

# **Sustainable Forest Management in Russia and China: IKEA view**

**Mikhail Tarasov**

**Global Forestry Manager IKEA of Sweden**





# This is IKEA!



A photograph of three children jumping on a dark blue sofa in a living room. The child on the left is wearing a dark blue long-sleeved shirt and light grey pants. The child in the middle is wearing a light grey long-sleeved shirt and grey pants. The child on the right is wearing a white long-sleeved shirt and blue jeans. The sofa has a patterned cushion and some toys on it. The background shows a modern interior with a bookshelf.

# Our vision

To create a better everyday life  
for the many people





# Democratic Design







**21,0 million m<sup>3</sup>/yr**  
Roundwood equivalent



# Wood is a major part of the IKEA identity

How much is 21 M m<sup>3</sup>?

- 24 meter long, 40 m<sup>3</sup> timber truck = 525,000 trucks
- 12,600 Kilometres = Älmhult – Darwin AU
- Over 1% of the world's industrial wood consumption
- 60 percent of the IKEA purchase value
- 36 billion Euro of sales







# ...but IKEA is more than just about wood

*"Making everyday life of the many people better does not only mean selling more book cases tomorrow; it is rather improving forest management that impacts the life of the many people and communities dependent on forests that helps us realize the IKEA vision"*

Peter Agnefjäll, former IKEA CEO, 2014



# Challenges of Sustainable Forest Management & wood trade in China

- Forests and plantations are degraded / not properly managed
  - Poor commercial structure of stands coupled with low biodiversity
  - Low productivity of plantations especially grown by farmers, this along with aging of farmers demotivates them to continue forestry
  - Conversion of commercial plantations (e.g. eucalyptus) to fruit plantation
- Wood imports to China drives illegal logging & trade
- Harvesting waste & production waste in wood origin countries
- Global demand of forest risk materials drives forest degradation and deforestation



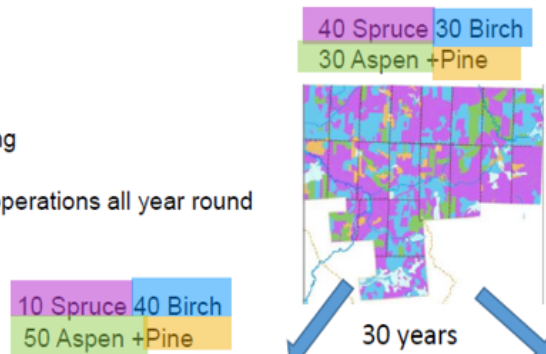


# Challenges of Sustainable Forest Management in Russia: Intensive vs. extensive management

## “Extensive” way

Goals: - to minimize all costs at the short-term perspective  
- to maximize the profit of current harvestings operations

- No investments
- Forest value decreasing
- Poor services market
- Peaks and slumps in operations all year round



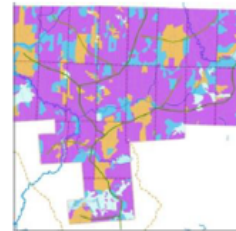
30 % sites available all year round  
70 % winter sites

## “Intensive” way

Goals: - to maximize the profit at the long-term perspective  
- forest value increasing and operational sustainability

- Part of profit from forest utilization is invested to the roads and silviculture
- Services market development
- Trouble proof operations all year round

