014 we managed to get buy-in from and gain the confidence of the three responsible ministries and continue to make progress towards the realisation of an approved National FSC Standard.

Examples of key outcomes and results

"This is a complex region which has a lot of stakeholders with different needs and it has not always been easy to bring people together. With this project we have provided a forum which tries to define what responsible forestry management means for Bosnia and Herzegovina. Through our work together, the area of FSC certified forests has expanded and that provides new business opportunities for the region and for IKEA."

**Otto Zvagins, IKEA,
Wood Supply and
Forestry Regional
Manager**

- The Standard Development Group (SDG) is fully operational, the draft national FSC standard for BiH has been submitted and is under review by the FSC Policy and Standards Unit. The project provides interpretation of the generic FSC Standard, as well as organisational and logistic support to the SDG. The knowledge-sharing increases capacities of the SDG members to work on international projects.
- Publication of the High Conservation Value Forests Guide, developed through a participatory approach and enabling comprehensive HCVF identification, and dissemination to forest practitioners and conservationists.

Increasing Supply Chain Accountability & Transparency

We are working to ensure that responsible forest management is being realised through supporting stakeholders on certification. We are providing capacity building on FSC, supporting development of the certification action plan and monitoring its implementation, and liaising with the FSC-certification body. We are also working to ensure better involvement of the local community in forest management, and engage forest and wood-processing companies on the importance of the EU Timber Regulation.

Examples of key outcomes and results

- We are actively supporting FSC-certification of State forests in the Central Bosnian Canton and another forest area in the BiH Federation with the aim of securing FSC-certification of another 150,000 ha by 2020.
- As of 2017, 56,000 ha of forests managed by the public enterprise Forests of Tuzla Canton and 36,000 ha managed by the public enterprise Forests of the Central Bosnian Canton have been FSC-certified with support from the partnership.
- In 2018, 85,000 ha of forest will be certified in the Central Bosnian Canton, and we aim to ensure certification of the remaining 63,000 ha by 2020.

Species IKEA source from Bosnia and Herzegovina

SPECIES	LATIN NAME
Beech	<i>Fagus sylvatica</i>
Oak	<i>Quercus robur</i>
Spruce	<i>Picea abies</i>



"The mix of forest policy instruments developed and implemented within the project has contributed to more responsible and transparent management of forest resources in BiH. The majority of state forests in Bosnia-Herzegovina are now certified, while guidance on the EUTR and HCVF has been developed. A legal platform for stakeholder dialogue on forest policy and legislation was established and knowledge-sharing and discussion is ongoing. And the FSC Standard development group for BiH is a great asset that promises to unlock the full potential of the national forest sector."

**Professor Mersudin Avdibegovic,
National Partnership Project Coordinator**

CHINA

PROJECT PERIOD 2002-2020

Supporting Enterprise, Smallholders and Sustainability in China

China is a major player in the global forestry sector, both as a consumer and producer of forest products. Its forests – not least its temperate and subtropical forests that are among the most biologically diverse in the world – have suffered from decades of over-exploitation. As a result, the country now relies on huge timber imports from other countries to satisfy its domestic market and international export industry.

"WWF's and IKEA's strategic partnership in China has brought benefit to forests, smallholders and forest managers. Together we have engaged millions of citizens in sustainable consumption of forest products."

Huang Wenbin, Head of Forest Practice, WWF China

To date, the focus of our partnership has been on promoting FSC-certification in China, identifying high conservation values at provincial level, and building capacity for responsible forest management in forest enterprises, academia and governmental agencies.

The partnership has made great progress since 2002, and IKEA met its goal of sourcing 100% FSC-certified wood in China in September 2016. Following the 2015 logging ban in China, our focus on FSC promotion shifted from natural forests in the north-east to smallholder plantations in southern provinces. And while China's FSC national standard is about to be finalised, the relationship between FSC and the State Forestry Administration needs further strengthening.

Our partnership will continue promoting development of FSC through demonstration and adaptation of the FSC system in China. Efforts will focus on forestry management, and in particular on improving relations with governmental officials. Another priority is engaging key industries in China, such as real estate and pulp and paper, in sustainable sourcing.

By working together in China, WWF and IKEA play an important role in protecting vital forest values and building capacity for responsible forest management and sustainable timber trade.

Current Objectives, Key Outcomes and Results

Strengthening Policy & Enforcement

We are working to strengthen policies, legislation and governance structures and ensure that they are effective in mitigating projected forest loss and degradation in China.

Examples of key outcomes and results

- An action plan for the development of the FSC in China has been produced and implemented, and key government officials have been engaged.
- A definition of ‘Green Forestry’ was completed in April 2018 and support for the development and piloting of Green Forestry financial tools for smallholders and the timber industry has been secured from the Agriculture Development Bank of China. This should encourage other banks to provide loans for green smallholder forest enterprise.
- The National Guide on Sustainable Overseas Forest Management and Utilisation by Chinese Enterprises was jointly released by the State Forestry Administration and the Ministry of Commerce in July 2009. Two outreach workshops on guide dissemination and timber legality compliance for Chinese companies investing in Russia were organised in Yantai and Manzhouli in July 2009 and January 2010 respectively, and more than 200 people from 102 companies were trained.
- In September 2009, WWF held a workshop in Irkustk in eastern Siberia for customs officials. More than 50 participants took part, including customs officials from China and Russia and representatives from Russian government agencies.
- An analysis of three Chinese companies operating in Russia examining the challenges and opportunities for sustainable forest management and resource use was conducted and shared with other similar Chinese companies.



CHINA



© WWF Sweden

The partnership is promoting responsible forest management in China and has supported FSC-certification of bamboo plantations. The picture shows a managed bamboo forest, in Yong'an, South East China.

Improving Standards & Verification

We are continuing to promote the national FSC Standard in China and support the development of the FSC's institutional capacity. We will also conduct research comparing HCVFs and non-commercial forests, and continue to support alternative livelihoods for forest managers, including promoting non-timber forest products.

Examples of key outcomes and results

- By June 2018, a national HCVF toolkit and four provincial standards had been developed and HCVFs identified at the national level, and in the four southern provinces of Shanxi, Fujian, Guangdong and Guangxi. Practical tools and materials for responsible forest management were also provided for forest stakeholders in these regions. And provincial HCVF mapping, evaluation and identification has provided valuable experience in safeguarding forests and biodiversity, and greatly increased awareness among forest managers and local communities.
- Between 2015 and 2017, lectures on the HCVF concept and identification methods were delivered at three forestry universities with more than 500 forestry professors and students attending.
- In September 2016, a guidebook on FSC smallholder certification was published which supports smallholders to join participatory programmes, particularly for FSC-certified forests.
- WWF's leading role in China in community forest development has also been consolidated.

Increasing Supply Chain Accountability & Transparency

We are engaging key companies and communities and drive increased commitment to sustainability, transparency and leadership. In particular, we will encourage the pulp and paper sector to reduce its footprint and promote innovation in the cascading use of wood, product design, and mill and manufacturing efficiency. We are also seeking to increase public awareness and purchasing of more sustainable timber products to increase FSC market share in key cities.

Examples of key outcomes and results

- Between 2002 and 2017, the partnership supported an increase in the FSC-certified forest area in China to 276,346 ha and helped to improve forest management through FSC and related instruments. This enabled IKEA to achieve its goal of sourcing 100% FSC-certified board products from China in 2016.
- Between 2014 and 2017, more than 25,000 smallholders were engaged in FSC-certification.
- Launch of the 'China Sustainable Paper Alliance' platform, of which IKEA is a member, in September 2015 helped promote responsible production and consumption of paper products and supports WWF and IKEA's goal of a zero-deforestation supply chain. And preliminary research and analysis of the recycled paper sector in China has helped the paper industry combine social responsibility with responsible forest management.

- Launch and publication of the ‘Suggestions on Sustainable Development of Recycled Paper in China’ report in June 2018 has encouraged the paper industry to engage more deeply in sustainability and explore forest harvest reduction and greater use of recycled fibres in paper production.
- The ‘Green Me’ campaign has reached more than 20 million people across China and helped to increase public awareness on more sustainable consumption. One video promoting FSC, and featuring Chinese celebrity Huang Bo, generated 11.6 million likes across social media and video sharing platforms within six months in 2017. And during China’s Sustainable Consumption Week, WWF’s online and offline events reached an audience of 3.5 million in 2016.

