Sustainable Forest Products Global Alliance

Year 2 Final Report Submitted by Metafore and World Wildlife Fund November 15, 2004

The Sustainable Forest Products Alliance Year 2 Final Report October 1, 2003 through September 30, 2004

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I. Introduction

The Sustainable Forest Products Global Alliance is a public/private partnership that seeks to make markets work for forests and people. Together, the partners in the Global Alliance work to advance a new model for forest conservation and community development in USAID-client countries. In this model, sustainable forest management is rewarded in the global marketplace through trade in responsible wood and paper products. Transforming market behaviors on a global scale will reduce the trade of illegally or unsustainably harvested wood and paper products from developing regions. This transformation unveils opportunities for resource-dependent communities and low-income producers to thrive.

Entering its third year, the Global Alliance is anchored by USAID's Economic Growth, Agriculture, and Trade (EGAT) bureau, and NGO partners Metafore and World Wildlife Fund (WWF). The Global Alliance includes corporate and governmental partners such as The Home Depot, window and patio door manufacturer Andersen Corporation, and the USDA Forest Service. Several other companies such as Nike, Inc., Starbucks Coffee Company and Staples, Inc. contribute to this effort through the Paper Working Group, a project of Metafore. IKEA and an additional 388 companies support the efforts of the Global Alliance through WWF's Global Forest & Trade Network (GFTN). By promoting environmentally responsible harvesting and consumption of forest products, the Alliance reduces illegal logging and helps restore forest and community health on a global scale.

During the second year of the Global Alliance (October 1, 2003 through September 30, 2004), WWF and Metafore--as the non-governmental founders of the Global Alliance along with USAID-continued to promote environmentally responsible harvesting and consumption of forest products. These efforts focused on reaching the expected three-year achievements of the Global Alliance to:

- Expand trade linkages between producers of products from well-managed forests and business buyers.
- Broaden use of tools for better forest management through high conservation-value forest concepts.
- Implement purchasing policies within businesses, agencies and other organizations.
- Increase access to information and resources that improve forest management, business purchasing and regulatory systems.
- Improve governmental policy environments to support efficient trade in products from wellmanaged forests.
- Provide a global information base of certified, well-managed forests and products.

II. Year 2 Achievements

Enhanced demand for legally produced products from well-managed forests

Building on the foundation established in the first year of the Global Alliance, WWF and Metafore continued to work in close cooperation to engage leadership companies to source forest products from legal, well-managed forests. The Global Alliance mission to promote responsible forest products purchasing is actually accomplished by identifying those companies, agencies and other organizations characterized by high volume purchasing and consumption of forest products from valuable and threatened forests and clear market sector leadership, and by connecting with the individual leaders within those organizations who are able to initiate movement toward responsible purchasing practices. By conveying the intricate relationship between forest health and business practices and then providing the appropriate guidance and tools necessary to implement responsible purchasing practices, Global Alliance partners are translating buying power into benefits for forests and local communities.

Identifying partners

In an effort to reach new leaders, Metafore and WWF conducted a series of activities this year that set the stage for making the case for responsible forest products purchasing. To identify the US companies with the greatest potential to impact forest management in some of the world's most valuable and threatened forests, Global Alliance partners conducted analyses which identified the top US buyers of furniture and plywood products from Indonesia, as well as from Malaysia and China, which serve as major transshipment countries for products from Indonesia. The Global Alliance will work with these companies in 2005 to implement responsible purchasing practices.

Metafore and WWF also met with leadership at Sears/Land's End, Merck, Citicorp, Nokia, and Johnson & Johnson. These companies have been identified as potential partners based on their high volume paper purchasing and/or investment in forest management enterprises, and because of their public profile. Discussions with these companies will continue into next year, as Global Alliance partners apply the tools that have been created to assist companies.