60 Spruce 20 Birch 20 Pine



70 % sites available all year round  
30 % winter sites









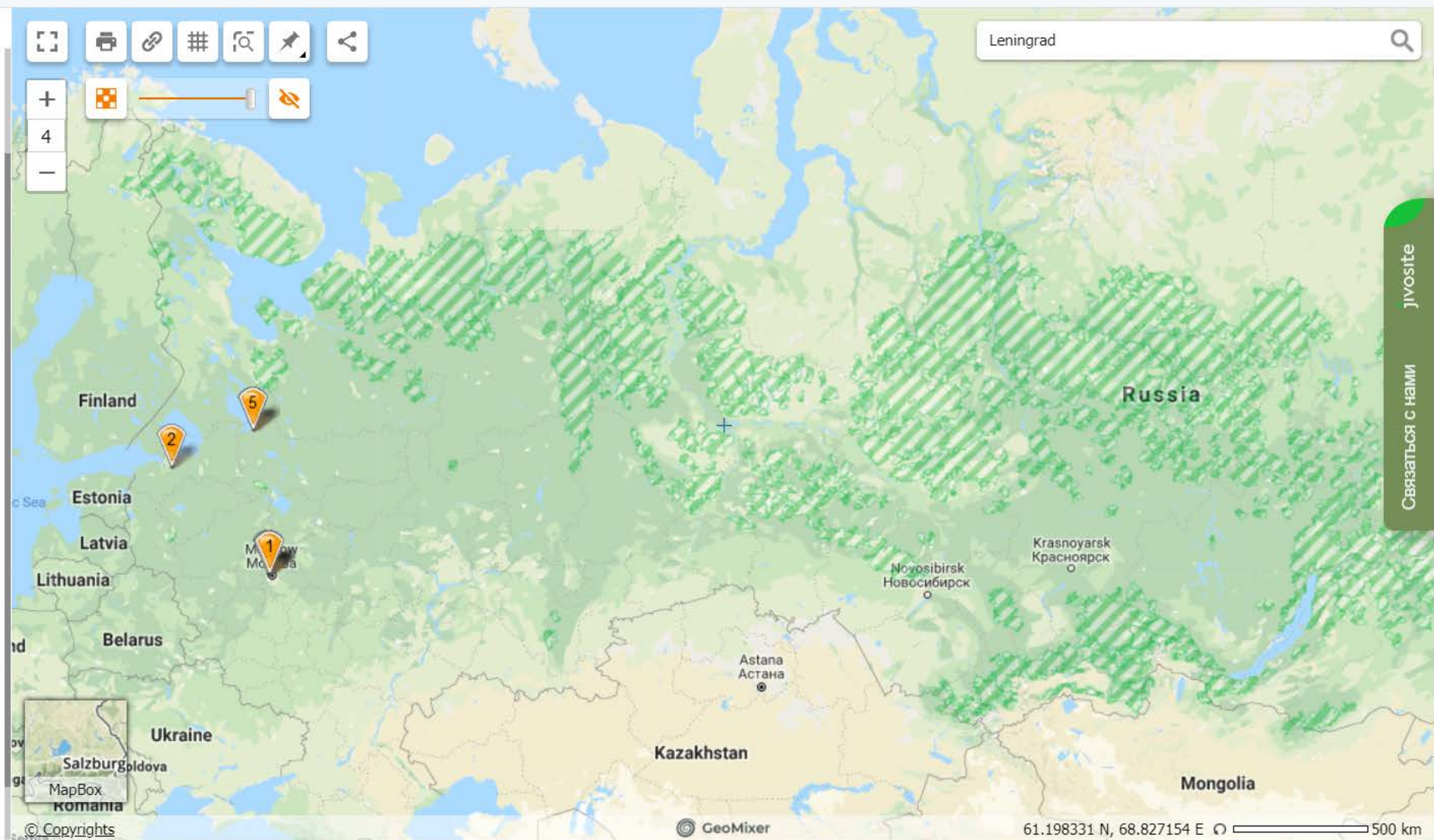
# HCVF of Russia

Fires from ScanEx

< 06.03.2019 - 06.03.2019 > 00 - 16

Single date interval daily

- ☒ National level HCVF
  - ☒ Intact Forest Landscapes
    - ☒ IFL of Russia condition on 2013-2017
    - ☐ IFL of Russia condition on 2000
    - ☐ Important Bird Areas
    - ☐ Centres of Plant Diversity
    - ☐ Ramsar Sites
  - ☐ FSC-certified areas
  - Layer styles
    - ☒ Действующие сертификаты
    - ☐ Приостановленные сертификаты
    - ☐ В процессе сертификации
  - ☐ Logging ban agreements in HCVF
  - Layer styles
- ☐ Base layers
  - ☐ GFW Tree Loss from 2000 to 2014
  - ☐ Forest Cover Gain
  - ☐ Tree Cover
  - ☐ Tree species composition
  - ☐ Landsat Imagery year 2016
  - ☐ Landsat Imagery year 2000
  - ☐ VIIRS City Lights
- ☐ Satellite monitoring data
  - ☐ RC\_Sentinel-2\_432 данные с 27.06.2015