Species IKEA source from China

SPECIES	LATIN NAME
Acacia	<i>Acacia confusa</i>
Ash	<i>Fraxinus spp.</i>
Bamboo	<i>Pseudosasa amabilis, Phyllostachys pubescens</i>
Birch	<i>Betula pendula, Betula pubescens, Betula costata, Betula platyphylla</i>
Eucalyptus	<i>Eucalyptus grandis, Eucalyptus urophylla, Eucalyptus robusta, Eucalyptus globulus, Eucalyptus deglupta, hybrids</i>
Lime / Linden	<i>Tilia amurensis</i>
Oak	<i>Quercus mongolica</i>
Paulownia	<i>Paulownia fortunei</i>
Pine	<i>Pinus sylvestris</i>
Poplar	<i>Populus alba, Populus davidiana, Populus nigra, Populus euramericana, Populus deltoides, hybrids</i>
Rubberwood	<i>Hevea brasiliensis</i>
Shima	<i>Schima wallichii, Schima superba</i>
Spruce	<i>Picea glauca</i>



© Theodore Kaye / WWF

A young oak tree at the Jingzhushan forest plantation in Linxiang city, Yueyang in China.

DANUBE-CARPATHIAN ECOREGION: BULGARIA, ROMANIA, SLOVAKIA AND UKRAINE

**PROJECT PERIOD
2002-2020**

"In a unique European region with exceptional environmental values, after decades of transition from communism, the WWF and IKEA partnership acts as a market transformation trigger for combating illegal logging, enabling sustainability to become the norm again, and reducing the impact of timber sourcing on critical conservation areas."

Radu Vlad, Regional Forest Project Manager, WWF Romania

Protecting Europe's Last Remaining Old Growth Forests in the Danube-Carpathian Ecoregion

The Danube-Carpathian ecoregion covers five biogeographical regions and includes many of Europe's most spectacular wilderness areas. Containing some of the largest remaining areas of old growth forest, the region contributes significantly to Europe's biodiversity and its forests play an essential socio-economic role for local communities and the European forest sector.

Political instability, an incoherent legislative framework, poor institutional capacity, lack of transparency, social vulnerability, shifting land ownership (within a seemingly endless restitution process) and the emerging market economy all pose serious threats to forests in the region. While the area of responsibly managed forests is increasing, illegal logging, misuse of legal provisions and unsustainable practices remain a challenge.

Our partnership in the Danube-Carpathian region began in Romania and Bulgaria in 2002 and has since expanded to include Ukraine and Slovakia. Aiming to maintain the outstanding biodiversity and ecological value of the region, together WWF and IKEA have become strong advocates for responsible forest management. Four main areas define our regional focus:

Four main areas define our regional focus:

- catalysing improvement of the legislative framework to effectively combat illegal logging and enable responsible forest management.
- preserving HCVFs with a focus on old growth forests.
- developing and promoting voluntary mechanisms, such as credible certification schemes, to increase transparency and establish a participatory decision-making process for managing forests.
- building the capacity of forest owners and administrators, decision-makers, local NGOs and key stakeholders to play an active role in responsible forest management.

By working together in the Danube-Carpathian ecoregion, WWF and IKEA contribute to preserving healthy ecosystems by increasing the area of responsibly managed forest and supporting activities to prevent and reduce illegal logging.

Current Objectives, Key Outcomes and Results

Strengthening Policy & Enforcement

We are supporting policy change to enable responsible forest management, promote new conservation concepts, and enforcement of EU legal provisions relating to forestry and biodiversity conservation.

Examples of key outcomes and results

"We are proud of the work we have done together for the Carpathian Ecoregion.

The partnership between WWF and IKEA has contributed to identifying and protecting old growth forests in the region. Many years ago we started this work in Romania and Bulgaria and it has since spread into Ukraine and now also into Slovakia. This work helps our suppliers to source wood in a sustainable way."

Otto Zvagins, Wood Supply and Forestry Regional Manager

- Following an eight-year campaign, legislation protecting virgin and old growth forests in the Danube-Carpathian region (RO, BG, and UA) was established.
- Transparency of the wood product trade has increased and wood tracking tools for combating illegal logging in Romania, Bulgaria and Ukraine have been established.
- The ability of local operators and local authorities to improve implementation of EU Timber Regulation (EUTR) requirements in Romania and Bulgaria has been strengthened.
- To combat illegal logging and improve the effectiveness of forest law enforcement in Romania, Forest Guards are now being supported with enhanced financial support and human resource capacity for a more effective enforcement of forest legislation as a result of partnership efforts.
- In August 2018, a new forest classification system for Romania was officially adopted, defining 87 functional forest zones of special value. The regulation enshrines international best practice, sustainable management and conservation in law and offers increased protection for rare, threatened or endangered forest ecosystems, species hotspots, natural forests of outstanding value, forests essential for cultural identity, and tree stands in ecological corridors.



DANUBE-CARPATHIAN ECOREGION: BULGARIA, ROMANIA, SLOVAKIA AND UKRAINE



© Radu Vlad / WWF

We are supporting the mapping and protection of all virgin and old growth forests in the Danube-Carpathian region.



© Andreas Beckmann / WWF

Improving Standards & Verification

We are supporting the development of national standards for responsible forest management and supporting key stakeholders to implement standards properly, to engage constructively in public consultations and complaint procedures under credible forest certification schemes.

Examples of key outcomes and results

- Over 200,000 stakeholders (including relevant government ministries and agencies, organisations, civil society organisations, communities, consumers and the public) have been directly engaged through training, workshops, conferences and campaigns to support forest governance improvement to combat illegal logging and support responsible forest management.
- Partnership support for FSC-certification with state and private forest owners, wood processing companies and the public, has contributed to over 3 million ha becoming FSC-certified in the region (RO, BG, and UA).
- Forest Management National Standards for Romania, Bulgaria and Ukraine have strengthened FSC implementation. While the National Standard is currently fully operational in Bulgaria, final approval of the Standards for Romania and Ukraine are still pending (*as of the date of publication of this report*).

Promoting a Landscape Approach

We are supporting the mapping and protection of all virgin and old growth forests in the Danube-Carpathian region and ensuring specific procedures for their protection are in place (RO, BG, UA and SK).

Examples of key outcomes and results

- Field research and evaluation of over 200,000 ha of potential virgin and old growth forest (OGF), has resulted in the identification, mapping and protection of over 70,000 ha of virgin and OGF.
- Recognising the exceptional and universal value of ancient beech forests in the Carpathians, more than 30,000 ha of OGF in Romania and Ukraine were designated by UNESCO in 2017 in the Joint World Heritage Property, 'Ancient and Primeval Beech Forests of the Carpathians and Other Regions of Europe'.
- The HCV concept, now well-known in all countries in the region, is being applied and covers about 40% of the total forest area in target countries (RO, BG, UA and SK). More than 200,000 ha of HCV forests have been identified and mapped since 2002 – an important step towards preserving critical environmental and social values in these forest areas.
- WWF Ukraine together with other experts has developed a methodology for the practical identification of primeval, old-growth and natural forests as well as guidelines to designate and conserve them as 'nature monuments'. These were officially adopted by the Ukrainian Ministry of Ecology and Natural Resources in June 2018. Based on the criteria of the Carpathian Convention and input from WWF, the methodology supports the conservation of old growth forests and the expansion of the protected area network in Ukraine.



© Prof. Tzvetan Zlatanov

Increasing Supply Chain Accountability & Transparency

We are developing mobile apps and other systems to track and report illegal logging and forest crime, enabling better public control and engagement, and supporting local stakeholders to implement FSC working procedures in model areas in the region.

Examples of key outcomes and results

- Illegal logging risks have been assessed and related mitigation measures to preserve critical values in forest ecosystems developed through a transparent and participatory process.
- The ability of companies, communities and consumers to support proper implementation of FSC procedures in partnership areas in Slovakia, Romania and Bulgaria has been strengthened.
- The development of the Controlled Wood National Risk Assessment (NRA) and Centralised National Risk Assessment (CNRA) for Romania, Bulgaria and Ukraine was supported. Currently, the CNRA has been approved for Bulgaria and Romania, and the NRA for Ukraine is operational. Risk determination and mitigation measures are binding for all companies sourcing Controlled Wood and represent best practice due diligence for all operators sourcing wood from the region.
- Traceability tools for higher transparency of wood supply chains in the region have been developed, including public access to information related to wood transport. Public information related to active harvesting sites has been made available and hotlines set up for reporting forest crimes in Bulgaria and Ukraine.

