

# PEFC: creating lasting value for forests with sustainable MMCF

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## Webinar co-hosted by PEFC

20 January, 2021

# Anti-Trust Statement

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Textile Exchange convenes the textile community and values diversity of views, expertise, opinions, backgrounds, and experiences. It is expected that members of this community will collaborate by sharing ideas, information, and resources of publicly available information only and avoid discussions on price, strategic plans or other private and sensitive information.

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## **Speakers:**

Julia Kozlik, Marketing Officer, PEFC International

Deepa Hingorani, Textile Sustainability Consultant, PEFC international

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## **Textile Exchange hosts:**

Simone Seisl, Consultant Fiber and Materials, Textile Exchange

Prerna Pandey, Program Coordinator, Textile Exchange





Why is interest in forests increasing?

#FashionsChangeForestsStay





Agricultural expansion



Wild fires



Livestock farming



Illegal and unsustainable logging



Growing population



Infrastructure expansion



Biodiversity



Communities



Water



Workers



Soil

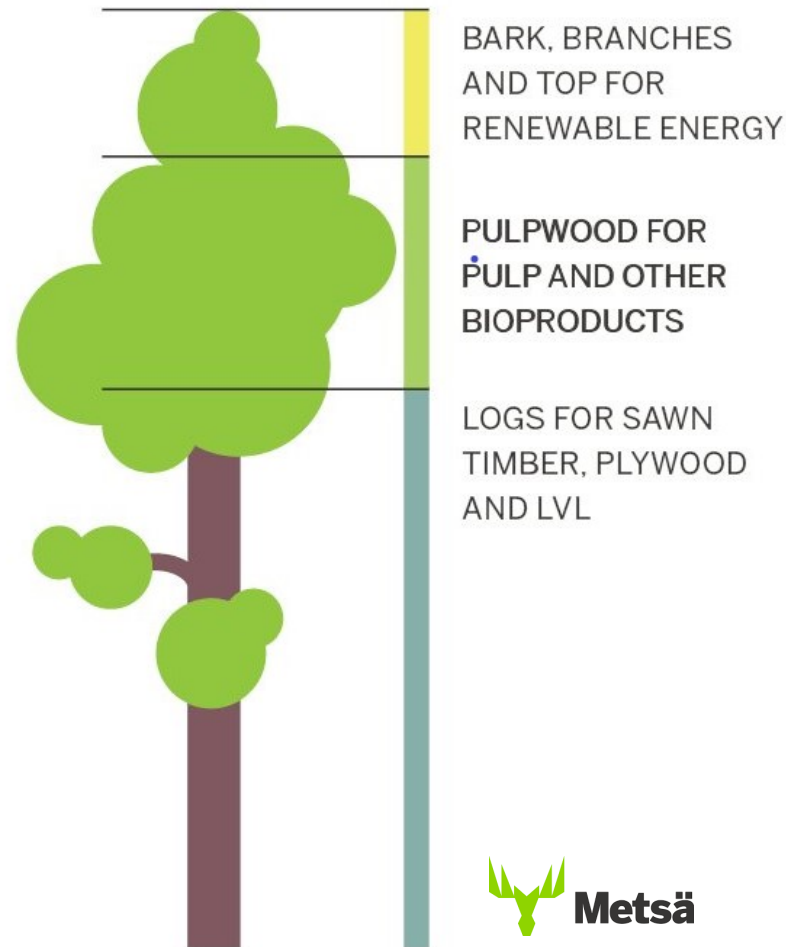


Sustainable products



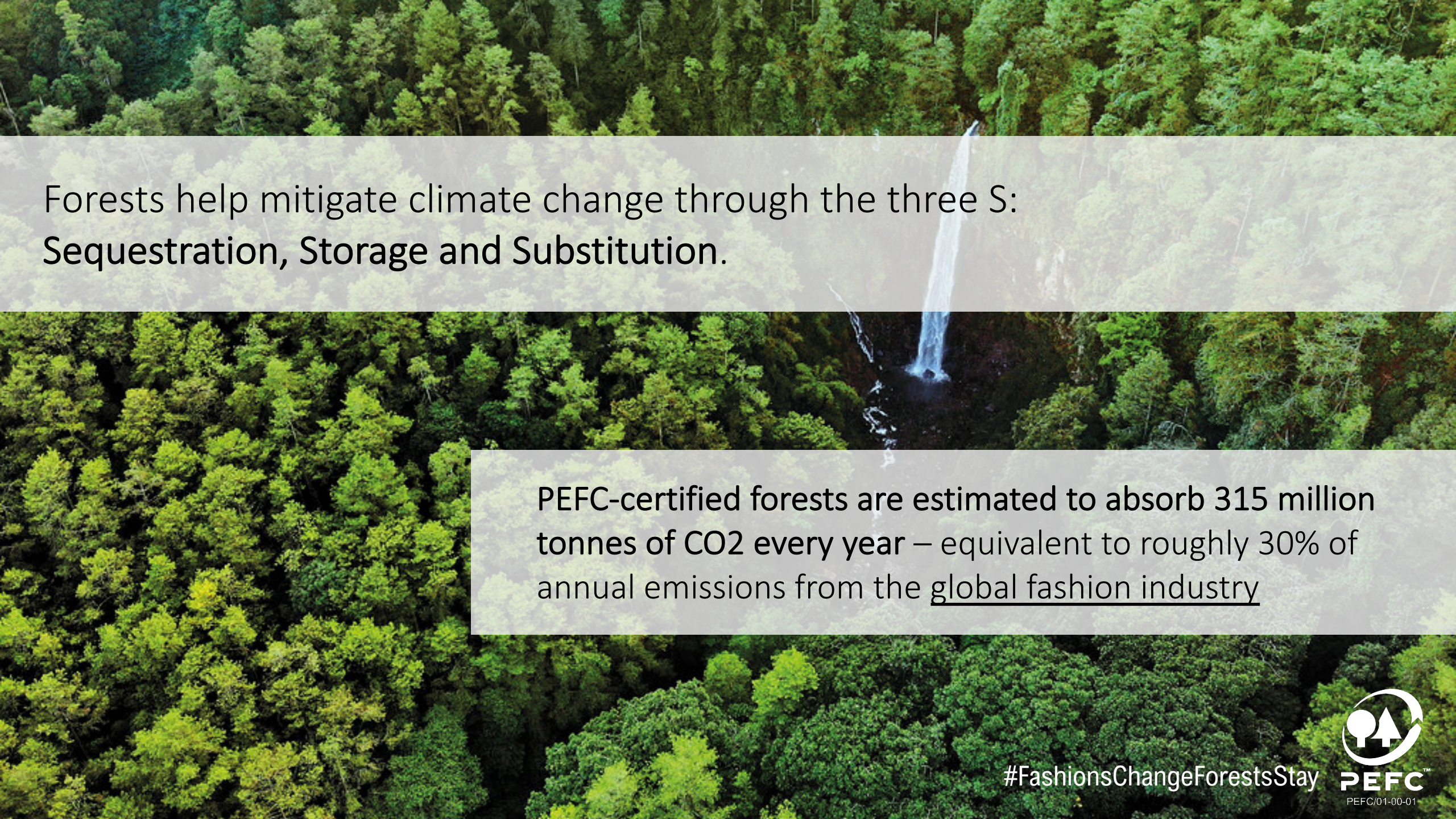


# Each part of the tree is used to create value products



Source: Metsa Group





Forests help mitigate climate change through the three S:  
Sequestration, Storage and Substitution.

PEFC-certified forests are estimated to absorb 315 million tonnes of CO2 every year – equivalent to roughly 30% of annual emissions from the global fashion industry

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## IPCC, Climate and Land report, 2019:

**B.3** Reducing deforestation and forest degradation **lowers GHG emissions** .... By providing **long-term livelihoods** for communities, sustainable forest management can **reduce the extent of forest conversion** to non-forest uses (e.g., cropland or settlements). Sustainable forest management aimed at providing timber, fibre, biomass, non-timber resources and other ecosystem functions and services, can lower GHG emissions and can **contribute to adaptation**

[Source: IPCC, August 2019, climate change & Land.](#)



## FAO:

Forest certification may help bring about improvements in the working conditions and safety and health of forest workers, lead to improved forest conservation outcomes, and encourage sustainable forest use.

