

Measuring Timber Certification

INDUSTRY SECTOR: UK PANEL PRODUCTION

FEBRUARY, 2007

ALL UK PRODUCED PANELS PRODUCTS ARE CERTIFIED

Panel products, or sheet materials, made in the UK in 2005, accounted for nearly 50% of all panel products consumed in the UK. As with other major producers and processors of timber products, panel producers have increasingly needed to demonstrate responsible and ethical practices in the purchasing and sales of their products.

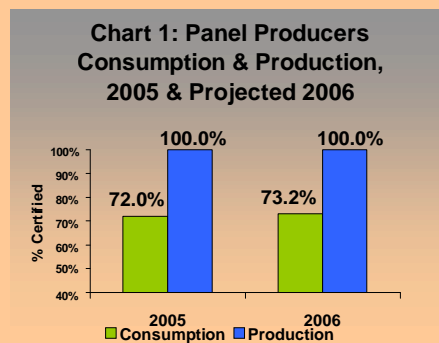
In recent years, UK panel producers have taken steps to provide certified products from their mills whilst increasing the proportion of purchases of raw materials that derive from well-managed and sustainable sources. This is often achieved by buying raw materials that are certified. It should also be noted that uncertified material purchased is derived from sustainable and well-managed sources where sound forest management and recycling practices not only help local economies, but also ensure that the raw material used has been sourced responsibly.

In total, in 2005, approximately 4.2 million tonnes of roundwood, other sawmill products (e.g. wood chips), recycled wood fibre and other materials were consumed by UK panel mills. The aggregate results of the survey conducted to provide a measure of certified material used for panel production estimated that a little over 3 million tonnes, or 72% of panel mill consumption was certified under the Forest Stewardship Council (FSC) scheme.

One of the objectives of the research conducted for this report was to determine the development of the purchases of certified raw material into 2006. According to (all) UK panel producers, purchases of certified raw materials, collectively, are likely to have in-

creased by 3.5% in 2006. This is in contrast to the decline in the quantity of uncertified raw material which is predicted to decrease by 2.6%, resulting in an overall growth in the quantity of raw material purchased in 2006 of 1.8%. The effect is to shift the proportion of certified raw materials purchased from the 72.0% in 2005 to 73.2% in 2006.

The research conducted for this report has also quantified the volume of panel products produced and the certified volume available for sale in the UK and for export. All of the 3.4 million cubic metres produced by UK panel producers is sold as certified. Based on the projected increase in consumption in 2006, production is likely to increase to around 3.46 million cubic metres for 2006 - all of which will be certified. In chart 1, the proportion of certified consumption and production for 2005 is shown with the projection for 2006. All consumption and production that is certified in the UK is certified under the FSC scheme. The development of certification of the various products consumed by panel producers is shown overleaf.



Photograph: Courtesy of Kronospan UK Ltd.

This report is concerned solely with:

the panel production sector of the UK timber industry.

The measurement criteria used in this report are **green tonnes** for **consumption** of forest products sawmill products, recycled wood fibre and other raw materials, and **cubic metres** for the **production** of panel products.

The measurement of certified materials is made at both the point of entry to the panel mill (purchases in tonnes) and the point of exit from the mill (sales in cubic metres) for onward sale to the supply chain.

Main purpose of this initial study to 'measure certified timber'

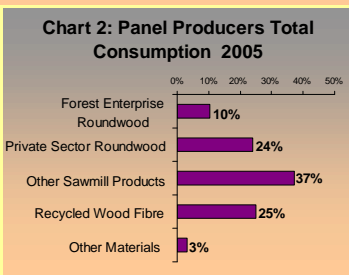
► To estimate the quantity of certified timber and panel products available for sale in the UK from recognised certification schemes.

Further content overleaf includes:

1. Consumption of the various raw materials and their status of certification
2. The projected development of certified raw materials in 2006;
3. The production and demand for certified products.;
4. Conclusions drawn and pointers to the future.

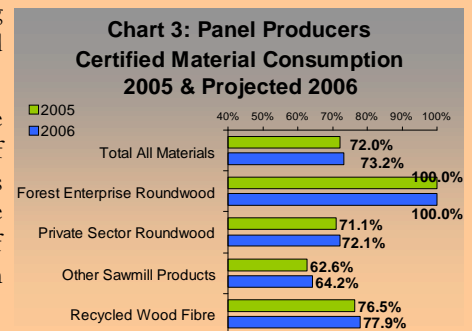
Panel Producers' Certified Consumption

The general mix of raw material inputs described in chart 2 shows that around a third of panel producers' consumption in 2005 consisted of roundwood. Consumption of other sawmill products (e.g. wood chips) stood at 37% and recycled wood fibre comprised a quarter of consumption. With the exception of roundwood from the public estate, which is 100% certified FSC under the UKWAS (standard), the certified proportion of each of the raw material types is expected to have grown in 2006. The rate of growth of each of the certified raw materials consumed is likely to differ however. No growth in the quantity of certified roundwood from public forests is expected in 2006, but private sector certified roundwood is expected to increase by 4%.



The growth in certified recycled wood fibre is predicted to be at the same level. Slightly higher growth is expected from certified other sawmill products, rising by 4.3%. Uncertified volumes of all raw materials are likely to have declined in 2006. The resultant net growth is expected to generate across-the-board increases in certified consumption in 2006. The certified proportion of each of these types of product in 2005 is shown in chart 3 along with the predicted level for 2006.

Differences in the development of material inputs are small, with the overall trend of certification clearly upward.



Market Demand for Certified Panel

All of the 3.4 million cubic metres of UK manufactured panel products in 2005 were certified. This volume consisted mainly of particleboard, but also included increasing volumes of Oriented Strand Board (OSB) and Medium Density Fibreboard (MDF). If the mix of production remains similar in 2006, based on the increases in consumption projected by all of the UK panel producers, production will rise to around 3.46 million cubic metres, all of which will be certified. The majority of this production is sold in the UK, with approximately 12%

exported. All of the UK panel producers sell all of their production as certified, whether marked on the product or on invoices and delivery notes.. The underlying demand by buyers of certified panel products has not been possible to determine through this research, but it is probably now doubtful that a meaningful answer to this could be obtained as uncertified sales from UK-based panel mills simply no longer exist. No differentiation is made by panel producers between certified and uncertified goods.

Conclusions

As an important supplier to the large construction, furniture and other markets in the UK, panel producers are able to claim, with justification, that their products are not only fit for purpose, but derive from verifiable sustainable sources. With 100% of all UK production now certified and over 70% (and rising) of the raw materials supplied to panel producers also

certified, the panel sector is able to satisfy the market demand for certified products. It is also notable that while the wood-based panel industry has been successful in achieving high levels of certified consumption of forest products, it has also been instrumental in the effective recovery and recycling of wood fibre in the UK.



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Sustainable Forestry Initiative

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