Species IKEA source in the Danube-Carpathian Ecoregion – Bulgaria, Romania, Slovakia and Ukraine

SPECIES	LATIN NAME	COUNTRY
Alder	<i>Alnus glutinosa</i>	Ukraine
Ash	<i>Fraxinus excelsior</i>	Romania, Ukraine
Beech	<i>Fagus sylvatica</i>	Bulgaria, Romania, Slovakia, Ukraine
Birch	<i>Betula pendula</i>	Romania
	<i>Betula pendula, Betula pubescens</i>	Ukraine
Lime / Linden	<i>Tilia cordata</i>	Romania
Oak	<i>Quercus spp.</i>	Bulgaria, Romania
	<i>Quercus robur</i>	Ukraine
Pine	<i>Pinus sylvestris</i>	Bulgaria, Romania, Ukraine
Spruce	<i>Picea abies</i>	Romania
Spruce	<i>Picea spp.</i>	Slovakia
Spruce	<i>Picea abies</i>	Ukraine
Walnut	<i>Juglans nigra</i>	Bulgaria, Romania

THE GREATER MEKONG - CAMBODIA, LAOS, MYANMAR, THAILAND AND VIETNAM

**PROJECT PERIOD
2006-2020**

Using Market Forces to Tackle Deforestation in the Greater Mekong

The Greater Mekong Region includes Thailand, Vietnam, Laos, Myanmar and Cambodia and is home to 70 million people who depend directly on its ecosystems for food, water, livelihoods and other vital services.

Although a total of 2,524 new species, including plants, birds, mammals, reptiles, fish and amphibians, were discovered in the Greater Mekong region between 1997 and 2016, it suffers from some of the highest rates of deforestation and forest degradation in the world and risks losing more than a third of its remaining forest cover within the next two decades.

Wildlife, hydrological and ecological functions, and local communities that rely on these landscapes, are all experiencing significant negative impacts.

The direct and indirect drivers of forest loss and degradation include population growth, uncoordinated land-use planning, weak governance, increasing market demand and policies that prioritise short-term gain over sustainability.

Overharvesting as well as land conversion is also causing a rapid decline in rattan, a natural fibre that grows on other vegetation in the forest, and illegal harvesting and trade is not uncommon. Poor management threatens wildlife as well as local communities who often rely on rattan sales for cash income.

Aware of the challenges, WWF and IKEA have worked together over the last decade to use market demand as a driver for positive change.



Significant improvements have been made in the production of acacia in Vietnam, rattan in Laos, rattan and bamboo in Cambodia, and rubber wood in Thailand. We have strengthened local livelihoods and conservation by supporting communities and small and medium-sized enterprises to improve natural resource management and by developing and strengthening green supply chains. We have also supported the first-ever FSC-certification of rattan in Laos.

Despite our success in promoting responsible forest management, restoring and conserving natural forests and alleviating poverty, there is still more to be done.

IKEA suppliers and the other actors in the sector need increased access to preferred sources of raw material and there is significant potential to scale up management models and secure greater buy-in from government development programmes.

To achieve this, we are working with many stakeholders taking an integrated approach across different forest commodities to improve governance, coordination, efficiency and learning and bringing wider benefits to communities and the environment along the entire value chain.

We aim to take responsible models of forest management to scale by addressing barriers to resource use planning, enterprise financing and development, and by linking small-scale producers to IKEA supply chains and improving market coordination.

By working together in Cambodia, Laos, Myanmar, Thailand and Vietnam, WWF and IKEA are supporting responsible forest management and legality in supply chains while protecting forest biodiversity and providing sustainable livelihoods for local communities.

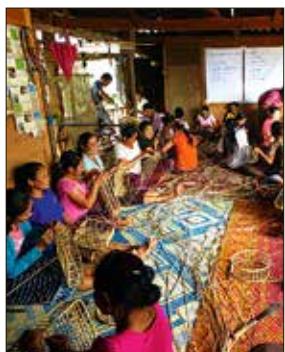
Aerial view of rattan plantations in Sobphouan Village, Bolikhamsay Province, Laos. Rattan is a naturally renewable palm that grows in the tropical regions of Africa and Asia and is used for furniture, handicrafts and building material, among other uses. An NTFP that's relatively easy to harvest and has multiple uses, it can help alleviate pressure on natural forests by providing local communities with an alternative source of income.

THE GREATER MEKONG: CAMBODIA, LAOS, MYANMAR, THAILAND AND VIETNAM

Current Objectives, Key Outcomes and Results

Strengthening Policy & Enforcement

We are promoting policies for sustainable resource management for rattan, bamboo, rubber and acacia, and for sustainable business. We are also seeking government recognition of sustainable resource management supported by the project and their integration into new policies.



The first rattan handicraft products with FSC labeling ever was exported from Laos to EU market. It offers many good results, e.g. bringing higher income to local communities.

Examples of key outcomes and results

- In Laos, by the end of 2017, a national strategic rattan and bamboo sector development plan was in progress, facilitated by a task force comprised of government agencies, civil society and NGOs. And a 60% decrease in natural resource fee rates for rattan cane harvesting have been approved.
- In Cambodia in 2017, WWF was requested by the Minister of Environment and the Minister of Forestry to develop and support sustainable rattan and bamboo supply chains with funding from an Asian Development Bank livelihood project.
- In Thailand in 2017, in consultation with relevant stakeholders WWF and IKEA developed rubber smallholder sustainability criteria and indicators. These will be passed to government agencies for scale-up and future integration into the national FSC standard.
- In Vietnam in 2016 and 2017, across three project provinces the government developed an FSC-certification plan for 20,000 ha of smallholder acacia plantation by 2020 and distributed it to district and commune administrations for implementation. The FSC smallholder association in TT Hue province has a strategic plan for increased entrepreneurship, and with support from government, community FSC groups are being converted into FSC cooperatives. In addition the provincial government has committed to supporting smallholders who pursue long-term FSC-certification.

Improving Standards & Verification

We are working to secure approval of national FSC standards in Vietnam and Thailand by 2018 and 2020 respectively.

Examples of key outcomes and results

- In Vietnam in 2016, in collaboration with FSC, a national FSC standard was developed and tested with acacia smallholders. And in 2017, the national FSC standard was finalised and submitted to FSC for review with official approval expected by September 2018.
- In Thailand in 2017, several workshops on FSC-certification national standard formulation were run with relevant forestry agencies, the private sector and policy-makers, and a Standard Development Group set up to develop the FSC national standard. Final approval is expected in 2020.

Promoting a Landscape Approach

We are using a sustainable production landscape approach to conduct scoping studies and market research, call for landscape financing investment, and enable communities to map and monitor HCVF in high risk areas.

Examples of key outcomes and results

- By the end of 2017, a total of 70,000 ha of HCVF had been mapped in Laos, Vietnam and Cambodia, and relevant forestry agencies informed for land use planning purposes.
- In Cambodia in 2017, community forest and biodiversity monitoring was applied in three new Community Protected Areas in Eastern Plain Landscape covering 10,600 ha, and patrolling teams were established and trained in five CPAs. In addition, synergies with a landscape approach are being facilitated.
- In Vietnam in 2017, a pilot project engaging communities in biodiversity monitoring in natural rattan forest was established, including camera traps to monitor wildlife in HCVF areas.
- In Laos in 2016, a case study on forest loss comparing FSC-certified areas and surrounding areas was completed. Results suggest that FSC-certification has contributed to controlling forest loss and increasing forest quality. The map below shows that FSC-certified rattan forest has lower forest loss compared to other areas.



THE GREATER MEKONG: CAMBODIA, LAOS, MYANMAR, THAILAND AND VIETNAM

Increasing Supply Chain Accountability & Transparency

We are working to enable all relevant stakeholders to implement FSC-certification in additional provinces and regions by developing an FSC training programme. We are also designing and delivering training programmes for small and medium-sized enterprises on legality and traceability. And we are seeking to increase smallholder forest areas meeting FSC and sustainable forest management criteria, linking them to the green business sector.