[Source: FAO](#)

## UN SDGs Target 15.2

By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally

[Source: UN SDGs indicators](#)





# Role of PEFC Forest Certification

Provide **evidence of sustainable forest management** through third-party certification

Provide **mechanism to trace and verify** that forest-derived material comes from PEFC-certified, sustainably managed forest

**Scope:** forest-derived materials





# PEFC – Programme of Endorsement of Forest Certification



**320 million** hectares of PEFC-certified forests

Over **1 million** forest owners



**48 endorsed national** forest certification systems

Over **20,000** certified companies

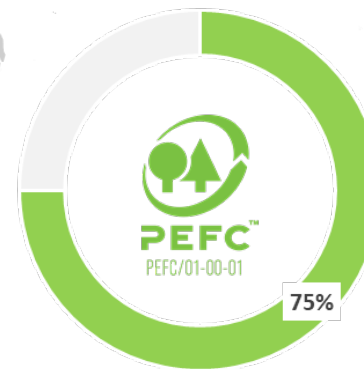


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A world map where countries are color-coded to show their PEFC certification status. Dark green indicates full PEFC certification, light green indicates partial certification, orange indicates countries under assessment, and grey indicates no certification. Most of North America, Europe, and Australia are dark green. Some countries in South America, Africa, and Asia are light green. Turkey and parts of Asia and Africa are orange. Most of Africa, South America, and parts of Asia and Europe are grey.

## PEFC – Programme of Endorsement of Forest Certification



75% of global certified forests are PEFC-certified



**High share of PEFC certified forests in Pulp producing countries offers increased supply availability for MMCF value chain**

**Countries producing Dissolving Pulp and their share of supply:**

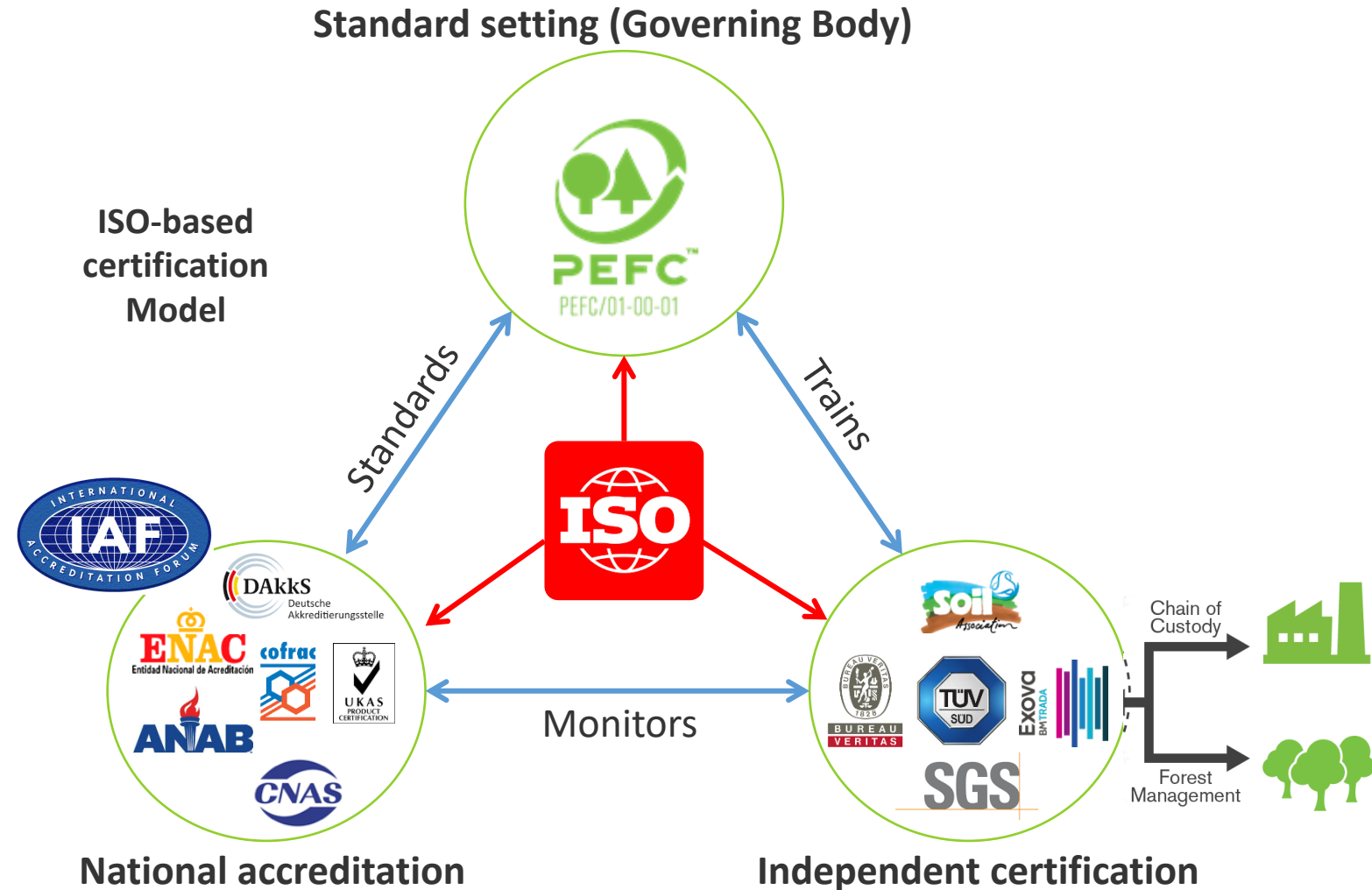
**Share of PEFC certified vs total certified area**