In its continuing effort to promote more successful market linkages through its Global Forest & Trade Network, WWF sought to focus this year on those companies with the most potential to impact forest management, based on their existing trade relationships and demonstrated leadership. WWF's Global Forest & Trade Network is an affiliation of national and regional Forest & Trade Networks (FTNs), each consisting of primarily of companies committed to practicing or supporting responsible forestry. This year, 3 new major buyers of forest products joined the network – Marks & Spencer and Pearson in the UK and Abe Kogyo Co. Ltd. in Japan. GFTN now has 366 buyers in the network including 170 manufacturers and traders; 50 timber importers; 50 retailers (including IKEA and The Body Shop); 20 paper and print companies (including BBC Worldwide Ltd.); 10 local governments; 20 trade associations; 10 construction companies; and 30+ other miscellaneous organizations, including 4 banks. These buyers have committed to responsible purchasing of forest products from legal, well-managed forests. A very rough estimate (based on public reports from some of the larger companies) suggests that their combined sales turnover in forest products is in excess of \$30 billion USD per year. GFTN will work with these companies over the coming year to fully implement responsible purchasing and link them to responsible producers.

Making the business case

Metafore continued to make the business case for responsible purchasing to a wide audience, including these newly identified partners, through its Fortune 100 report and *In Focus* newsletter. The Fortune 100 report offers useful guidance to environmental and procurement managers of large corporations to help build the case for their companies to adopt responsible purchasing policies for

wood and paper products. With a weekly circulation of 2,000, the *In Focus* newsletter aggregates world news of responsible forestry and forest product purchasing to educate business leaders on the issues they face related to making environmentally responsible wood and paper purchasing decisions. In addition to educating businesses on responsible purchasing, *In Focus* serves as a medium for forestry professionals, governmental officials and other leaders with a stake in forest and business health to stay abreast of the latest issues affecting forest prosperity and business integrity.

Improving methods and systems

The Global Alliance made substantial contributions this year to improving the methods and systems by which responsible purchasing is implemented. Most notable among these contributions is the WWF's GFTN Responsible Purchasing Guide and Metafore's Paper Working Group and its related tools.

WWF's GFTN has now published *Responsible Purchasing of Forest Products* in English, Spanish, and Japanese. This publication is a practical guide for companies wishing to develop responsible programs for the procurement of forest products. The document draws together common themes of responsible purchasing models and applies to them GFTN's own insight and extensive experience. Over 2,500 copies of the English version alone have been distributed. A similar guide has been developed by WWF for use in Russia. WWF has used the guide to educate over 200 representatives from companies that buy forest products from Indonesia, Malaysia, China, Russia, and Peru.

Metafore's Paper Working Group consists of large-volume paper and paperboard buyers who embrace social, environmental and economic responsibility in their business practices and transactions. The Paper Working Group is collaborating to increase the supply and affordability of environmentally preferable papers, and defines environmentally preferable in terms of seven desired outcomes. Organized around common values, the 11 participating businesses of the Paper Working Group seek to meet environmental goals based on their own values and—at the same time—create a change in present-day paper making and purchasing. In addition to defining environmentally preferable paper with input from stakeholders, the PWG continues to pursue several key objectives, including tools to evaluate and promote environmentally preferable paper products. The Environmental Paper Assessment Tool (EPAT) currently under development merges the decisionmaking needs of large-volume paper buyers with the standardized reporting needs of paper suppliers. The focus of the PWG in 2004 has been on developing the content and overall framework for the EPAT. The mechanics of the tool--including developing, refining and testing a user-friendly interface for accessing the tool—will be the focus in 2005. Building awareness and providing training on the use of the EPAT to ensure the widest possible use will also take place in 2005. When the work of the PWG is complete, the EPAT will both improve the business bottom line while making environmentally preferable papers more widely available and affordable.