“Through the partnership with WWF and our supply chain partners we have been able to make positive shifts toward responsible forest management. Acacia farmers in Vietnam have improved their forestry practices, added value to their product, received FSC-certification for responsible management and gained access to the global markets. FSC-certification of rattan management in Laos and Indonesia also show how we can create positive shifts. We need to scale up this work to secure true market transformation.”

Mikhail Tarasov, IKEA Global Forestry Manager

Examples of key outcomes and results

- In Laos between 2016 and 2017, FSC-certified natural rattan forest increased from 5,727 ha to 10,949 ha.
- In Vietnam between 2016 and 2017, FSC-certified acacia plantations supported by the partnership increased from 925 ha to 20,050 ha.
- In 2017, an FSC training programme based on on-the-ground experience from the project was in development and will be finalised for widespread use in 2018.
- In Laos, Vietnam and Cambodia, more efficient supply chains and new business models designed to improve quality and traceability and reduce costs, were developed with communities.
- During 2016 and 2017, the project supported the certification of two Chain of Custody rattan processors in Laos; three plantation companies in Vietnam, and three sawmills in Vietnam. Two FSC acacia smallholder associations were also set up in Vietnam.
- Over 13,350 households in Laos, Vietnam and Cambodia are receiving economic benefits from the project. These comprise 1,303 FSC acacia smallholders organised into 64 FSC groups; 27 communities (rattan and bamboo harvesters, weavers etc.); two rattan forest communities in Laos with FSC certificates; two FSC smallholder associations; three plantation companies; two Watershed Protection Forest Management Boards with co-forest management plans with communities for sustainable rattan harvest and forest patrolling; two IKEA suppliers working on rattan; and two IKEA suppliers working on timber.

A smallholder rents out the forest floor beneath his acacia plantation to bee keepers. Phu Loc district, Vietnam.



© Thippakone Thammavongsa / WWF-Laos



© James Morgan / WWF

The seedling nursery at Tien Phong Forestry Company, Huong Thuy Town, Vietnam. Here seedlings are produced from plant tissue culture through micropagation.

Species IKEA source from Thailand and Vietnam

SPECIES	LATIN NAME	COUNTRY
Acacia	<i>Acacia mangium, Acacia auriculiformis, Acacia hybrid, spp.</i>	Vietnam
Bamboo	<i>Bambusa bambos, Bambusa tuloides, Thysostachys siamensis</i>	Vietnam
Rattan	<i>Calamus spp</i>	Vietnam
Rubber wood	<i>Hevea brasiliensis</i>	Thailand

(No sourcing from Laos, Cambodia or Myanmar)

"For a poor farmer, economic benefit is always the first priority but after a few years of participating in WWF and IKEA partnership training programmes, they also see the environmental and social benefits. Many farmers' livelihoods have improved and they care more about the environment. They are now planting native species to reconnect habitat in critical areas for wildlife, applying low impact logging techniques to minimise soil erosion, avoiding river and stream pollution, patrolling the forest, and fighting illegal logging and poaching. It's a win-win situation for everyone."

Tam Le Viet, Regional Project Manager, WWF-Greater Mekong

INDIA

PROJECT PERIOD 2016-2020



© WWF India

We are supporting responsible bamboo production and management by the local growers to create a sustainable bamboo-based supply chain.

Driving Paper and Packaging and Forest Commodity Sustainability in India

Indian companies face a shortage of wood-based material from domestic sources. A law limiting the size of private land holdings means large timber, pulp and paper companies rely either on expensive imports or smallholders practicing agroforestry for raw material.

IKEA's entry into the Indian market, together with its commitments to local sourcing and being 'People and Planet Positive', make it important to find ways of increasing domestic supply of more sustainable raw materials.

To meet this challenge, our work covers two key areas: the paper and packaging industry and sustainable forest commodity trade.

The Indian paper and packaging industry is increasingly reliant on raw material other than wood-based pulp, including agricultural residues and recycled fibre and waste paper. With the industry's growth, the share of recycled fibre is expected to increase from 47% today to 53% by 2025. While reliance on recycled fibre is considered more 'environmentally-friendly' than wood pulp, it does present certain sustainability challenges, particularly in a country like India where recovery rates for all types of paper are very low (27%).

Challenges include low domestic recovery rates leading to increased economic dependence on imported waste paper feedstock by paper manufacturers – expected to double by 2020. Environmentally, large amounts of unrecovered waste going to landfill increase greenhouse gas emissions. Socially, 95% of waste collection is conducted informally, making it difficult to address unfair wages, child labour and poor working conditions.

Together, WWF India and IKEA began tackling these challenges in 2016 with the aim of improving the sustainability of waste paper recovery systems linked to corrugated board packaging supply chains in India.

Work to identify opportunities to mitigate environmental and social risks in IKEA's supply chains completed in 2017, allowed IKEA to design a procurement policy for corrugated board suppliers and contribute to the improvement of waste recovery processes. Now, we are pursuing further transformation in the waste paper recovery sector through piloting improvements across IKEA's own waste paper supply chains, and advocating change across the industry.

Looking beyond the paper and packaging sector, and in support of sustainable forest commodity trade, WWF India and IKEA have set up an FSC Group Certification project to develop certified bamboo supply chains in non-forest areas in Assam, mainly Nagaon, Sonitpur and Morigaon.

Assam is part of the Kaziranga-Karbi Anglong Landscape – a critical habitat for conservation situated within the Indo-Burma biodiversity hotspot, spread over a 25,000 km² area south of the Brahmaputra River, and endowed with rich ethnic diversity and populations of elephants, tigers and rhinos.

Together, we are in the process of determining enabling conditions, as well as possible risks, barriers and capacity gaps, for FSC-certification of bamboo in the region.

Current Objectives, Key Outcomes and Results

Increasing Supply Chain Accountability & Transparency

We are implementing a transformational project in IKEA's corrugated board packaging supply chain and assessing its effectiveness. We are also promoting 'clean' and 'efficient' waste paper recovery models to encourage better practice and build sustainable value chains in India's waste paper recovery sector.

Examples of key outcomes and results

- Deepened overall understanding of existing scenario and market dynamics around waste paper recovery in India and the linkages to recycled corrugated board supply chains.
- Extensive mapping of recycled packaging supply chains in India to develop a risk register outlining the likely economic, social and environmental risks in each tier, along with proposed mitigation strategies.
- Identification of interventions that focus on improving operational practices, mitigating the identified risks and leveraging opportunities to improve the sustainability of these systems.
- Development of a model to improve domestic recovery and enhance the capacity and livelihoods in the existing informal waste paper recovery networks.

Promoting a Landscape Approach

We are supporting responsible bamboo production and management by the local growers to create a sustainable bamboo-based supply chain and cater to the growing demand in the region; and encouraging sustainable bamboo management practices in non-forest land to reduce unsustainable extraction in forest areas. We are also supporting livelihood improvement through market integration of bamboo growers in selected landscapes and building the business case for FSC Group Certification in India by promoting FSC-certified bamboo with local producers and traders.

Examples of key outcomes and results

The project started in August 2018 so there are no results yet. An initial feasibility study has identified a shortlist of potential project sites suitable for FSC certification that also match WWF conservation priorities and have the potential to connect local communities to the global market. The study assessed fifteen blocks in three districts in Assam collecting data on bamboo stock availability, existing bamboo trade and local communities involved in bamboo production.

Species IKEA source from India

SPECIES	LATIN NAME
Mango wood	<i>Mangifera indica</i>



INDONESIA

**PROJECT PERIOD
2011-2020**

Empowering Smallholder Communities in Borneo and Java

Indonesia's rainforests are one of Earth's most biologically and culturally diverse landscapes. Sadly, Indonesia also has one of the highest deforestation rates in the world, and today only around half of its original forest cover remains. Weak law enforcement and a lack of institutional capacity for sustainable forest management are particular problems.

WWF and IKEA work in Java and Borneo (Kalimantan) on timber and rattan with IKEA suppliers and community forests. A key aim is ensuring FSC-certification is well implemented by IKEA suppliers and others. In addition, we help forest smallholders obtain SVLK (Timber Legality Verification System and FSC certificates, comply with government regulation, and meet global market standards.