Связаться с нами





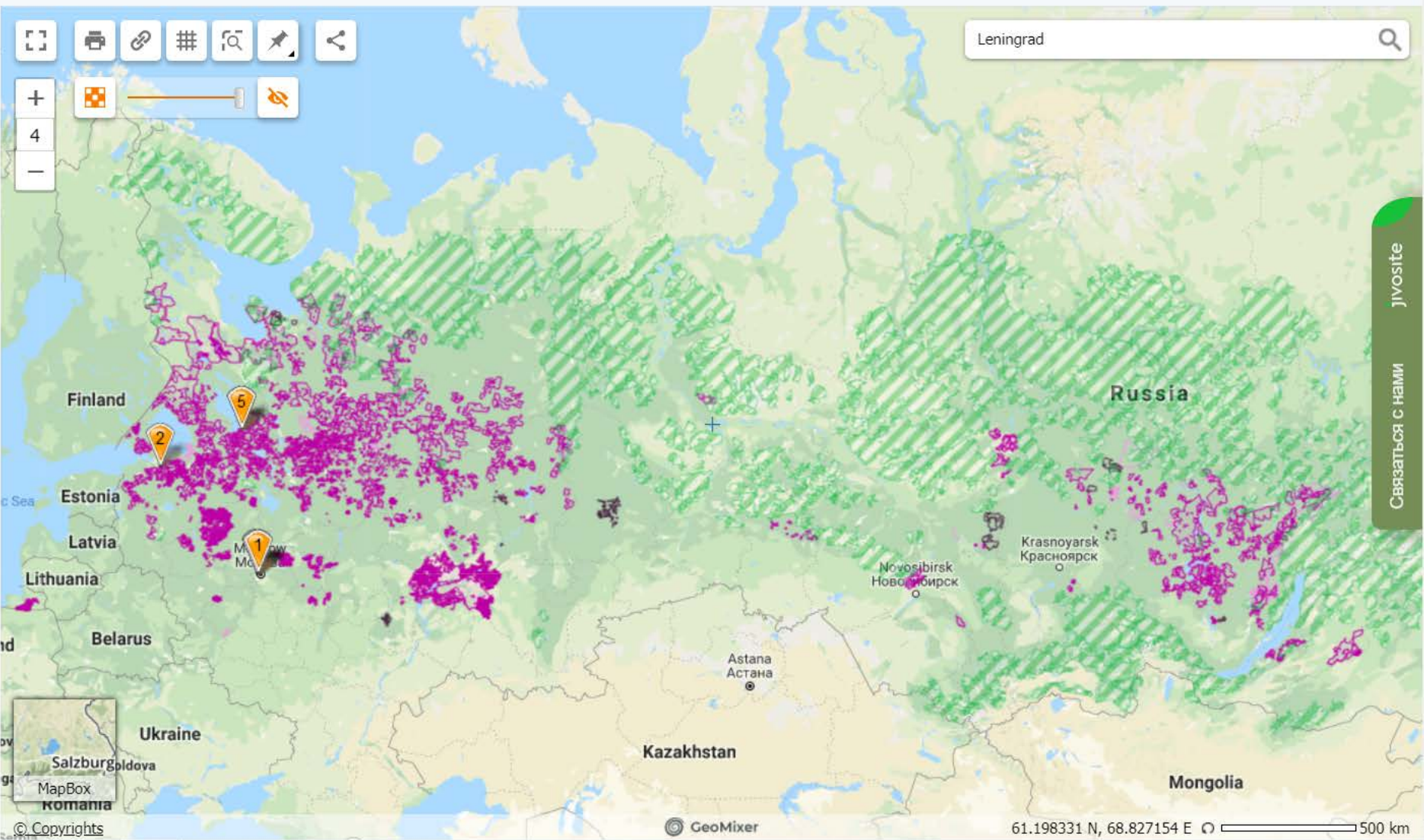
### HCVF of Russia

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- ☒ **National level HCVF**
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  - ☐ Tree Cover *i*
  - ☐ Tree species composition *i*
  - ☐ Landsat Imagery year 2016 *i*
  - ☐ Landsat Imagery year 2000 *i*
  - ☐ VIIRS City Lights *i*
- ☒ **Sattelite monitoring data**
  - ☐ RC\_Sentinel-2\_432 данные с 27.06.2015 *i*





A photograph of a forest scene. In the center, a person wearing a hat and a jacket is walking along a path covered in fallen leaves. The forest is filled with tall, slender trees and a dense canopy of bright green leaves. The lighting is soft, suggesting a dappled sunlight effect. The overall mood is serene and natural.

How can we help address those  
challenges?



