

# SUSTAINABLE INDUSTRY

The International Council of Forest and Paper Associations (ICFPA) and its Members are committed to sustainable development which ensures environmental, social and economic benefits are available to both this and future generations.

This third biannual Sustainability Progress Report continues to describe progress against the six ICFPA commitments of the CEO Leadership Statement on Sustainability. New to the 2011 report is the inclusion of aggregate indicators in three key areas: climate change, sustainable forest management and paper recycling. The report also highlights a number of emerging trends, challenges and opportunities.

## MEMBER TRENDS

- Enhancing product sustainability in response to customer and other stakeholder requests
- Increasing research and investment in innovative technologies and products
- Diversifying forest-based products to address growing competition from other sectors
- Growing collaboration and partnerships between NGOs and industry

## INDUSTRY CHALLENGES

- Decreasing demand for traditional forest and paper products (e.g. by housing construction industry) as a result of the global economic slow-down
- Increasing demand for wood as an energy source may impact its availability for forest and paper products
- Growing interest in Sustainable Forest Management (SFM) certification among small land owners will need industry support
- Escalating acceptance of electronic media is resulting in strong competition for the print media industry

## INDUSTRY OPPORTUNITIES

- Increasing recognition and acceptance in the market place of sustainability benefits of forest products, e.g. carbon storage and energy use
- Developing new technologies to allow the forest products industry to produce transportation fuels from biomass
- Increasing market opportunities for renewable and recyclable packaging as global markets continue to grow and diversify

# PROGRESS ON OUR COMMITMENTS

## CLIMATE CHANGE AND ENERGY SUPPLY CHALLENGES

ICFPA Members are addressing climate change through the promotion and implementation of sustainable forest management, while optimizing their use of raw materials, increasing efficiency in their mill processes and developing new, climate friendly bio-energy and forest-based products.

A number of ICFPA Members are seeing an increase in the use of biomass energy in pulp and paper facilities. Since the previous Progress Report, the Forest Products Association of Canada (FPAC) has seen a 10% increase in energy generated through biomass, accounting for 68% of energy used at pulp and paper facilities in 2009. In Chile, the Corporación Chilena de la Madera's (CORMA) pulp manufacturing facilities currently generate over 720 MW of electricity through cogeneration plants, of which, 33% is returned to the national grid.

**Since 2004, reporting ICFPA members have collectively reduced their GHG emissions intensity by 8%**

## PROMOTING SUSTAINABLE FOREST MANAGEMENT (SFM) WORLD-WIDE

ICFPA Members demonstrate a commitment towards responsible forest management through the active application of SFM certification systems. These certifications are voluntary, market-based tools that ensure the application of SFM principles, improve on-the-ground sustainable management, and allow consumers to purchase forest products with confidence.

**Between 2000 and 2009, ICFPA Members realized a 346% increase in the total area of certified sustainably managed forests, from 61 million ha to 273 million ha.**

600,000 ha and 65,000 ha respectively. As of July 2010, 1.15 million ha or 52% of New Zealand's total plantation forest estate was certified under the Forest Stewardship Council (FSC) Standard.

Since the previous Progress Report, the Australian Plantation Produce and Paper Industry Council (A3P) and the Japanese Paper Association (JPA) have increased their certifications by

## COMBATING ILLEGAL LOGGING

Since the last Progress Report, ICFPA Members continue to collaborate with governments, environmental organizations and community groups to help develop and pass legislation to combat the import and trade of products that use fibre harvested in violation of respective country laws. Additionally, Members are working to develop programs and tools to support the elimination of illegal logging from their wood supply chains. One method common to ICFPA membership is the promotion of Chain of Custody Certifications (CoC), a timber and timber products traceability system that ensures that certified products come from a sustainably managed source. Between 2008 and 2010, the total number of Chilean companies awarded CoC certifications more than doubled, from 48 to 104.

## FIBRE USE AND RECOVERY

ICFPA Members continue to recover increasing amounts of paper for re-integration into the product manufacturing system. Given the critical importance of public engagement in recycling activities, ICFPA Members have made substantial efforts to raise public awareness about paper recovery programs and their benefit to society and the environment.

**Global recycling rates continue to rise and, in 2009, reached a level of 56%<sup>1</sup>, a 3% increase since the last ICFPA Progress Report**

Since the last report, the Confederation of European Paper Industries' (CEPI) members have seen an increase of 7.7% to reach a recycling rate of 72.2%. Increasing energy costs, the price of virgin forest product and changing consumer preferences contributed to a 4.7% increase in the Russian recovery rate between 2006 and 2009.

## ENVIRONMENTAL MANAGEMENT

Since the last Progress Report, ICFPA Members have shown continued improvement across a range of environmental indicators including: water use; biochemical oxygen demand (BOD); sulphur dioxide (SO<sub>2</sub>); nitrogen oxide (NO); and total particulate matter emissions, while showing increased production. The Brazilian Pulp and Paper Association (Bracelpa) member companies are investing in technology to improve the quality of liquid waste and transforming it into usable by-products. The forest owner Members of the Paper Manufacturers Association of South Africa (PAMSA) are working with the South African National Biodiversity Institute's Grassland Program to promote and support best practices around biodiversity in the forestry sector.

## INVESTING IN WORKERS AND COMMUNITIES

ICFPA Members are committed to maintaining safe work places and support rural communities through salaries and benefits and the contracting of local businesses. Members also help to strengthen communities through donations and sponsorships in support of infrastructure, including schools, roads and hospitals.

