



Buying wood and paper

What public buyers need to know to create a sound procurement policy

by Avrim Lazar

CANADA'S FOREST INDUSTRY has long recognized that climate change is not an abstract threat, but today's reality.

In the last 10 years, we have reduced greenhouse gas (GHG) emissions from our mills by eight million tonnes of carbon dioxide – a 60 percent reduction. That's like taking 300,000 cars off the road for 10 years.

Our mills are more efficient and have switched to renewable fuels from fossil fuels. We are committed to becoming carbon neutral from cradle (the forest) to grave (recycling), without purchasing carbon offsets.

However, our industry competes in a global marketplace, which means that unless our competitors take the same tough measures, there will not be a level playing field.

That's why it is so important that buyers create a sound procurement policy for wood and paper products – one that tells you which products represent the best environmental choice while sending a signal that your organization is making wise purchasing decisions.

I know this is something your profession understands, and has embraced – *Summit* magazine's special green procurement issues are just one example. In its *2009 EcoMarkets Report*¹, TerraChoice Environmental Marketing asked professional purchasers about their green purchasing patterns – more than half reported they had done more green purchasing in the last year, and 83 percent

predicted more green purchasing in the next two years.

Address key principles

At the Forest Products Association of Canada (FPAC), we created a list of five key principles that should be considered in a well-developed wood and paper procurement policy.

Legal harvesting only: Illegal harvesting is a large and growing problem in many parts of the world. Using only legally harvested wood prevents illegal harvesting and the deforestation associated with it.

Prompt regeneration: Worldwide, deforestation is responsible for about 18 percent of the world's GHG emissions. Buyers must source products from forests that are regenerated promptly after harvesting.

Waste reduction: Producers can fight waste by ensuring that a high percentage of every tree harvested is used by turning sawdust and other residues into fuel, and supporting waste paper recovery and recycling.

Greenhouse gas reductions: Suppliers must commit to, and be able to show progress toward, reducing greenhouse gas emissions in the production of wood and paper products.

Open to public scrutiny: Buyers must ask for independent assurance that forests are managed sustainably and regenerated promptly, appropriate environmental controls are in place, special places have been protected, and climate issues have been addressed.

The challenge, of course, is that global

markets make procurement complex. It can sometimes be hard to know which producers are meeting these important principles.

One option is to look for Canadian sources. Our forests deliver diverse, high-quality products, and we have some of the toughest environmental laws on earth. Canada's forest industry is a leader in finding ways to reduce waste and support recycling. Billions have been invested each year in facility upgrades and innovative practices to limit GHG emissions and fight climate change. And we are a world leader in third-party forest certification, which is an effective and easy way to check the history of a forest product.

Meeting the challenges

FPAC worked closely with external organizations familiar with issues in the marketplace to develop the five sustainability principles. We will continue to work with procurement specialists to help them find ways to make the right choices.

One example is our partnership with PricewaterhouseCoopers, which led to a *Buyers' Guide to Canada's Sustainable Forest Products*. The guide, posted on our website at www.fpac.ca, identifies the kinds of questions you should ask, and provides an outline of a sustainable forest products procurement policy.

Here are some of the elements you will want to consider in a wood or paper procurement policy:

- **General principles:** Include a statement that sets out what your organization aims to achieve through the policy.

1. TerraChoice Environmental Marketing 2009 EcoMarkets www.terrachoice.com/home/services/research

- **Responsible fibre sourcing:** Identify supply preferences such as products that are third-party certified, come from legal sources, or are from forests managed to conserve ecological and cultural values.
- **Environmental performance:** List the environmental performance you expect such as protection of air and water quality, efficient use of resources, a commitment to recovery and recycling, and reduced dependence on fossil fuels.
- **Social responsibility:** Make it clear you expect suppliers to respect the rights of forest sector workers, forest communities and Aboriginal peoples.
- **Research and education:** Show your commitment to continual improvement, awareness and accountability related to environmental performance.

You will also want to factor in monitoring and reporting activities to measure progress and report on success, and also look for opportunities to improve through experience.

Independent scrutiny

There are several ways to check the history of forest products, such as harvesting permits and bills of lading, but the most effective is independent third-party forest certification.

