

“LEGALITY FOR LOCAL TIMBER PROCUREMENT IN CHINA”

Small and medium sized wood processing enterprises (SMFEs) in China play a vital role in the domestic and international markets for processing wood products. China's imports of tropical logs accounts for around half the global trade in tropical logs. The SMFEs account for around 90% of the total output value of China's timber enterprises, therefore most of the SMFEs in China need a better understanding of the issues related to procurement of timber from legal and sustainably managed tropical forests. In order to address such a need, The Research Institute of Forestry Policy and Information, Chinese Academy of Forestry is working on a project funded by ITTO, to promote adoption of sustainable procurement and production of tropical timber products by SMFEs in the Shanghai and neighboring areas in Zhejiang and Jiangsu provinces.

The project has been raising awareness of the importance of procuring timber from legal and sustainable sources by a series of actions, such as:

- Information exchange with supporting organizations and stakeholders, including Chinese State Administration, Chinese General Administration of Customs, local forest bureau, industry associations and research institutes;
- Conducting a survey to more than 140 SMFEs to assess the status of their procurement management;
- Reports on “China's tropical timber processing SMFEs and their opportunities for procurement of timber from legal and sustainably managed forest” and “Policy suggestions for promoting procurement of timber from legal and sustainably managed forest in SMFEs” has been drafted;
- Dissemination of information on issues related to procurement of tropical timber from legal and sustainably managed forest and technology for China's SMFEs has been carried out through Shanghai Timber Newsletter which is released periodically;
- The training course on policies regulations and technology about procurement of timber from legal and sustainably managed forest has been completed;
- One-to-one Certification Coaching for 2 SMFEs has been carried out;
- The Forest Products Index (FPI) Mechanism which is a monthly policy and information exchange forum between government-SMFEs and stakeholders has been set up;
- FPI Index has been monthly released to the public through media since the August of 2012 and its data and analysis were re-posted by many official websites and timber products related websites.



More than 180 joined the first FPI forum with the theme of “Responsibility and Competiveness of Enterprises”

Achievements and Impact

- The project has received recognition through an invitation by both the US and Chinese sides to attend the China-USA Strategic Economic Dialogue (SED) held in March 2012, which is the highest platform for economic and trade discussions between the two countries;
- The establishment of the 'Forest Products Index Mechanism (FPI)' - the Government - Enterprises forum, which involves government agencies, associations, research institutes and timber product enterprises, is the first timber information exchange mechanism and online forum in China. The Forest Products Index Mechanism was launched in March 2012 and attracted attentions from across the timber sector and the press;
- The FPI Index was evaluated as "the forestry economic barometer to fill the gaps" and was named as one of the Top 10 Events of China's Forestry Industry in 2012 which was announced by Chinese Green Daily, the official newspaper of Chinese forest sector.

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