IKEA SUSTAINABILITY STRATEGY

PEOPLE



PLANET

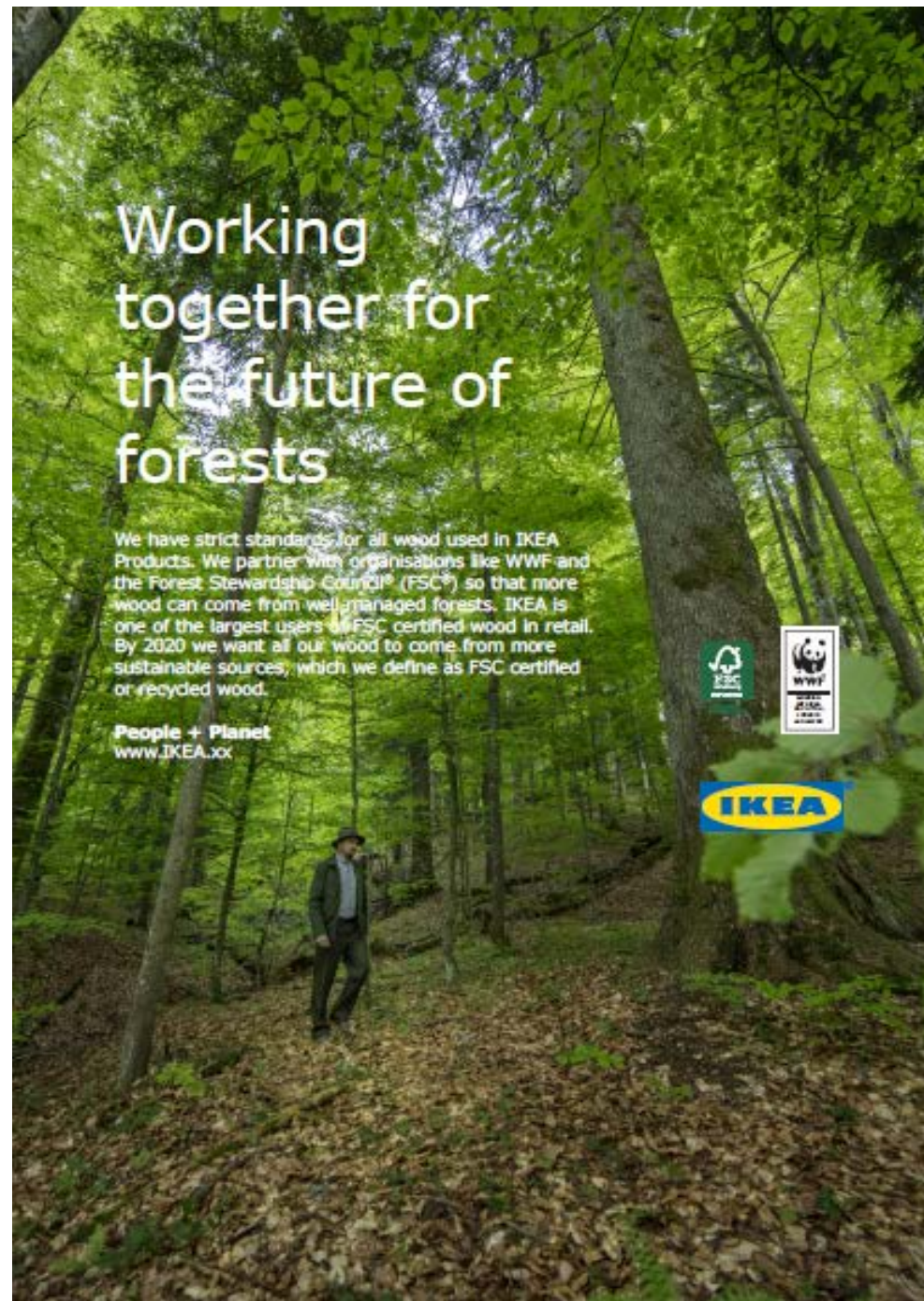
*Positive*





# Forest Positive

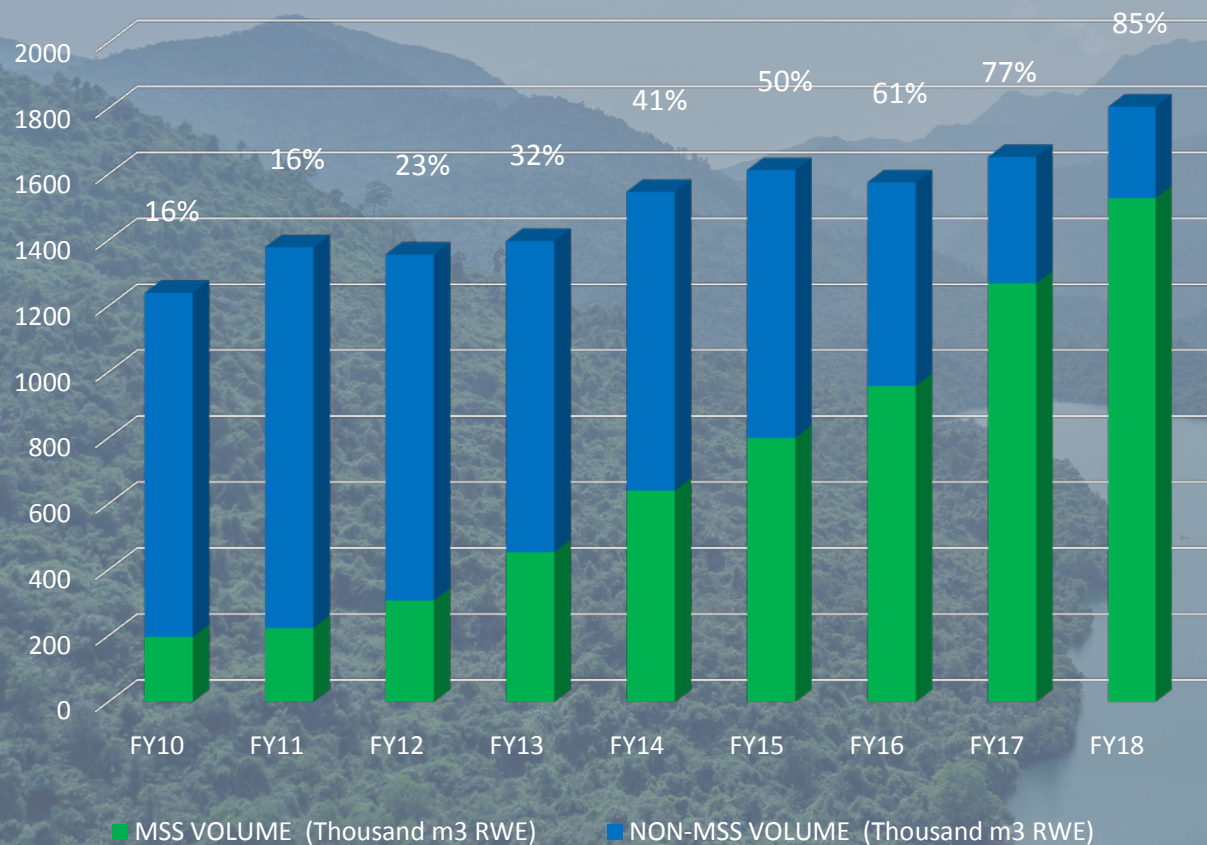
- We want to source All wood and paper from More Sustainable Sources by **2020** (achieved in 2017 in high risk areas)
- We **go beyond our own needs** for wood used in our products, striving for responsible forestry to be the norm
  - by doing so we contribute to **ending deforestation**
  - **regenerative approach**
- **35 M ha** of FSC forest (the size of Germany) has already been certified within IKEA & WWF partnership and we will add **15 M ha by 2020**