Once again, Canada is well positioned. There are three credible certification programs used in Canada – the Canadian Standards Association (CSA), the Forest Stewardship Council (FSC) and the Sustainable Forestry Initiative (SFI)². They all set thresholds above and beyond regulatory requirements for forest management. All are endorsed by governments around the world. They all address responsible fibre sourcing, environmental performance and social responsibility. They are complemented by chain-of-custody certification, which provides a link between certified forests and certified products.

In 2008, the Canadian Council of Forest Ministers issued a statement saying CSA, FSC and SFI “demonstrate, and promote the sustainability of forest management practices in Canada.”³ Public Works and Government Services Canada

requires all wood products used in its building projects to be certified to CSA, FSC or SFI, and says it believes all three of these systems effectively promote more sustainable management of Canada’s forest resources.⁴ The Competition Bureau of Canada says claims of sustainability for forest products can be verified if the products are certified to standards such as CSA, FSC and SFI.⁵

Green building rating systems, such as Green Globes and the National Green Building Standard, recognize all three of the certification programs used in Canada, and changes are being proposed to the Leadership in Energy and Environmental Design (LEED) system so forest certification programs meeting measurable benchmarks can earn points. Just 10 percent of the world’s forests are independently certified, and more than 40 percent of these certified lands are in Canada, which means you are more likely to find certified products from Canada to meet your specific needs.

Considering all impacts

Responsible procurement means considering the environmental impacts of a product or process from cradle to grave using an internationally recognized process called life cycle assessment. When it comes to buying forest products, the results can sometimes be surprising.

For example, there is emphasis these days on recycled fibre. While post-consumer recycled fibre is a good choice, it is important to ask a few more questions – such as whether waste paper needs to be transported long distances or if brighter paper grades need additional processing. Life cycle assessment can show that harvesting and processing fresh fibre from sustainably managed forests is also a good environmental choice.

Then there is the simple fact that without fresh fibre from sawmill residues and harvesting, we would soon run out of paper. Recycled fibre breaks down with each use and about 15 percent of paper products, such as tissues and documents stored for extended periods of time, cannot be recycled. That’s why Canada’s

paper fibre cycle depends on fresh fibre from well-managed forests as well as a strong recovery network.

Finding the right solutions

We all must do everything we can to meet the challenges of climate change. Especially in Canada, one solution is to choose wood and paper-based products.

British Columbia recently introduced a *Wood First Act* requiring that wood be considered as the primary construction material for provincially-funded building projects. The province also increased the maximum allowable height of wood-frame residential buildings from four to six storeys. Quebec also requires preference for wood, while taking into account the cost and GHG emissions.

This is recognition of the fact that renewable, recyclable forest products are a wise environmental choice that yield immense social and economic benefits. Forests absorb and store carbon in trees, soil and biomass. When the trees are harvested, much of the carbon remains stored in the resulting products for decades, or even longer.

But to achieve these benefits, the products must come from legal, sustainable sources. A procurement policy can help to deliver this assurance. This is an important consideration because the wrong choice can contribute to deforestation, destroy habitats and undermine the viability of legally harvested and traded forest products.

It is especially important to be diligent if the products are coming from regions where illegal activity is more likely, or where the rights of workers or Aboriginal peoples may not be respected. You may also want to take extra care if the area has unique ecological or cultural features.

There are many ways public organizations can ensure their actions yield environmental benefits and help to mitigate climate change. Encouraging the use of forest products, and taking care to choose wood and paper products from sustainable sources are simple and effective ways you can make a difference. 

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2. CSA and SFI are endorsed by a global, independent non-profit program called Programme for the Endorsement of Forest Certification schemes (PEFC) www.pefc.com.

3. Canadian Council of Forest Ministers, 2008. Statement on Forest Certification Standards in Canada www.sfmcanada.org/CMFiles/PublicationLibrary/CCFM_Statement_Forest_Certification_EN1KWA-24122008-5150.pdf.

4. Public Works and Government Services Canada, Questions and Answers <http://www.tpsgc-pwgsc.gc.ca/biens-property/questions-eng.html>.

5. Competition Bureau of Canada, 2008. Environmental Claims: A Guide for Industry and Advertisers www.competitionbureau.gc.ca/eic/site/cb-bc.nsf/eng/02700.html.