Our work also complements new Indonesian government policies that aim to place 12.7 million ha of forest under community and indigenous management, as well as a new ministerial decree that creates the legal basis for community forest partnerships.

Around 50% of Indonesia's total annual timber production is consumed domestically making green public procurement a priority. It is critical that the government sets a good example by requiring its suppliers to have SVLK certificates. SVLK is mandatory for all small and medium enterprise forest industries and we are supporting IKEA suppliers to implement at least SVLK as well as FSC Chain of Custody systems where possible.

Working together in Indonesia, WWF and IKEA support responsible forest management and legality in the supply chain while protecting forest biodiversity and providing sustainable livelihoods for local communities.

Current Objectives, Key Outcomes and Results

"In partnership, we've been able to promote sustainable forest management and traceability through the whole supply chain. Collaboration with local communities has enabled us to deliver FSC-certification for timber and rattan smallholders. We hope to develop a landscape approach in the coming years and that IKEA offer market opportunities for smallholders."

Joko Sarjito, Project Manager, WWF Indonesia

Strengthening Policy & Enforcement

We are supporting the development of new policies and the revision of existing regulations on rattan trade restrictions, and working to secure community tenure to increase forest values. We are also encouraging domestic market demand for responsible forest products from government and business.

Examples of key outcomes and results

- In December 2017, WWF Indonesia signed an MoU with the Ministry of Environment & Forestry that covers non-timber forest products and ecosystem services in natural forest production. The MOU states that KPH management and WWF will work together on implementing sustainable forest management and ensuring the welfare of the local communities.
- In 2016, the EU announced that Indonesia would be the first country to have FLEGT licenses for timber products exported to the EU. This means timber products from Indonesia do not require due diligence to enter the European market, making the Timber Legality Verification System (SVLK) an important instrument ensuring Indonesian wood products come from legally managed forests.



INDONESIA

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Improving Standards & Verification

We are supporting the development and implementation of an FSC National Standard for Indonesia, including Scale, Intensity and Risk (SIR) interpretations, and covering non-timber forest products and environmental services.

Examples of key outcomes and results

- The second draft of the Indonesian national FSC standard has been produced through a public consultation process with Indonesian stakeholders and includes NTFPs as well as claims on ecosystem services. Field tests for large and small forest management (SLIMF) units have also been conducted.

Promoting a Landscape Approach

We are working to ensure that Best Management Practice principles and criteria, and avoidance of deforestation, are integrated in community tenure for land use and management plans.

Examples of key outcomes and results

- In collaboration with local communities and one major KPH (Administrative units for forest governance), WWF Indonesia has identified 489,048.28 ha of HCVF area in the Katingan Landscape, of which 333,073.63 ha are rattan.
- We have supported forest management units to implement sustainable forest management.

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In Katingan, local communities benefit from rattan harvesting while responsible forest management also provides homes for orangutans living in the area.



© Arestu / WWF Indonesia



Increasing Supply Chain Accountability & Transparency

We are supporting the certification of community forests through the FSC Group Certification scheme; ensuring potential IKEA suppliers achieve and maintain legal certificates; and conducting risk assessments of rattan and alternative species suppliers.

"The partnership with WWF has contributed to improved responsible forest management, especially in Indonesia where deforestation and land use challenges are still one of the big issues for the country. IKEA works in this environment and creates changes which are aligned with our IKEA Forest Positive strategy. In addition, the partnership also works with smallholders which means we help improve a better everyday life for many more people.

Through the course of our work in Indonesia we have learned that market access is crucial to maintaining a long-lasting effect of improved forestry."

**Danang Ari Raditya,
IKEA, Forestry Manager**

Examples of key outcomes and results

- In 2017, two smallholders' groups, Perkumpulan Petani Rotan Katingan (P2RK) in Central Kalimantan and Enggal Mulyo Forest Management Unit in East Java, successfully achieved FSC-certification. This improved market opportunities and increased the value of their harvest by 30%.
- WWF Indonesia has promoted the SVLK at national and global levels. As of 2018, we have secured assurances from the National Public Procurement Agency (LKPP) that SVLK will be endorsed and prioritised within public procurement requirements.
- We continue to work with local NGOs in East Java to support three smallholder groups to implement FSC. Mrayan Village has 2,413 ha certified, Senduro village, 2,495 ha and Sooka Village, 10,847 ha.
- We continue to support IKEA suppliers and sub-suppliers in Indonesia to achieve and maintain their FSC Chain of Custody certification.
- Having conducted a survey of rattan species diversity in Katingan with local communities, and identified nine rattan species for commercial use, WWF published the Field Guide of Rattan in Katingan in 2014.

Species IKEA source from Indonesia

SPECIES	LATIN NAME
Bamboo	<i>Gigantochloa spp.</i>
Pine	<i>Pinus merkusii</i>
Rattan	<i>Calamus spp.</i>

PORTUGAL

**PROJECT PERIOD
2018-2020**

Engaging Smallholders in Forest Certification in Portugal

FSC-certification was launched in Portugal in 2006. By the end of the year, 73,500 ha had been certified through three certificates. Today, more than 400,000 ha are certified through 34 certificates with most medium-sized and large landowners. The challenge now is to increase certification of small landowners (< 0.5 ha) in north and central Portugal. These areas are not only important sources of pine for particle board and MDF (medium density fibre board) for IKEA suppliers, but also prone to forest fires.

Working with IKEA as the end user of forest products, there is an opportunity to improve sector practice and the forest landscape in north and central Portugal. Promoting more equal wealth distribution and better landscape planning will help mitigate the impact of forest fires, and tackle over-exploitation of wood, and substitution of native with industrial species. Application of the HCV concept is also crucial for conservation in this mosaic landscape.

Our aim is to support the development and implementation of High Conservation Value Forest assessment and designation to secure the conservation of key areas in north and central Portugal.



Current Objectives, Key Outcomes and Results

Improving Standards & Verification

We are implementing a Forest Management System to facilitate the supply of FSC-certified wood (maritime pine) to key IKEA Industry suppliers, and ensure IKEA's annual raw material needs in Portugal are met. We are also engaging stakeholders and supporting the development and implementation of an FMS High Conservation Value methodology and FMS High Conservation Value Forest identification.

Our specific goal at ANP (Associação Natureza Portugal)/WWF is to develop and implement FSC Standard Principle 9 on High Conservation Value Forest and secure HCVF conservation in north and central Portugal.

Examples of key outcomes and results

The project started in July 2018. To date, foresters have received training on identification, characterisation and monitoring of HCVFs, and visited potential HCVF areas for inclusion in group certification.

Species IKEA source in Portugal

SPECIES	LATIN NAME
Pine	<i>Pinus pinaster</i>
Eucalyptus	<i>Eucalyptus spp.</i>



RUSSIA

**PROJECT PERIOD
2002-2020**

Driving Forest Certification and Sustainability at Scale in Russia

Stretching across Northern Europe and Asia, Russia's forests constitute approximately 22% of global forest area and 25% of boreal and temperate forests. This makes the Russian Federation an important trading partner for a number of countries, and forest sustainability is key for mitigating risks, improving productivity, maintaining biodiversity and providing human and environmental safety.

As a major supplier of timber products to Europe and China, pressure on Russia's forests is increasing. WWF estimates that as much as 15-20% of all timber harvested in the country is illegal, and conservation efforts are often undermined by high levels of corruption. The Russian Far East is a critical area as it contains the last remaining mixed Korean pine-broadleaved forests and could offer hope for the survival of the critically endangered Amur tiger.

Since 2002, the partnership has supported responsible forest management in Russia, working with a wide range of partners to balance interests, transform poor practices, encourage sustainability, and create environmental, economic and social well-being.

Since our partnership began FSC-certification of forests in Russia has been steadily increasing from 296,000 ha in 2002 to 47.1 million ha in 2018 (as of the date of publication of this report), a large portion of which is directly attributable to the partnership. In response to growing global and local demand for forest certification, more and more companies have been pursuing certification and making responsible forest management part of their official policies and practices. While this trend is promising, there is still a lot of work to be done to ensure forests in Russia are managed responsibly and sustainably.