# Wood from more sustainable sources

Wood from more sustainable sources – MSS (FSC & recycled)



- Wood consumption incl. wood & paper in the products reached 18.05 M m3 (9% up from FY17)
- MSS reached 15.3 M m3 (20% up in absolute values from FY17)
- IKEA used 824 thousand tons (about 2.9 M m3) of paper based packaging, 75% of it was recycled, MSS level 57%
- Big milestone passed 01.09 FY17 in securing 100% MSS in high risk countries (about 23% of all wood used)





# On the way to becoming Forest Positive

100%

Wood from more sustainable sources by 2020

87%

Current level of wood from more sustainable sources

100%

Level achieved in risk countries in 2017





# WWF-IKEA Forest Partnership

## 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.



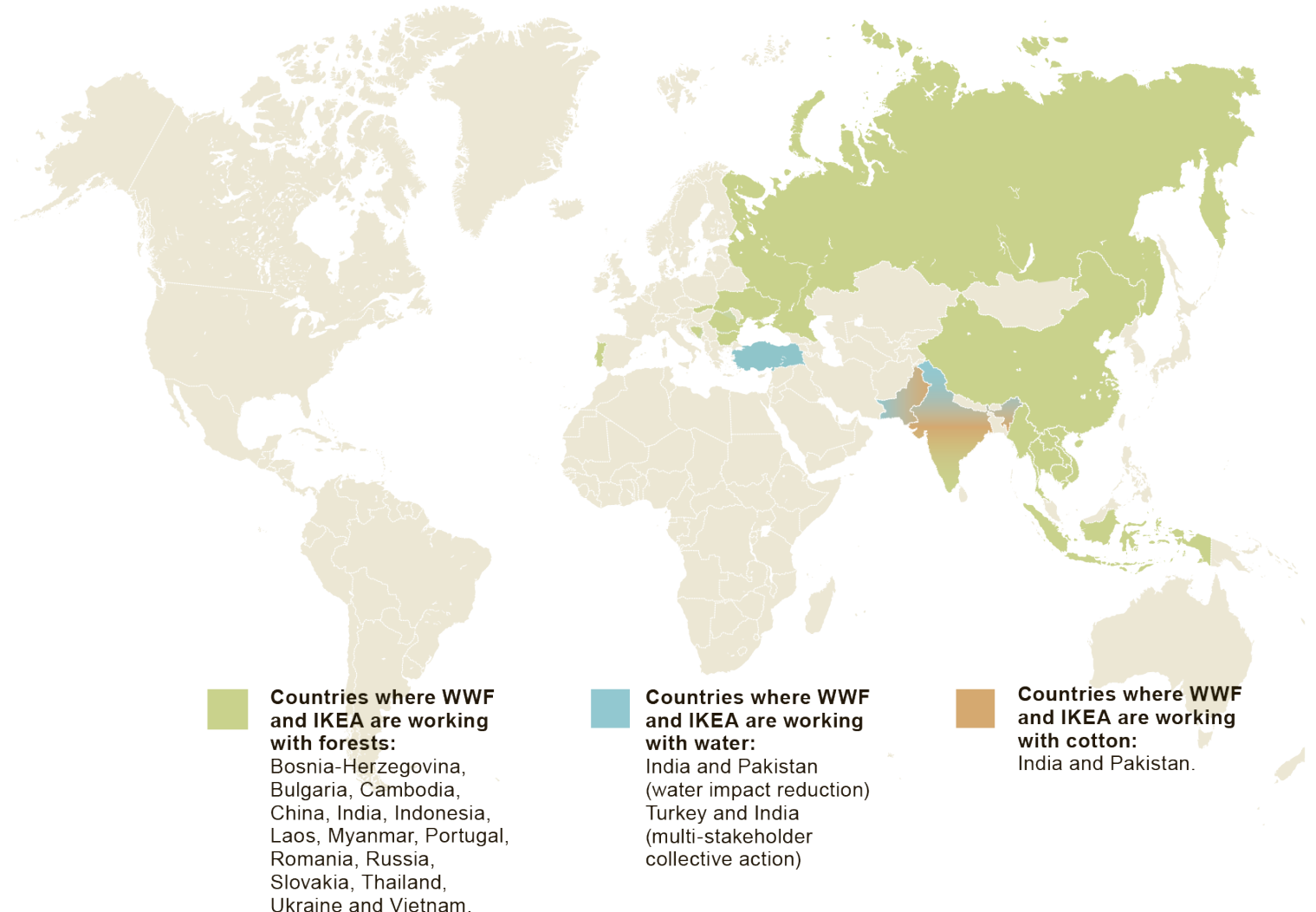


# WWF and IKEA – a partnership for change

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.

In 17 countries the partnership supports:

- **responsible forest management**