In other guidance on responsible purchasing, Metafore designed and implemented a series of workshops where architects, designers and contractors learned how to promote the well-being of forests and the communities that depend on them by specifying wood products responsibly. Metafore also published "Matching Business Values with Forest Certification Systems: a Forest Certification Evaluation Tool for Buyers". This tool informs and offers a roadmap for corporate buyers to determine strategies on certification that fit their individual values and objectives. Using the framework, companies are able to clearly articulate to different stakeholders (vendors, environmental groups, consumers) their position on certification. Now available on Metafore's

<u>website</u>, it is designed to help business buyers purchase wood and paper in a responsible manner, and delivers a business-driven approach for incorporating forest certification into responsible wood and paper purchasing practices.

GFTN also produced a Spanish-language *Specification Guide for the Construction Industry* for architects, designers and builders in Latin American and Caribbean.

Increasing buyer commitments to responsible purchasing

The efforts of Global Alliance partners to increase the number of government agencies and businesses that agree to source products from legal, well-managed forests are paying off. For example, WWF secured a number of strategic victories with the following new commitments:

- The Swiss door-manufacturing industry Verband Schweizerische Türenbranche (VST) committed to use only wood whose origins can be traced to legal sources, and eventually to use only wood with a credible certification label.
- European Do-it-Yourself retailer Bauhaus AG committed to systematically exclude illegal wood and wood from ancient forests from its products and closely monitor all its products to ensure their origin is known and legality is assured.
- Office Depot and Staples used their purchasing power to halt the destruction of key elephant and tiger habitats in the Tesso Nilo landscape in Indonesia by the Asia Pulp and Paper Company.
- The UK government adopted a Sustainable and Secure Buildings Act, which requires the use of materials that have a minimal impact on the environment, such as recycled or reclaimed materials or timber from independently certified well-managed sources.
- 20 architects, construction companies, and tourism companies in Costa Rica (15), Nicaragua (2), and Honduras (3) adopted responsible purchasing policies.
- HSBC adopted a responsible forest investment policy that gives preference to customers who have achieved forest certification, or who are following a credible path towards achieving certification within 5 years. Headquartered in London, HSBC is one of the largest banking and financial services organizations in the world.

Individual consumer recognition of forest certification labels is also growing. For example, a recent consumer survey commissioned by WWF Switzerland shows that every fifth Swiss (20%) recognises the certification label of the Forest Stewardship Council. This is up from a recognition rate of 10% in 2002.

Increased supply of legal products from well-managed forests

Increasing the supply of legal and responsibly harvested forest products to match the current and growing demand by developed countries has remained a key focus during this second year of the Global Alliance. The production of these products has enormous potential to curb the environmental destruction associated with illegal logging in producer countries, while contributing to the economies of both producer and consumer countries.

Through the Global Alliance a much broader and global approach has been extended in Latin America, Central and West Africa, the Russian Far East and Siberia, and South East Asia. These regions are those where some of the largest remaining intact areas of boreal forests and tropical rain forest are located. Through the Global Alliance, committed producers are provided with training and support to help them achieve responsible forestry and certification,

technical support to achieve optimization of production, business development services, and the market recognition they need to support their commitments.

Increasing organizational and productive capacity

In the second year of the Global Alliance, partners developed and provided technical support and training to USAID-funded market development initiatives in client countries. The Global Alliance partners worked to increase the organizational and productive capacity of producers to access domestic and foreign markets through the provision of information, tools, technical assistance and market connections that will lead to an increase in the area of forest under written commitment to achieve responsible forest management.

Building on work done in year one in the Peten region of Guatemala with the USAID-funded BIFOR project, Metafore and WWF refined diagnostic tools intended to assess the production capacity of producers of responsibly harvested forest products. The *Production Capacity Assessment Toolkit* is intended to be used by coordinators or managers of groups of responsible forest products companies, such as GFTN producer groups or other USAID-funded forest product market development initiatives, to collect data on the product lines and current production capacity of the producers they represent. This information will be used by the coordinator or manager of the market development initiative to: 1) determine courses of action to improve company capacity, 2) identify opportunities for technical assistance and market information needs, and 3) develop information that can be used as a marketing tool to inform potential buyers of responsibly harvested forest products.