|                |      |      |
|----------------|------|------|
| China          | 21%  | 70%  |
| South Africa   | 15%  | 0%   |
| USA            | 13%  | 87%  |
| Brazil         | 11%  | 63%  |
| Canada         | 10%  | 78%  |
| Finland        | 6.8% | 100% |
| Austria        | 6.6% | 100% |
| Sweden         | 6.2% | 94%  |
| Indonesia      | 2.5% | 59%  |
| Czech Republic | 4%   | 97%  |
| Germany        | 1.4% | 100% |



# PEFC Certification Model

Independent, Impartial, Transparent Auditing and Traceability



# Third party assessment to demonstrate credibility of PEFC standards and system

Full scores from TPAC (Dutch procurement) 2020:

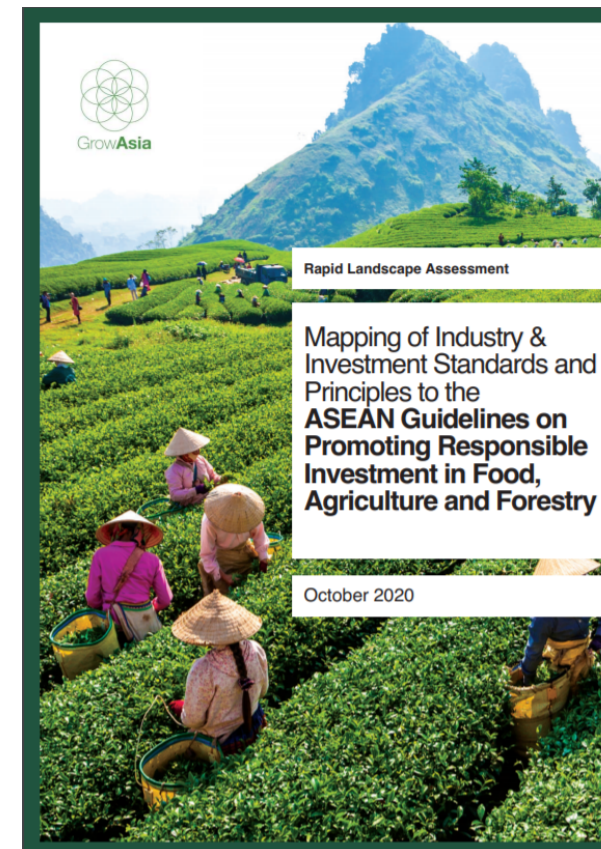
| PEFC International |                                     |    |    |    |    |    |    |    |    |                        |    |    |   |    |    |    |    |
|--------------------|-------------------------------------|----|----|----|----|----|----|----|----|------------------------|----|----|---|----|----|----|----|
| Score              | Sustainable Forest Management (SFM) |    |    |    |    |    |    |    |    | Chain of Custody (CoC) |    |    | Development, Application and Management (DAM) |    |    |    |    |
|                    | P1                                  | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1                     | P2 | P3 | P1  | P2 | P3 | P4 | P5 |
| 2                  |                                     |    |    |    |    |    |    |    |    |                        |    |    |   |    |    |    |    |
| 1                  |                                     |    |    |    |    |    |    |    |    |                        |    |    |   |    |    |    |    |
| 0                  |                                     |    |    |    |    |    |    |    |    |                        |    |    |   |    |    |    |    |

| PAFC Gabon |                                     |    |    |    |    |    |     |    |    |
|------------|-------------------------------------|----|----|----|----|----|-----|----|----|
| Score      | Sustainable Forest Management (SFM) |    |    |    |    |    |     |    |    |
|            | P1                                  | P2 | P3 | P4 | P5 | P6 | P7* | P8 | P9 |
| 2          |                                     |    |    |    |    |    |     |    |    |
| 1          |                                     |    |    |    |    |    |     |    |    |
| 0          |                                     |    |    |    |    |    |     |    |    |