- **more sustainable cotton**
- **good water stewardship**



# Supporting Enterprise, Smallholders and Sustainability in China

CHINA

PROJECT PERIOD  
2002-2020

- Promoting FSC-certification, identifying high conservation values at provincial level, building capacity for responsible forest management in forest enterprises, academia and governmental agencies
- 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, the focus on FSC promotion shifted from natural forests in the north-east to smallholder plantations in southern provinces

“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



# Supporting Enterprise, Smallholders and Sustainability in China

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

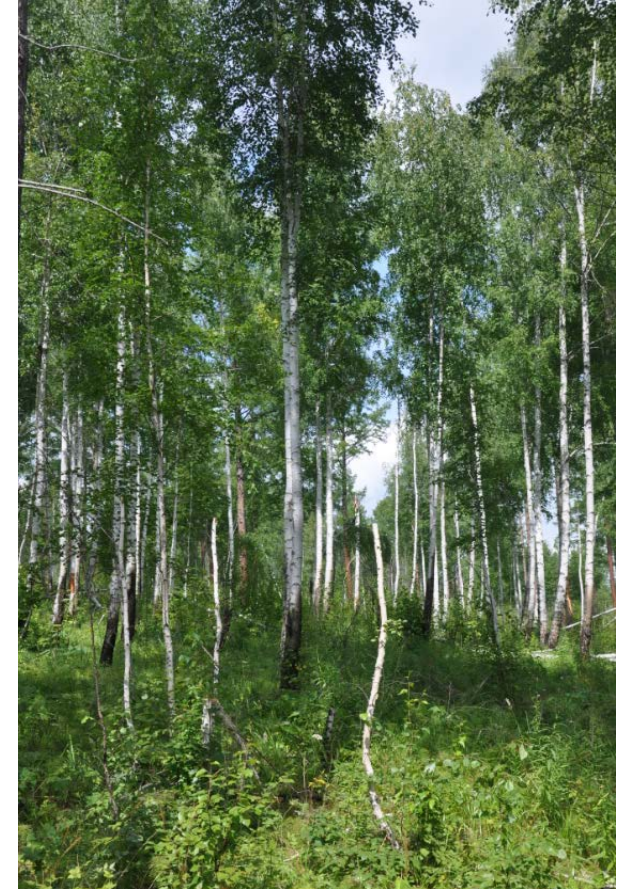


The partnership is promoting responsible forest management in China and has supported FSC-certification of bamboo plantations. The picture shows a managed bamboo forest, in Yong'an, South East China.