Also this year, Metafore provided support to the micro-enterprise work of Greenwood in Honduras to teach residents to become skilled artisans, help them sell their products, and enable landowners to create and implement community-based forest management plans. This non-profit organization made great strides in the production of furniture and in linking that production to the sustainable harvest of lesser-known tree species from the managed secondary forests of Honduras, known as *quamiles*.

Increasing the area of committed forest

Through the development of a network of producer groups, WWF continued to increase the area of forest under written commitment to achieve responsible forest management. GFTN Producer Groups are Forest & Trade Networks for producers – forest owners, forest managers, processors and manufacturers that are committed to achieving credible certification following a stepwise approach. In many countries where forests are especially valuable and threatened, forest certification remains a distant goal. Producer groups provide training and guidance, and serve to focus market demand and external support on those producers who are committed to achieving responsible forest management. Participants commit to a phased, or "stepwise," approach to certification, which includes baseline appraisals, action plans and verification of progress to ensure that the timber they supply to domestic and/or international markets comes from known and legal sources, and from forests making progress towards responsible and ultimately certified management.

In year two of the Global Alliance, WWF supported the next stage of producer group development in Indonesia; Malaysia; Ghana; Central Africa; Russian Far East and Siberia; Central America and Caribbean; and Brazil by:

• facilitating 23 baseline appraisals and action plans for small and medium sized companies and community operations in Peru, Ghana, Russia, Indonesia, and Malaysia;

- hosting promotional events to attract new producer group members, including public launches in Cameroon, Indonesia, and Nicaragua, which attracted nearly 200 participants;
- building the capacity of companies to implement chain-of-custody systems for monitoring legality and compliance with certification in Russia (80 trained) and Nicaragua (30 persondays of technical assistance); and
- training nearly 40 potential auditors in Malaysia, Ghana, and Indonesia, thereby building local capacity to conduct baseline appraisals and develop certification action plans.

As a result of WWF's efforts, 14 companies joined GFTN Producer Groups this year. Two garden furniture manufacturers joined in Malaysia. The Brazilian Producer Group more than doubled the area represented by its membership in less than one year's time. The Russian Producer Group welcomed seven new members, including JSC "Lesosibirsk Sawmill" from the Krasnoyarsk region (Siberia). A total of 23 producers now participate in GFTN globally. These companies manage over 12.5 million hectares of forest, of which all but 1 million hectares are not yet certified. This means that over 11.5 million new hectares of forest are now in progress to becoming credibly certified.

An additional 31 companies from Brazil, Bulgaria, Cameroon, Ghana, Indonesia, Malaysia and Russia -- including Siberian Pine, a potential supplier to Global Alliance partner Andersen Corporation -- have applied to join producer groups. These companies manage in excess of 4 million hectares.

To support companies in the process of getting certified, GFTN implemented regional adaptations of its Modular Implementation and Verification (MIV) tool — or stepwise approach to certification — with 25 private companies and 6 communities in the Dominican Republic, Nicaragua, and Costa Rica; 2 companies in Ghana; and 1 company in Peru. In Peru, the stepwise approach to forest certification was applied in South America for the first time, representing a major step in bringing independent forest certification to the over 40 million hectares of productive tropical forest in Peru that currently, do not include any certified operations. This initiative is very important for the Global Alliance, since it is the first step in reducing illegal logging and bringing tangible market recognition to those members of the wood products sector interested in long-term sustainability of their industry.

More efficient trade of legal forest products from well-managed forests

Increasing the efficient trade of legal forest products from well-managed forests requires the development and dissemination of information that enhances decision-making of willing buyers and sellers. Global Alliance partners work to increase the understanding of markets and trade flows and facilitate the informed interaction between buyers and producers through a variety of activities to ensure that sustainable forest management is rewarded in the global market blace.