In the coming years, we will promote best practice and responsible forest management and further improve FSC quality by strengthening guidelines and ensuring consistency. We will continue to educate and build experience and skills for experts working in this field and we will maintain the preservation of High Conservation Value Forests (mostly Intact Forest Landscapes) and improve biodiversity protection in managed forests.

Working together in Russia, WWF and IKEA are helping to strengthen the sustainability of the forest sector by driving forward responsible forest management and improved forest governance. Together, WWF and IKEA are making a significant contribution to the transformation of the global timber market.

Current Objectives, Key Outcomes and Results

Strengthening Policy & Enforcement

We are working to secure official approval of legally binding tools for HCVF preservation by forest management authorities so that at least two million ha of HCVFs are preserved. We are supporting the development of requirements for biodiversity protection and imitation of natural dynamics in managed forests, and seek to make them enforceable by all companies. In addition, we are encouraging forest authorities to improve public procurement of wood and paper to ensure sustainability and legality. And we aim to ensure information on best practice, efficiency and footprint reduction is available for all stakeholders.

Examples of key outcomes and results

- The concept of ‘National Forest Heritage’ focused on the conservation of intact forest landscapes (IFLs) was introduced in 2018, and federal legislation now requires IFLs to be identified and preserved as National Forest Heritage sites.
- Requirements for biodiversity protection during wood harvesting were made mandatory by the Order of the Ministry of Natural Resources and Environment of the Russian Federation for all state forest management units in the country to be included in the forestry regulations.
- WWF, with support from IKEA and other corporate partners helped to improve regulations on forest management. New regulations on commercial and precommercial thinning were introduced in 2017, enabling the introduction of effective management in secondary forests in two forest districts in the Russian North West and Siberia, and an unsustainable increase in the commercial timber harvest of *Pinus sibirica* was prevented.
- By scoring forest management quality in Russian regions, the partnership has helped on a political level to improve the quality and availability of information on forests.
- Led by WWF, a joint Position Paper on the definition, protection and management of Intact Forest Landscapes was developed by Russian NGOs in 2014 and later became the basis for the new national FSC Forest Management Standard on Intact Forest Landscapes.
- A university text book on sustainable forest management published in 2014 is being used in the curriculum of 40 Russian universities, along with a training course.
- Over 16 years and 54 issues, our quarterly ‘Sustainable Forestry’ magazine, the only forest sector periodical in Russia, has become a unique and respected source of knowledge for both policymakers and forest managers.

RUSSIA



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Improving Standards & Verification

We are supporting the adaptation of the FSC international standard at regional and national levels so that it is in accordance with all legislative and legal requirements, and reflects the geographical, forest and socio-cultural features of Russia. In addition to work around HCVF, strengthening policy and enforcement also support the harmonisation process.

Examples of key outcomes and results

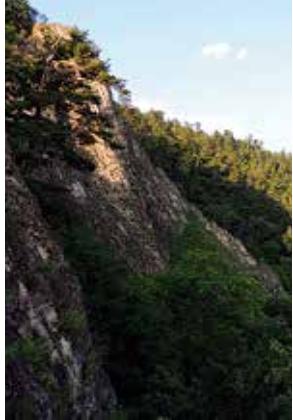
- A draft National Forest Management Standard was developed and further harmonisation between legislation and the FSC Standard ensured biodiversity conservation requirements.
- More than 30 publications about HCVF identification and protection and on biodiversity conservation during timber harvesting were prepared and published. These methodologies are widely used by all stakeholders and a key components of Russia's new FSC standards.
- The HCVF.RU website, a breakthrough technological tool enabling accurate identification of HCVFs and access to an array of additional information, was developed and launched in 2013. It provides up-to-date information about HCVF boundaries, identification and monitoring, and helps conservation NGOs, certification bodies and logging companies, especially those that are FSC-certified, preserve ecologically and socially important forests in Russia. Today, HCVF.RU is officially recognised by FSC as the source of best available information on Russian HCVF.
- The area of HCVF identified by FSC-certified timber companies today is approximately 13.8 million ha – of which 7.5 million ha are completely excluded from logging – which is a sharp increase from 0.05 million ha in 2005. The increase is due to improved certification quality and availability of and access to information about HCVF areas, including through HCVF.RU.
- As of December 2017, more than 3.17 million ha of HCVF area, compared to 0.17 million ha in 2002, have been protected through voluntary agreements between NGOs and timber companies. Currently, 40 timber companies from Siberia, north-west and Far East Russia use this approach to consolidate voluntary commitments to nature conservation additional to what is required by legislation.

Promoting a Landscape Approach

We are developing effective sustainable forest management practices based on landscape approaches and implementing them in production forests.

Examples of key outcomes and results

- In 2017, WWF reached an agreement with six logging companies and Greenpeace over boundaries of the Dvinsky Protected Area – the core of one of the largest remaining IFLs in Europe in forests under industrial development.
- As a result of new legislation promoted by WWF, logging companies have recently started to apply new forestry practices ensuring at-scale full regeneration of commercially valuable forests, resulting in precommercial thinning of more than 20,000 ha of forest.



“WWF and IKEA’s partnership has contributed to many positive changes in the Russian forest sector, including strengthening forest management regulations, enforcing forest biodiversity preservation, improving and expanding FSC-certification, empowering NGOs, and improving forest management information transparency and quality.”

Nikolay Shmatkov,
WWF-Russia Forest
Programme Director

Increasing Supply Chain Accountability & Transparency

We are working to ensure ten leading private sector forest companies in Russia include footprint reduction and increased efficiency in their policies and develop and implement relevant management and monitoring tools by 2020. In addition, we are encouraging the development and implementation of innovative tools for public monitoring of logging and supply chain (including FSC-certified) legality; and supporting the approval and enforcement of forest management transparency and information requirements.

Examples of key outcomes and results

- Expert recommendations on developing an effective chain of custody system within Russia and effective regulation of export of high-risk hardwood species such as Mongolian oak and Manchurian ash have been developed for government agencies.
- Successful cooperation with regional customs departments to analyse current methods for control of trans-boundary timber shipments along the Russian-China border (Krasnoyarsky kray, Irkutskaya oblast and the Russian Far East) have been established.
- Two manuals, ‘Customs Control and Classification of Wood-based Items’ and ‘Keep it Legal: Country Guide for Russia’, have been widely used by both Chinese buyers and EU operators.
- Domestic FSC campaigning together with other stakeholders, including FSC-Russia and Tetra Pak, has helped raise consumer awareness of the FSC trademark and create demand for FSC-certified products in the domestic market, including from large retailers such as Leroy Merlin, Castorama, and M-Video. Based on a public survey in 2016, 13% of consumers in Russia were aware of the FSC brand (22% in Moscow) and 40% are ready to pay more for FSC-certified products.
- By 2016, half of all office paper produced in Russia was FSC-certified, and since 2016, 100% of market pulp and newsprint paper in Russia has been produced at FSC-certified mills.
- WWF’s Global Forest & Trade Network (GFTN) in Russia supports forest companies wishing to become FSC-certified and has played a key role in developing and enhancing responsible forest management in the country.

Species IKEA source from Russia

SPECIES	LATIN NAME
Beech	<i>Fagus sylvatica</i>
Birch	<i>Betula pendula, Betula pubescens</i>
Lime / Linden	<i>Tilia cordata</i>
Pine	<i>Pinus silvestris</i>
Spruce	<i>Picea abies, Picea obovata</i>

CLOSED PROJECT

THE BALTICS - ESTONIA, LATVIA AND LITHUANIA

PROJECT PERIOD
2002-2014



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The partnership has set up five demonstration forests in Latvia and two in Lithuania.

Spreading Know-How and Creating Healthy Forests in the Baltics

Forests in the Baltics – Estonia, Latvia and Lithuania – are important for both their biodiversity value and their contribution to national economies.

In the wake of the end of Soviet rule, Baltic forests suffered from political and economic upheaval and land restitution processes have put large areas in private hands. Many new owners have little knowledge of forest management and limited means or incentive to invest in their forests. Nevertheless, forest certification is more developed in the Baltics than in other parts of Eastern Europe, and all state forests are FSC-certified.

WWF and IKEA began promoting responsible forest management in all three Baltic countries in 2002. Activities focused on spreading know-how about responsible forest management to more than 236,000 Lithuanian forest owners and other stakeholders and raising awareness about the importance of healthy forest ecosystems with the public.

