

SEEING THE WOOD FOR THE TREES

The **WWF and IKEA partnership**, spanning more than a decade, has transformed the forest products sector by expanding the market for responsibly produced products.

Strong, light, flexible, attractive and renewable, wood is perhaps the ultimate raw material. Integral to our lives for millennia, its future uses are bound only by the limits of our collective imagination. Tomorrow morning we might clean our teeth with recyclable wood fibre brushes in front of nano-crystal mirrors made from wood-based composites. Then, at breakfast, read the news electronically on the wood-based semi-conducting polymeric screen built into kitchen tables. And later at work, use fibre-based displays that change according to our schedules and moods.

But this exciting future for wood comes with a challenge. WWF's *Living Forests* model predicts that by 2050 we'll be using nearly three times as much wood as we are now. Despite its natural advantage, growing demand can fuel unsustainable forestry that harms forests, depletes carbon stores, displaces communities and livelihoods, and pollutes air and water. And in a world where competition for land and water is increasing, incomes are rising and populations are growing, we need to increase the supply of wood without destroying or degrading the forests on which we all depend.

A partnership for change

Achieving sustainability is a challenge that spans the whole timber supply chain, from where and how wood is grown and harvested to how wisely and efficiently it is processed, used and reused. For IKEA, a company designing, manufacturing, transporting and selling large volumes of wood – which makes up around 60 per cent of all material used in its 9,500 products – it's also a unique opportunity. And one that led to partnership with WWF, together with a recognition that it couldn't solve the complex challenge of sustainability alone.

WWF and IKEA joined forces in 2002 with the shared goal of combining expertise and commitment to sustainability to safeguard some of the world's most precious natural resources. The partnership focuses not just on IKEA's own business, but the transformation of entire forestry and cotton markets. The potential for positive change is significant. In 2014, IKEA – the world's largest furniture retailer – used over 1 per cent of the total wood used commercially around the world.

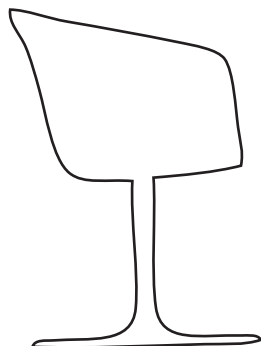
"At IKEA we want our business to have a positive impact on the world. Our sustainability strategy, People & Planet Positive, will help us do that. Ultimately, we want our operations to be completely sustainable - becoming resource and energy independent," says Simon Henzell Thomas, IKEA Sustainability Policy & Partnerships Manager.

The partnership has included the pursuit of credible voluntary standards, best practice and knowledge sharing. With WWF, IKEA was a founding member of the Forest Stewardship Council (FSC), and since 2002, in the countries where WWF and IKEA work together, the partnership has contributed directly to an increase in FSC-certified forest of around 35 million hectares – an area about the size of Germany. The focus on FSC certification goes beyond the forest. IKEA's 2015 catalogue, with 217 million copies worldwide, is the largest print production ever to be fully FSC-certified.

The partnership also supports legislation to combat illegal timber trade, such as the EU Timber Regulation, the development of which both WWF and IKEA have been involved in deeply. Influencing forestry policy to combat illegal logging is also important in China and Russia. Around 5 per cent of IKEA's wood is grown in China, and additional timber is imported from Russia for processing there. Sourcing teams and forestry experts work with suppliers in Russia to increase the amount of certified wood and to prevent illegally imported wood from entering the supply chain. The partnership has also worked closely with the Chinese State Forest Administration to improve forest management.

Smallholders and a world first

The partnership is supporting joint forest projects in places as diverse as Russia, China, southeast Asia, and Eastern Europe. It has gained important experience and seen significant positive development through its work with smallholders, especially in the Greater Mekong. The region boasts booming economies, but also a high rate of deforestation and forest degradation. Forest cover in the Greater Mekong has fallen from over 55 per cent in the early 1970s to 34 per cent today.



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For IKEA, rattan, acacia and bamboo are the principal forest products sourced from the region. In 2011, the partnership contributed to the first ever FSC certification of rattan forest in Laos, a major milestone in a country where rattan is an invaluable part of rural people's livelihoods. With 5,700 hectares certified and another 8,504 hectares in the pipeline, WWF and IKEA have shown local communities the value of responsible management over and above the return from overharvesting, illegal trade and land conversion. Overall, 100 villages in the Greater Mekong have set up Village Rattan Producer Groups and over 4,000 families have benefited.

Stewardship beyond the bottom line

By 2017, IKEA expects to source at least 50 per cent of its wood from more sustainable sources, and 100 per cent by 2020. The ultimate goal to become 'forest positive' is one that matches the scale and urgency of WWF's own 2020 target of Zero Net Deforestation and Degradation (ZNDD). Significantly for WWF, IKEA's commitment means supporting responsible forest management and protection beyond the forests that supply timber for its own products. By 2020, the company aims to contribute to the FSC certification of 15 million hectares of forest in WWF's priority areas – equivalent to more than double the total estimated area needed to supply IKEA.

Better cotton and water

IKEA uses around 0.6 per cent of all cotton grown around the world and in 2005, the partnership set itself the ambition of transforming cotton production worldwide and helping farmers earn a better living while reducing environmental impacts. From an initial effort involving 450 farmers, WWF and IKEA helped to create the Better Cotton Initiative, and today around 43,000 farmers in India and Pakistan have adopted more sustainable practices. IKEA's own supply chain has been transformed, with 72 per cent of cotton now from more sustainable sources and on course for 100 per cent by 2015. In addition, the partnership has recently begun to examine IKEA's water use, much of which occurs in cotton production, and will identify opportunities for improved water stewardship across key river basins.

Making a difference together

Today, WWF and IKEA have started to work on a 'sustainable landscape' approach that seeks to balance forest use and health with other competing uses, and secure overall land use sustainability. Incentives for forest stewardship that make standing forests more attractive than the short-term financial gain of forest conversion are central to the approach, as is the development of equitable, deforestation-free commodity sourcing and financing. Realising a deforestation-free supply chain requires innovation across multiple sectors, and integration with the specifics of local governance, ecology and development. It's an opportunity to develop models that can be applied more widely, encouraged by zero net deforestation sourcing commitments such as those from the Consumer Goods Forum and the Banking Environment Initiative Compact. In addition, the partnership will also explore how the forest sector can contribute to a greener economy through improved production efficiency and a smaller natural resource footprint.

"WWF encourages companies to shoulder collective responsibility for overall resource stewardship, and as its *Living Planet Report* demonstrates, the challenges facing the global environment today are too complex for any one organisation or company to solve alone. IKEA is a company that is at the forefront of developing innovative solutions. It has always been part of its culture to make more from less. Resource stewardship is the natural extension of this, and at the heart of the partnership is a shared belief that by working together, the two can truly make a difference that would not otherwise be possible," says Marcus Albers, Manager, Corporate Partnerships, WWF-Sweden.