Understanding markets and trade flows

In year one, WWF detailed trade from Indonesia to the US, Russia to Sweden, and multiple countries into China. WWF continued to build a more comprehensive picture of international timber trade flows this year with studies on Central Africa – Southern Europe and Peru – China wood products trade. Through these studies WWF identifies the key buyers, producers and product lines that have the greatest potential to drive credible certification in producing countries. The studies serve as an invaluable tool for educating buyers on the growing complexity of timber trade flows and the consequent need to demand verification that finished products originate from well-managed forests, no matter the source.

Exchange information

To educate producers about the markets they currently and prospectively sell to, Metafore continued the research and conducted outreach on the topic of US markets for tropical wood products. Brazilian forester Estevao do Prado Braga concluded his one year internship with Metafore in March 2004, during which time he interviewed and researched 23 tropical wood importers and created material on the *US Market for Tropical Wood Products*. Sponsored by USAID, and conducted in cooperation with WWF and the Rainforest Alliance, Estevao presented seminars in Peru, Brazil, Guatemala, Nicaragua, Costa Rica. The information is available on a series of *Global Fact Sheets* on the Metafore website.

The results of the research were also disseminated through several mass media outlets in Central America, a specialized Bolivian publication, *International Trade* and Colombia's leading furniture trade magazine, $M \mathcal{C}M$. These publications reached an audience of approximately 20,000 individuals from the forest products industry, national and international agencies, and organizations and institutions in four countries.

Understanding the market for secondary processed tropical wood products is the focus of the research project to be conducted by Ana Alicia Eid, Metafore's intern participating in the USAID funded professional development program. Ana Alicia, formerly of WWF Bolivia, began her internship in March of this year, and has continued the work started by Estevao do Prado Braga. Ana Alicia's research project builds her capacity to empower USAID-funded market development initiatives in Latin America by allowing her to learn about the opportunities, constraints, and characteristics in the US marketplace for finished products made of tropical wood. The project results will be used to help secondary wood products manufacturers in tropical countries make informed decisions about product lines and capitalize on opportunities presented by both domestic and export markets. Metafore joined forces with Louisiana State University Agricultural Center to expand the focus of research on the market for secondary processed tropical wood products.

Metafore also created the Global Wood Advisor, first in a series of information briefs that will inform coordinators of USAID-funded market development initiatives, and the businesses they work with, about the tropical wood market in the US. The topics of information contained in the briefs are based on the results of the market research needs assessment that Metafore conducted in July 2004. The Global Wood Advisor will be translated into Spanish, Portuguese and French and delivered electronically to USAID-market development initiatives worldwide.

Metafore continues to evolve the Certification Resource Center and the CertifiedWood.org website into an objective educational website, powered by a comprehensive, accurate and global database of companies, forests and forest products certified under an array of third-party certification systems. The website will feature the most comprehensive and accessible knowledge on responsible forest products purchasing and use, serving a diverse audience with a intersecting interest in knowledge of forest and product certification and education of options and issues.

WWF and Metafore continued work to expand the commercialization potential of lesser-known species (LKS) through market research, assembling existing knowledge, conducting outreach to importers and users of tropical woods. By increasing the economic viability for more species in the marketplace, economic incentives for ecological diversity within forest are increased and excessive pressure on highly popular species is reduced. In this year, WWF facilitated the shipment of containers of certified LKS wood from Guatemala to the US and Netherlands through its Mesoamerican and Caribbean Forest & Trade Network. Wood was sent to the Wood Products Manufacturers Association in Oregon for experimental processing of various product lines to

evaluate performance of mahogany substitutes in case goods, flooring, millwork and furniture. Another container of certified wood was sold to a Dutch company, EcoHaut that hopes to market LKS to relieve the reliance on mahogany (a CITES II-listed species). Also this year, PRADA S.A., a plywood manufacturer in the impoverished Atlantic Coast Region of Nicaragua that WWF helped to achieve certification, obtained a 10 percent premium on its sales of certified lumber from a lesser-known species.