By working together in Lithuania, WWF and IKEA have contributed to lasting improvements in responsible forest management among many private forest owners by promoting best practice, setting good examples and encouraging FSC-certification.

Objectives, Key Outcomes and Results

Ensuring maintenance and use of two forests for education and demonstration of responsible small-scale forest management in Lithuania.

Examples of key outcomes and results

- In the project period, two Lithuanian demonstration forests were used for numerous educational activities and to demonstrate practical solutions for responsible forest management for private forests owners.
- Around 3,000 people visited the Demo Forests in Lithuania to join a guided tour.

"Through the work of the partnership, in Lithuania and Latvia, we have developed a number of activities over the years that have strongly supported raising public awareness and have contributed to responsible forest management.

The projects in Lithuania have also had a positive impact on another project IKEA is running to support private forest owners in Lithuania who actively seek to become FSC certified. Together we are growing awareness and action for responsible forest management."

Egle Petrylaite, IKEA, Sustainability Developer

Improving knowledge of forests and responsible forest management among forest owners, foresters and other forest stakeholders as well as teachers, ecology and forestry students and schoolchildren.

Examples of key outcomes and results

- More than 670,000 forest and other stakeholders in Lithuania were reached through publications, training and seminars on responsible forest management.
- More than 150 companies in Lithuania became FSC Chain of Custody certified.
- Five demonstration forests in Latvia were set up and a group certification toolkit for Estonia was produced. Forest owners and producers were provided with training and technical support on responsible forest management.
- Since the project ended in 2008, Latvian demonstration forests have been used for educational and exchange events for forest owners and forest sector professionals, and have informed improved national legislation and the Latvian FSC Standard.

2018 update

In Latvia, demonstration forests established under the partnership continue to operate, and new sites have also been created. Currently, practical field training for Latvian students, along with seminars for forest owners and industry professionals, is taking place on three farms. Farms also host visits by foreign forest owners and environmental specialists, with 200 – 300 annual visits. A website allows visitors to study the forest, as well as obtain advice from demonstration site owners on responsible forest management. Overall, experiences gained over a 15-year period support the improvement of Latvian forest legislation and forest management practices.

In Lithuania, both demonstration forests are still in use and guided tours are offered to schoolchildren and students from two universities.

Species IKEA source from Estonia, Latvia and Lithuania

SPECIES	LATIN NAME	COUNTRY
<i>Main species</i>		
Birch	<i>Betula pendula, Betula pubescens</i>	Estonia, Latvia, Lithuania
Pine	<i>Pinus sylvestris</i>	Estonia, Latvia, Lithuania
Spruce	<i>Picea abies</i>	Estonia, Latvia, Lithuania
<i>Other species</i>		
Alder	<i>Alnus glutinosa</i>	Lithuania
Ash	<i>Fraxinus excelsior</i>	Estonia, Latvia, Lithuania
Beech	<i>Fagus sylvatica</i>	Estonia, Lithuania
Poplar	<i>Populus alba, Populus davidiana, Populus nigra, Populus euramericana, Populus deltoides, hybrids</i>	Estonia, Latvia
Oak	<i>Quercus robur</i>	Latvia, Lithuania
Fir	<i>Abies spp.</i>	Estonia, Latvia, Lithuania

APPENDICES

Appendix A: Glossary

Accreditation	A process where an authoritative body formally recognises an auditing body as capable of carrying out the tasks necessary to certify a company's operation against a particular standard. Also commonly referred to as certifying the certifiers.
Auditor	The accredited body that is qualified to inspect and verify that a company's practices conform to certification standards.
Australian Illegal Logging Prohibition Bill	Legislation to prevent sales of illegal timber and timber products on the Australian market.
Biodiversity	A shortened form of biological diversity, describing variation within and between species and at ecosystem level.
Certification	The process whereby an independent auditing body (third party) conducts an inspection and awards a certificate using independently developed standards and objectives.
CITES – Convention on International Trade in Endangered Species of Wild Fauna and Flora	CITES is an international agreement between governments which aims to ensure that international trade in wild animals and plants does not threaten their survival.
CoC – Chain of custody	The process of tracking and recording the possession and transfer of wood and fibre from a certified forest through the different stages of production — primary manufacturer, secondary manufacturer, wholesaler, retailer, and end user.
CWRA – Controlled Wood Risk Assessments	Risk assessment for the FSC Controlled Wood standard for a specific country / region that specifies the risk for sourcing of unacceptable sources in the specific country. The assessment is developed in a national stakeholder process and endorsed by FSC. The risk assessment is binding for all companies sourcing Controlled Wood from the country/region.
Due diligence	A term used for a concept involving an investigation or an act with a certain standard of care. It can be a legal obligation but the term more often refers to voluntary investigations.
Endemic species	Species that are native to or confined to a certain region.
EUTR – European Union Timber Regulation	Regulation to prevent placing of illegal timber and timber products on the EU market.
Forest Bureau	An administrative government agency. Sometimes manages state-owned forests, as well as acting as an authority.
Forest Degradation	Changes within forests that negatively affect the structure or function of the stand or site over many decades, and thereby lower the capacity to supply products and/or ecosystem services.
Forest Loss / Deforestation	Conversion of forest to another land use or significant long-term reduction of tree canopy cover.
FMU – Forest Management Unit	A private or public entity managing a forest area.
FSC – Forest Stewardship Council	The FSC is an international non-profit organisation that offers forest certification.
GFTN – Global Forest & Trade Network	The GFTN is a WWF-led organisation that links hundreds of companies, communities, NGOs, and entrepreneurs around the world with the aim of creating a new market for environmentally responsible forest products.
Governance	Forest governance includes the norms, processes, instruments, people, and organisations that control how people interact with forests.
HCV – High Conservation Value	HCV is a concept widely used to define the highest level of safeguards needed across a huge range of land uses. There are six main types of HCV, each requiring critical areas in a landscape to be identified and appropriately managed.

HCVF – High Conservation Value Forest	An HCVF is a forest with an especially high ecological or social value – more valuable in terms of biodiversity values, ecological values and importance for local people than in terms of industrial timber.
Hectare	A metric unit of area defined as 10,000 square metres (100m by 100m).
Illegal logging	The harvesting, transporting, processing, buying or selling of timber, (a) without a legal right to harvest timber in the forest management unit in which the timber was grown, or (b) in breach of national or sub-national laws governing the management and harvesting of forest resources. It also includes breaking license agreements, tax evasion, corrupting government officials and interfering with access and rights to forest areas.
Lacey Act	Legislation to prevent sales of illegal timber and timber products on the US market.
Landscape ecology	The study of the interactions between the temporal and spatial aspects of a landscape and the organisms within it.
Natural forest	A forest which has reproduced naturally – without human activities – consisting of naturally immigrant or indigenous tree species and strains.
NGO – Non-Governmental Organisation	Any non-profit, voluntary citizens' group which is organised on a local, national or international level.
NTFP – Non-Timber Forest Products	The biological resources we get from forests, other than wood. They can be both edible and non-edible plants and animals (e.g., rattan, bamboo, honey, fruits and mushrooms).
Old Growth Forest	Very old forests that have grown under natural conditions without significant direct or indirect human influence on their structure, diversity and ecosystem processes. They include trees of unusually large size, large standing or fallen dead trees covered with mosses, lichens and fungi, and younger trees of various species and sizes.
PEFC – Programme for the Endorsement of Forest Certification	PEFC is a major forest certification system (see also FSC).
Plantation (wood)	A forested area managed principally for wood production and commonly consisting of a single species of the same age.
Production forest	A forest area designated primarily for production of wood, fibre, bioenergy and/or non-timber forest products.
Responsible forest management	Forest management is responsible when there is balance between society's increasing demands for forest products and benefits, and the preservation of forest health and diversity. This balance is critical to the survival of forests and to the prosperity of forest-dependent communities.
Riparian forest	A forested area of land adjacent to a body of water such as a river, stream, pond, lake, marshland, estuary, canal, sink or reservoir.
RWE – Roundwood equivalent	A measure of the volume of logs (roundwood) used in the manufacture of wood-based products including pulp, paper, furniture, joinery and board materials such as plywood.
Standardisation	A process of developing, maintaining and enhancing the standards by which the performance of an applicant for certification can be assessed.
Virgin forest	A forest in its natural state before it has been explored or exploited by humanity.

