Enhancing our sustainable fibre supply chain

Wood is one of our most important raw materials and we source it responsibly. Certification, despite its limitations, is the best way to verify that wood is sustainably sourced. But the administrative and financial burdens of certification are restricting uptake, especially among small and medium forest owners and communities.

With demand for sustainable fibre on the rise, collective action is urgently needed to increase the volume of certified wood in the global supply chain.

Certification: the best solution, but it needs to work for everyone

Despite current limitations, we believe that certification is the most reliable indicator of sustainable forestry. A rapidly increased uptake of credible certification by small and medium enterprises (SMEs) is the best solution for meeting the growing demand for transparently and sustainably sourced wood.

Over the past five years, we’ve maintained the proportion of certified wood in our supply chain at above 60%, and we’ve taken measures to improve on that. But many wood suppliers and SMEs see certification as a burden with excessive administrative requirements and disproportionate costs. As a result, there is a growing tendency for SMEs to consider exiting certification.

With most of the world’s forests still uncertified, meaningful change to certification processes needs to happen urgently – with a simpler and more effective process for SMEs.

Together with other stakeholders and through World Business Council for Sustainable Development (WBCSD) and The Forest Dialogue, we’ve been engaging with certification systems to support them in improving and simplifying certification processes. Ultimately, we believe certification should be more accessible and affordable to all suppliers and, in particular, to small and medium forest owners – benefiting them and our business. This approach will ensure more forests are sustainably managed and HCV areas protected.

In 2015, the FSC published its new global strategy setting out targets to address the realities facing its stakeholders, including small and medium forest owners. We engaged closely with FSC and other stakeholders in supporting this process. The challenge now is to implement the strategy through collective action and collaboration on the ground.

We will continue to encourage a risk-based approach and simplification of the global certification systems, FSC and PEFC, making them more affordable and effective.

“Unless the administrative burdens – including certification – are reduced, especially the disproportionate requirements for SMEs and communities, the protection of global forests remains at risk. Collective action is needed to come to a solution that benefits all.”

Peter Gardiner
Group natural resources manager
**Keeping the right balance between virgin and recycled fibres**

We believe in the cascading use of wood principle to maximise the value society gains from the world’s forests. The rationale behind it is that wood should first be used to make high-value products like furniture, packaging and fine papers before it is reused, recycled and finally burnt for energy generation.

We consider virgin and recycled fibres as complementary. A proportion of virgin fibre will always be needed in the fibre supply chain to ensure recycled paper production and supply are sustainable in the long term.

Recycled fibre is not sustainable without virgin fibre input — and degrades over time. As the diagram above shows, both are key elements of an integrated wood fibre system which can only remain sustainable through the systematic introduction of virgin fibre to maintain quality and strength.

By adopting the principle of cascading use of wood, we aim to optimise our own use of virgin and recycled fibres. We assess the balance between virgin and recycled fibres in our products on a case-by-case basis, using the optimum solution to deliver the right high-quality product for our customers. By sourcing our wood only from responsibly managed forests and using recycled fibre, we make an important and sustainable contribution to the fibre cycle.

> “Is virgin or recycled fibre more sustainable? It’s not straightforward. They are both part of the same fibre cycle. Virgin fibre input is absolutely necessary to sustain the cycle, so we need both.”

Neil Burns
Group head of sustainable development