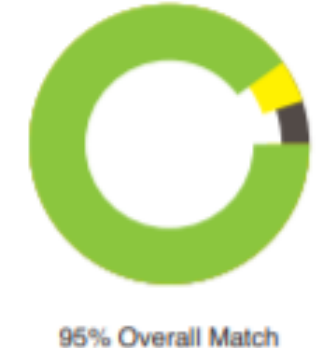
| PEFC Russia |                                     |    |    |    |    |    |     |    |    |
|-------------|-------------------------------------|----|----|----|----|----|-----|----|----|
| Score       | Sustainable Forest Management (SFM) |    |    |    |    |    |     |    |    |
|             | P1                                  | P2 | P3 | P4 | P5 | P6 | P7* | P8 | P9 |
| 2           |                                     |    |    |    |    |    |     |    |    |
| 1           |                                     |    |    |    |    |    |     |    |    |
| 0           |                                     |    |    |    |    |    |     |    |    |

| IFCC (Indonesia) |                                     |    |    |    |    |    |     |    |    |
|------------------|-------------------------------------|----|----|----|----|----|-----|----|----|
| Score            | Sustainable Forest Management (SFM) |    |    |    |    |    |     |    |    |
|                  | P1                                  | P2 | P3 | P4 | P5 | P6 | P7* | P8 | P9 |
| 2                |                                     |    |    |    |    |    |     |    |    |
| 1                |                                     |    |    |    |    |    |     |    |    |
| 0                |                                     |    |    |    |    |    |     |    |    |

Highest ranking against the ASEAN RAI: 95% due to regional approach



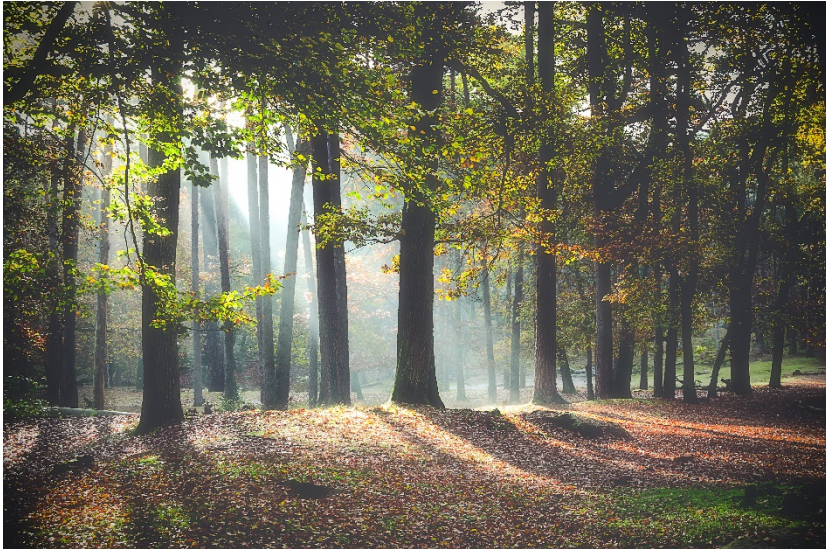
## 6. Programme for Endorsement of Forest Certification



# Main PEFC certification standards

## Sustainable Forest Management

Provide evidence of sustainable forest management through third-party certification



## Chain of Custody

Provide mechanism to trace and verify that forest-derived material comes from PEFC certified sustainably managed forest





# **What are PEFC requirements for Sustainable Forest Management (SFM)?**



# PEFC SFM –some examples of the requirements

- Forest **conversion are not allowed**.
- Maintain, conserve or enhance **biodiversity**.
- Do not exploit for commercial purposes **protected, threatened and endangered plant** and **animal species**.
- Identify, protect, conserve or set aside **ecologically important forest areas**.
- Safeguarded the capacity of the forest to **store and sequester carbon** in the medium and long term.
- Implement **afforestation and reforestation** to improve and restore the forest ecology.
- Provide **fair and safe working conditions** according to the fundamental ILO conventions and ILO Code of Good Practice: Safety and Health in Forestry Work.
- Conduct forest operations in recognition of legal, customary and traditional rights such as outlined in ILO 169 and the **UN Declaration on the Rights of Indigenous Peoples**, which shall not be infringed upon without the **FPIC** of the holders of the rights.
- Prohibited to use WHO Class 1A and 1B pesticides and other highly toxic pesticides.