Appendix B:IWAY Forestry Minimum Requirements

The IWAY Forestry Standard, part of the IKEA supplier code of conduct, sets out the forestry requirements for all solid wood, board, paper, bamboo and rattan supplied to IKEA.

The IKEA supplier must meet the following requirements at all times:

- a) compliance with relevant national and international legislation applicable in the Country of sourcing and harvesting;
- b) no sourcing from forestry operations engaged in forest related social conflicts;
- c) no sourcing from Intact Forest Landscapes (IFL) or other geographically identified High Conservation Value Forests (HCVF), unless the area is certified by a forest certification system recognized by IKEA;
- d) no sourcing from natural forests in the tropical and sub-tropical regions being converted to plantations or non-forest use;
- e) no sourcing from forests with officially recognized and geographically identified commercial Genetically Modified (GM) tree and bamboo species.

For rattan and non-industrial bamboo materials, only criterion a) is applicable.

Suppliers must have procedures in place to implement these standards throughout their supply chain and be able to track and report the origin of their wood.

Source: https://www.ikea.com/ms/en_US/pdf/reports.../the-IWAY-forestry-standard.pdf

Appendix C: FSC's 10 Principles for Responsible Forest Management

These principles apply to all forest types to ensure environmentally appropriate, socially beneficial, and economically viable forest management.

Principle 1

The Organisation shall comply with all applicable laws, regulations and nationally-ratified international treaties, conventions and agreements.

Principle 2

The Organisation shall maintain or enhance the social and economic wellbeing of workers.

Principle 3

The Organisation shall identify and uphold Indigenous Peoples' legal and customary rights of ownership, use and management of land, territories and resources affected by management activities.

Principle 4

The Organisation shall contribute to maintaining or enhancing the social and economic wellbeing of local communities.

Principle 5

The Organisation shall efficiently manage the range of multiple products and services of the Management Unit to maintain or enhance long term economic viability and the range of environmental and social benefits.

Principle 6

The Organisation shall maintain, conserve and/or restore ecosystem services and environmental values of the Management Unit, and shall avoid, repair or mitigate negative environmental impacts.

Principle 7

The Organisation shall have a management plan consistent with its policies and objectives and proportionate to scale, intensity and risks of its management activities. The management plan shall be implemented and kept up to date based on monitoring information in order to promote adaptive management. The associated planning and procedural documentation shall be sufficient to guide staff, inform affected stakeholders and interested stakeholders and to justify management decisions.

Principle 8

The Organisation shall demonstrate that, progress towards achieving the management objectives, the impacts of management activities and the condition of the Management Unit, are monitored and evaluated proportionate to the scale, intensity and risk of management activities, in order to implement adaptive management.

Principle 9

The Organisation shall maintain and/or enhance the High Conservation Values in the Management Unit through applying the precautionary approach.

Principle 10

Management activities conducted by or for The Organisation for the Management Unit shall be selected and implemented consistent with The Organisation's economic, environmental and social policies and objectives and in compliance with the Principles and Criteria collectively.

Source: <http://ic.fsc.org>

Appendix D: The Six Types of High Conservation Value Forests

HCV1

Concentrations of biological diversity including endemic species, and rare, threatened or endangered species, that are significant at global, regional or national levels.

HCV2

Landscape-level ecosystems and mosaics. Intact forest landscapes and large landscape-level ecosystems and ecosystem mosaics that are significant at global, regional or national levels, and that contain viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance.

HCV3

Rare, threatened, or endangered ecosystems, habitats or refugia.

HCV4

Basic ecosystem services in critical situations, including protection of water catchments and control of erosion of vulnerable soils and slopes.

HCV5

Sites and resources fundamental for satisfying the basic necessities of local communities or indigenous peoples (e.g., for livelihoods, health, nutrition, water, etc.), identified through engagement with these communities or indigenous peoples.

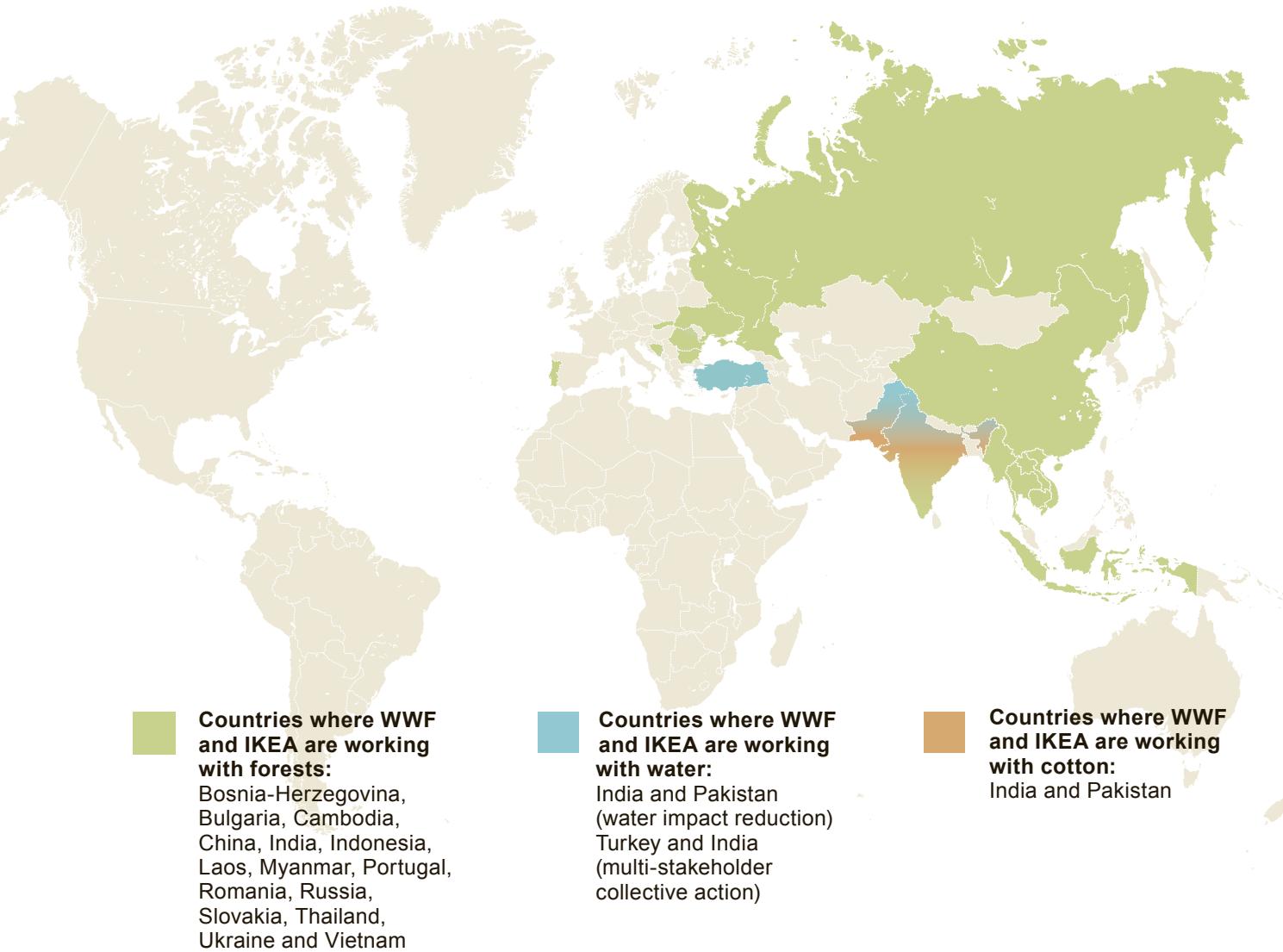
HCV6

Sites, resources, habitats and landscapes of global or national cultural, archaeological or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities or indigenous peoples, identified through engagement with these local communities or indigenous peoples.

Source: <http://hcvnetwork.org>

IKEA and WWF Partnership for Change

WWF and IKEA have worked together since 2002. Today the partnership runs projects in 17 countries supporting responsible forest management, more sustainable cotton production, and good water stewardship.



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