Interaction between buyers and producers

By facilitating trade links between companies committed to achieving and supporting responsible forestry, WWF's Global Forest & Trade Network creates market conditions that help conserve the world's forests while providing economic and social benefits for the businesses and people that depend on them. Through the coordinated efforts of the 22 Forest & Trade Networks (i.e. buyer and producer groups) and a global secretariat, GFTN provides the framework for interaction between responsible buyers and producers. GFTN strengthened its network this year by:

- developing and disseminating participation requirements, a template participation agreement, and other guidance documents for FTN managers;
- producing and distributing GFTN communications products, such as a brochure,
 Powerpoint presentation, and quarterly bulletin; and
- convening management team and regional coordination meetings in the Americas, Europe, Africa, and Asia.

GFTN promoted the interaction of buyers and producers through trade visits for interested buyers to producer groups and by facilitating the participation of producer group representatives and members in international and regional trade shows and meetings, including Brasil Certificado, Negocia Madera in Peru, Spoga in Germany, the UK Forest & Trade Network annual conference, and the International Wood Products Association annual meeting.

Through these efforts, GFTN has energized its buyer companies to expand their responsible purchasing and support producer groups. This year, GFTN fielded over 100 inquiries from its buyers for products from producer groups. These inquiries have the effect of rewarding producers who have already committed to achieving responsible forest management, or enticing new producers to join the group. To date, 25 of these inquiries have matured into successful trade relationships ("market links"). Highlights include:

- A West Kalimantan concessionaire established market links with a UK buyer that will expand opportunities for value-added production. Most of the production from this concession has been used for plywood; however, the buyer is interested in purchasing timber from the concession for garden furniture, once the concession completes the application process for the Indonesian Forest & Trade Network. The switch from plywood to garden furniture is expected to result in an order for 400 additional containers, a 25-30 percent increase in revenue over the potential from plywood. Thus, joining the Indonesia FTN may contribute to the creation of almost 200 jobs and US \$6 million in revenue for the area.
- At 5,000 hectares, Madevale has the smallest certified area among the companies in the Amazon, which has hindered its ability to access external markets. By joining the Brazil Producer Group, Madevale was able to access the markets of Europe and the United States by connecting with another member of the Producer Group with already established market links. The successful experience of Madevale is important for stimulating small timber companies to pursue good management practices.

The Forest & Trade Network for Mesoamerica and the Caribbean region, Jagwood+, developed three value-chain consortia in Nicaragua between indigenous communities, primary processors and secondary manufacturers or buyers to ensure a quality product. In one instance, high-quality Caribbean heart pine is being produced by an indigenous community and processed by a certified Nicaraguan operation for sale to a Tennessee importer at above local market price. In assisting these communities to implement responsible forest management and link with certified processing companies and buyers, Jagwood+ has helped to substantially improve their revenues -- in one case by 200 percent.

Also this year, GFTN expanded its effort to increase efficient trade of legal forest products from well-managed forests by engaging the financial sector on investment criteria on forest related enterprises and proactive support for responsible producers. In October 2003, WWF introduced its "Guidelines for Investment in Operations that Impact Forests" tailored for development banks, export credit agencies (ECAs), and commercial banks at the Forest Investment Forum, an event it co-hosted with The World Bank, International Finance Corporation, World Business Council for Sustainable Development, and Forest Trends. As a result of this event, WWF's GFTN has forged two regional Memoranda of Understanding with the IFC in Indonesia and Latin America in support of responsible producers.

Cross cutting achievements

Certain benchmarks represent measures of progress for multiple expected achievements. For example, increasing communications venues, where lessons learned and success stories are presented to promote innovation and collaboration is key to implementing the Global Alliance's market-based approach to forest conservation and community development. Together Global Alliance partners work to organize, implement and conduct follow-up for workshops, conferences and other meetings focused on raising the profile of key issues and advancing the development and application of solutions with a broadening cast of stakeholders with the capacity to create positive change. Metafore is planning a workshop on illegal logging for November 2004 and will host the Forest Leadership Forum in 2006 to showcase tools for action and highlight the successful strategies of businesses, environmental groups and other organizations.