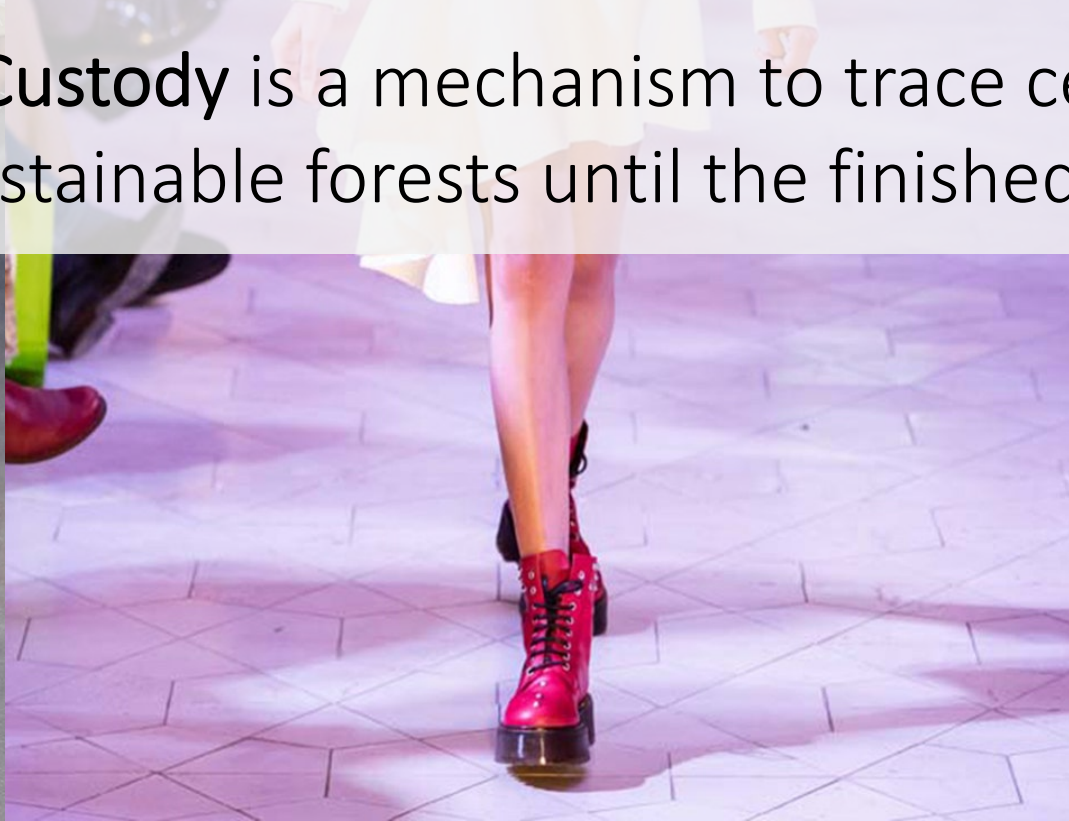


**How brands can trace that MMCF raw material comes from sustainably managed forests?**





PEFC Chain of Custody is a mechanism to trace certified material from sustainable forests until the finished product



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# Raw material traceability for MMFC



PEFC Chain of Custody (CoC) is a mechanism to trace certified material from sustainable forests until the finished product

- ✓ Traceability
- ✓ 3<sup>rd</sup> party verification
- ✓ Consistent accountability



## Tracking principles for suppliers

- Separation and identification of certified material at company level
- Only **certified input** is sold as **certified product**
- A supplier without CoC certification cannot make a claim
- **All** suppliers in a product value chain need to hold a CoC certification
- If one link in a product value chain is not certified, the end-user cannot use the claim on that product



# Raw material traceability for MMFC

Procuring products with PEFC CoC provides **traceability and 3<sup>rd</sup> party verification** on forest-based raw material for **Brand owner**

**Brand owner** can **make substantiated claims** that forest-based content of the finished garment originates from sustainably managed forest & is PEFC-certified:

- off-product: website, sustainability report, marketing materials, etc.
- on-product: in product description online or in catalogue, on tags, etc.
- Eligible to place PEFC certification label on the garment's tag







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# Drivers: Why is certification important for the fashion industry?