Accident rates continue to decrease and since the last Progress Report, the Confederation of European Paper Industries (CEPI) Members' annual incident rate<sup>2</sup> declined to 18.6 accidents per 1,000 people employed. Between 2006 and 2008, lost work cases in the U.S. decreased by 12.6%. Additionally, under the American Forest and Paper Association's (AF&PA) Better Practices, Better Planet 2020 report released in March 2011, the industry has stated a vision of zero injuries, and progressing toward that vision by improving the safety incidence rate by 25% by 2020.

<sup>1</sup> RISI

<sup>2</sup> Number of accidents resulting in an absence of more than three days, per 1,000 employees.

## ABOUT US

The International Council of Forest and Paper Associations (ICFPA) is a worldwide network of forest products industry associations that promotes cooperation in areas of common interest to its Members and serves as the industry's advocate at international level.

The ICFPA was formally launched in 2002, following a series of informal meetings at which international executives of forest and paper associations discussed challenges facing the global industry. This international organization has the following core objectives:

- Coordinate actions in areas of mutual interest;
- Develop and promote common positions in matters of international importance;
- Support and advocate for sustainable forest management (SFM) and sustainable production of forest products;
- Serve as a clearing house for best experiences and practices; and
- Encourage and facilitate dialogue among diverse stakeholders at global level.

As of January 2011, the ICFPA's membership has grown to 42 forest and paper associations from 40 different countries, representing more than 90% of the world's paper production and more than 50% of its wood production.

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## ICFPA MEMBERS

*\* Reporting members*

### ARGENTINA

Asociacion de Fabricantes de Celulosa y Papel (AFCP)

### AUSTRALIA

Australian Forest Products Association (AFPA)

### BRAZIL

BRACELPA - Brazilian Pulp & Paper Association \*  
Sociedade Brasileira de Silvicultura (SBS) -  
Brazilian Forest Association

### CANADA

Forest Products Association of Canada (FPAC) \*

### CHILE

Corporacion Chilena de la Madera (CORMA) \*

### CHINA

China Paper Association (CPA)

### COLOMBIA

Asociacion Nacional De Industriales - Camara de Pulpa, Papel y Carton (ANDI)

### CZECH REPUBLIC

Czech Pulp and Paper Industry Association

### EUROPE

Confederation of European Paper Industries (CEPI) \*  
European Confederation of Woodworking Industries (CEI-Bois) \*  
representing:

- AUSTRIA  
Vereinigung der Osterreichischen Papierindustrie - Austropapier
- BELGIUM  
Association of the Belgian Pulp, Paper and Board Producers (COBELPA)
- FINLAND  
Finnish Forest Industries Federation (FFIF)
- FRANCE  
Confédération de l'Industrie Française des Papiers, Cartons et Celluloses (COPACEL)
- GERMANY  
Verband Deutscher Papierfabriken e.V. (VDP)  
Bonn, Germany
- HUNGARY  
Federation of the Hungarian Printers
- ITALY  
Associazione Italiana fra gli Industriali della Carta, Cartoni e Pasta per Carta (ASSOCARTA)
- NETHERLANDS  
Vereniging van Nederlandse Papier-en Kartonfabrieken (VNP)
- NORWAY  
Federation of Norwegian Process Industries (PIL)
- POLAND  
Association of Polish Papermakers
- PORTUGAL  
Associação da Indústria Papeleira (CELPA)
- ROMANIA  
Romanian Association of Corrugated Board Manufacturers (ROMPAP)

### SLOVAK REPUBLIC

Union of Pulp and Paper Industry of the Slovak Republic (ZCPP SR)

### SPAIN

Asociacion Nacional de Fabricantes de Pastas, Papel y Carton (ASPAPPEL)

### SWEDEN

Swedish Forest Industries Federation (SFIF)

### SWITZERLAND

Association of the Swiss Pulp, Paper and Board Industry (ZPK)

### UNITED KINGDOM

The Paper Federation of Great Britain (CPI)

### INDIA

India Paper Manufacturers' Association (IPMA)

### JAPAN

Japan Paper Association (JPA) \*

### LATIN AMERICA

Confederacion Industrial de la Celulosa y del Papel

### LEBANON

Syndicate of the Owners of Paper and Packaging Industries in Lebanon \*

### MALAYSIA

Malaysia Pulp and Paper Manufacturers Association

### MEXICO

Camara Nacional de las Industrias de la Celulosa y del Papel (CNICP)

### MOROCCO

Fédération des Industries Forestières, Association des Arts Graphiques et de l'Emballage

### NEW ZEALAND

New Zealand Forest Owners Association (NZFOA) \*

### RUSSIA

Confederation of Associations, Enterprises and Organizations of the Forestry Industrial Complex of the North-Western Federal Area (RAO-Bumprom) \*

### SOUTH AFRICA

Paper Manufacturers Association of South Africa (PAMSA) \*

### SOUTH KOREA

Korea Paper Manufacturers' Association (KPKMA)

### THAILAND

Thai Pulp and Paper Industry Association

### UNITED STATES OF AMERICA

American Forest & Paper Association (AF&PA) \*

### URUGUAY

Asociacion de Fabricantes de Papel del Uruguay (FANAPEL)

# 2011 ICFPA Sustainability Progress Report

## Executive Summary