# Driving Forest Certification and Sustainability at Scale in Russia

- 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, a large portion of which is directly attributable to the partnership.

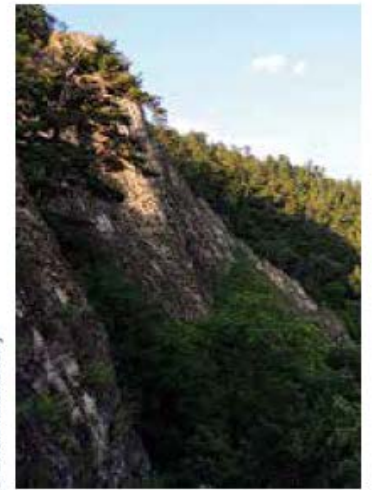




# Driving Forest Certification and Sustainability at Scale in Russia

- 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

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“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**





Sustainable Forestry  
magazine – 55 issues  
since the beginning of the  
Partnership in 2002

Over 100 publications



# On the way to becoming Forest Positive



IKEA-WWF partnership contribution in world's FSC certified forests (35 m ha, same size as Germany).



IKEA share of global FSC wood consumption



IKEA share of global commercial wood use

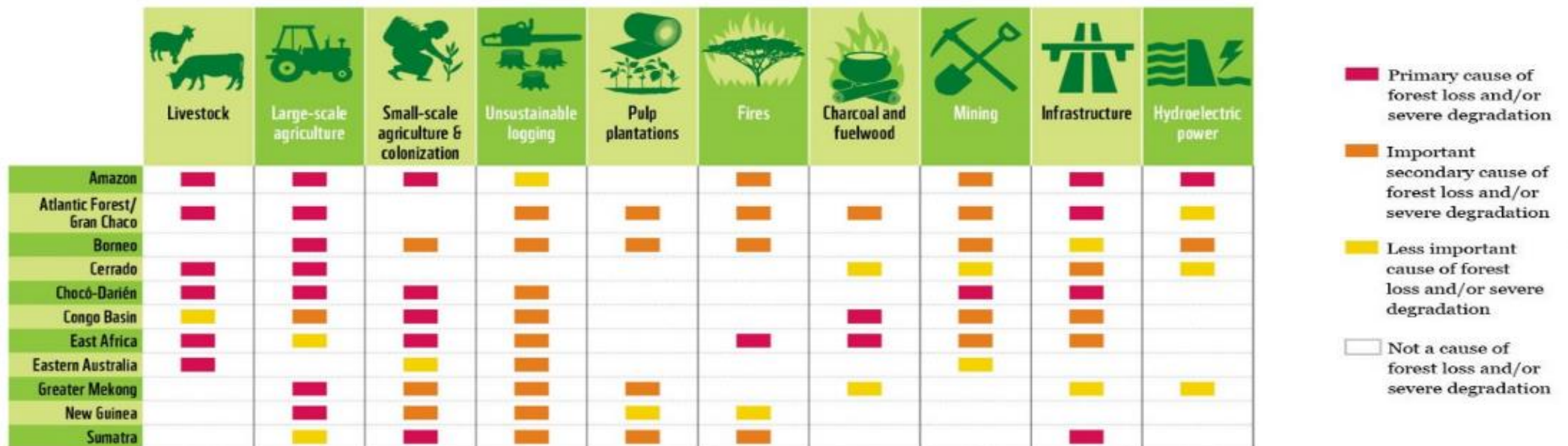


# Forest Trends

The world is losing **7.6 million ha** of forests annually, equivalent to roughly 20 football fields every minute

11 fronts account for **80 per cent** of **forest loss** and **severe degradation** projected globally by 2030 (**170 million ha**)

Consumer demand for forest resources to **triple by 2050**



Summary of main pressures on forests in different deforestation fronts







People  
& Planet  
Positive

**Circular  
& Climate  
Positive**

Develop more sustainable sourcing to regenerate resources, protect ecosystems and improve biodiversity.



















**BCI**

Better  
Cotton  
Initiative



















**Most things still remain to  
be done  
– Glorious Future!**