1. Use of certified material **eliminates risk** of fibres from unknown sources.
2. **Significant volume involved**: On average ca 5-10% of collections by brands we engage with are made from wood based fibre.
3. Brands have robust **sustainability targets** as well as increased pressure from stakeholders and retailers.
4. **Importance of transparency**: traceability tool CoC connects forest materials to the final garment
5. **Proof of verified material from responsible sources**, towards brands, retailers, consumers and NGOs.



## Fashion Industry challenges

**PEFC can support industry challenges through engagement with brands, supply chain and industry organizations:**

- Help increase awareness of SFM and certification
- Transparency – Mapping & Traceability of supply chain tiers (beyond T1& T2)
- Limited Chain of Custody certified material and suppliers beyond fibre stage





# Opportunities: for the fashion industry

1. Increased demand for natural, renewable and bio-degradable materials.
2. Industry focus on biodiversity, social standards and climate change, align with PEFC certification benefits.
3. Major fibre suppliers are already certified by PEFC.
4. Increased and consistent supply of certified material, globally.



# PEFC & the Textile and Apparel sector

## The role of PEFC

- Raise awareness of the **benefits of sustainable forest management** according to robust social, economic and environment standards, within context of the fashion industry.
- Where knowledge gaps exist, educate & support on how to **source wood-based fibre responsibly**.
- Help brands **eliminate controversial wood sources** from their supply chains.
- Support brands in **meeting their wider sustainability targets** beyond certification.
- **Collaboration** with brands, suppliers, textile organisations and other NGO's.
- **Support** textile organisations **with our expertise** on SFM and forestry sector for mutual goals.



# PEFC & the Textile & Apparel sector – wider industry



**UN ALLIANCE  
FOR SUSTAINABLE  
FASHION**

**CO**



**COPENHAGEN  
FASHION SUMMIT**





## Ways we've supported brands & retailers

- Supported several brands with **adopting & drafting of inclusive responsible SFM** procurement policy, with complementary standards.
- **Chain of Custody certification** with major vertical textile supplier.
- Provided valuable **market information** on MMCF to brands and suppliers.
- Supporting brands in **understanding the role of forests** to help mitigate climate change, contribution to carbon footprint targets.
- Helped brands with **lists of certified suppliers**; targeted and increased sourcing of responsible fibres.
- Currently exploring Chain of Custody throughout supply chain with two brands.



# PEFC certification standards – in practice

**INDITEX** ABOUT US HOW WE DO BUSINESS INVESTORS COMPLIANCE

## Responsible management

We pay **special attention to the raw materials** we choose in the making of our products, as these decisions can have a direct impact on biodiversity. We are minimising our impact by:

- increasing the use of sustainable alternatives, such as TENCEL™ Lyocell and recycled fibres.
- using only sustainable certified (PEFC or FSC) sources for our wooden furniture and paper products, such as bags, labels and office paper
- Since the end of 2017, wood-based fibres used in our products do not come from primary or ecologically important forests



KIMONO TIKA

## Sustainable viscose



Viscose fiber is made from wood pulp, sustainable viscose uses wood pulp from sustainable and labeled forests (FSC and PEFC labels). The process of transforming wood into fibers must comply with EU Eco Label standards which set strict rules to obtain a product with a low environmental impact. Sustainable viscose allows a reduction in emissions and water consumption of 50% compared to a traditional viscose. Sustainable viscose is biodegradable.



Our Modal also is a Lenzing branded, natural and particularly sustainable cellulose fibre, because it is made from wood. It is mainly made from the regenerative raw material beech wood from FSC or PEFC certified sustainable forestry from Austria and neighbouring European countries.

Bershka



**It is derived from viscose, that also comes from wood sources within sustainably-managed forests (FSC® OR PEFC® CERTIFIED). It is obtained through an eco-responsible production process, meeting high environmental standards.**

TED BAKER  
LONDON

3. 100% of our regenerated cellulosic will come from FSC or PEFC Certified forests, with a further 50% produced through sustainable production methods by 2025.