WWF and Metafore also look to communicate the message of the Global Alliance more broadly through various media outlets. This year, WWF raised awareness of responsible forest trade issues with key audiences with notable media coverage of GFTN in Print & Paper Europe, FDM Asia, and Focus, the member magazine of the UK Timber Trade Federation

Annex 1: Summary activities table with metrics

		Metric					
Activity	policy successes	tools	tech asst. person-days	persons trained	partners	hectares	market links
Year 2:							
A. Enhanced demand for legal products from well-managed forests	20	43	26	640	376		
B. Increased supply of legal products from well-managed forests		17	94	161	163	12,691,139	
C. More efficient trade of legal products from well-managed forests		37	94	546	11	64	28
D. Multiple Expected Achievements	4	1	60	40	5		
Total	24	98	274	1,387	555	12,691,203	28
Year 1	16	9	7	1,221	46	1,809,232	
Grand Total (Years 1 – 2 Cumulative)	40	107	281	2,608	601	14,500,434	28
	<u> </u>						
	policy successes	tools	tech asst. person-days	persons trained	partners	hectares	market links

Annex 2: Data for USAID Annual Report

Progress against USAID indicators (October 1, 2003 – September 30, 2004)

	total ha			
	effective/improved management	effective ha	improved ha	policy success
Brazil	11,16,179	1,116,179	0	
Malaysia	108,665		108,665	
Russia	11,454,668	697,905	10,756,763	
Honduras	64		64	3
Costa Rica				15
Nicaragua				4
Africa				1
Europe				3
Total	12,679,576	1,814,084	10,865,492	26

Notes:

Effective forest management

1,814,084 hectares total under effective management represented by membership of GFTN producer groups. Effective management is verified by credible, independent, third-party certification.

1,116,179 ha	Brazil (Amazon)
697,905 ha	Russia (223,000 ha in Siberia)

Improved forest management

10,865,492 hectares total under improved management

10,865,428 hectares under improved management as demonstrated by membership in GFTN producer groups. Members undergo baseline appraisal and develop a timetabled action plan for achieving certification.

108,665 ha	Malaysia
10,756,763 ha	Russia (113,736 ha in Siberia)

• An additional 64 hectares under improved forest management through the GreenWood program in which gaumiles are brought under management plans.

Policy successes

26 policy successes

20 architects, construction companies, and tourism companies in Costa Rica (15), Nicaragua (2), and Honduras (3) adopted responsible purchasing policies which give preference to wood products from responsibly managed forests.

- The Swiss door-manufacturing industry Verband Schweizerische Türenbranche (VST) committed to use only wood whose origins can be traced to legal sources, and eventually to use only wood with a credible certification label.
- European Do-it-Yourself retailer Bauhaus AG committed to systematically exclude illegal wood and wood from ancient forests from its products and closely monitor all its products to ensure their origin is known and legality is assured. Bauhaus AG has stores in Slovenia, Czech Republic, Croatia, Austria, Germany, Finland, Denmark, Sweden, France, Spain, and Turkey.
- The UK government adopted a Sustainable and Secure Buildings Act, which requires the use of
 materials that have a minimal impact on the environment, such as recycled or reclaimed materials or
 timber from independently certified well-managed sources.
- Multi-sectoral consultative body established for RAAN region of Nicaragua to promote certification and Nicaraguan Forest Strategy completed (2 successes).
- WWF and the intergovernmental Africa Timber Organization (ATO) signed a Memorandum of Understanding, in which ATO commits to support the establishment and operation of the Central Africa Forest & Trade Network. This agreement and the participation of the ATO Secretary General constitute important political backing for the producer group in Central Africa.