GUESS



FABRIC DETAILS: Stretch.  
FABRIC TYPE:Ponte knit.  
OTHER DETAILS: Contrast fabric.  
Back logo.  
SHELL (main fabric): 68% Viscose, 28% Polyamide, 4%Elastane; COATING: 100% Polyurethane; TRIM: 94% Polyester, 6% Elastane.  
WASH LABEL: machine wash 30° C.  
Picture shows size S.  
True to size.  
Measurements: Inseam approx.48 cm / 19 in.  
  
This item has been manufactured with viscose fibers produced from sustainable wood cellulose certified by FSC, PEFC and other controlled sources. This process guarantees up to 50% lower emissions and water impact than conventional processes.

Our story Sustainability Journal

**OLISTIC**  
the label

Home → Sustainable Luxury → Dress → Olistic x Arizona - Cassiopeia dress

€90,000

For Christmas and the end of the year celebrations, Arizona Muse, recognized top eco-activist, has created an exclusive winter collection for Olistic that combines luxury and sustainability. This long dress in fluid lyocell in a deep black hue affirms the spirit of reduction and minimalist elegance of this sustainable fashion line.

Size: XS S M L XL

Color: [Size Guide](#)

[Add to cart](#)

Free CO2 neutral worldwide shipping available

[Sustainability](#) [Description](#) [Fit & Sizing](#) [Material & Care](#)

**Wood fibers**

We favor the use of sustainable materials such as wood fiber (lyocell) from PEFC labeled forests (Forest certification program). Made from eucalyptus wood, this 100% biodegradable fiber is certified free of all pesticides and insecticides. Through the purchase of this garment, you support a conscious fashion with a low environmental impact.

[Organic](#) [Ethical production](#) [Handmade](#)

[FOR THE PLANET](#) [PEFC](#)

Walmart

Walmart requires these products be made from either recycled material, virgin fiber certified to standards of the [Forest Stewardship Council \(FSC\)](#), [Sustainable Forestry Initiative \(SFI\)](#) or [Programme for the Endorsement of Forest Certification \(PEFC\)](#), or a mix of recycled and certified virgin fiber.

CHÉ

## SUSTAINABLE SHIRTING

OUR SHIRTS ARE MADE USING A SUSTAINABLE NATURAL FIBRE FROM LENZING™ CALLED ECOVERO™. THIS FIBRE IS DERIVED EXCLUSIVELY FROM FSC & PEFC CERTIFIED RENEWABLE WOOD SOURCES. THE MANUFACTURING GENERATES UP TO 50% LESS EMISSIONS AND WATER IMPACT THAN STANDARD VISCOSE. THE RESULT IS A SOFT AND BREATHABLE FABRIC THAT IS GUARANTEED TO BE ECO-RESPONSIBLE.



# María Lafuente

MADRID FALL 2020

## COLLECTION



Look 1



Look 2



Look 3





# Fashions change, Forests stay.

View here:

<https://youtu.be/Z8LeTldv-Ro>



# Whitepaper



Download here:  
<https://cdn.pefc.org/pefc.org/media/2020-10/8100ff13-f45a-48b5-82cb-ecf4afb89cf9/695986ad-4a75-5b1f-9461-f9dcdb780ef3.pdf>





# Collaboration roadmap

## 5 steps by 2025



**1.** Engage with PEFC



**2.** Develop a responsible sourcing policy



**3.** Map your supply chain



**4.** Increase your responsible sourcing



**5.** Collaborate with PEFC



As fashions change,  
let's work together to ensure forests stay...

Thank you!

For more information please contact:

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Deepa Hingorani [deepa.hingorani@pefc.org](mailto:deepa.hingorani@pefc.org)

[www.treee.es/textile](http://www.treee.es/textile)

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# Q&A

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# Thank you

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Join Textile Exchange's MMCF Hub community for – receiving and sharing news /updates, networking, exploring the “library”, learning about webinars and more.

Please contact us at:

- [Prerna@TextileExchange.org](mailto:Prerna@TextileExchange.org)
- [Simone@TextileExchange.org](mailto:Simone@TextileExchange.org)

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[MMCFRoundTable@TextileExchange.org](mailto:MMCFRoundTable@TextileExchange.org)

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