

Area: Sustainable Production and Consumption

Subjects: Sustainable Forest Use

Title: Feeling good with green wood?

Part 1

Surveys have shown that consumers do not only want good and safe products, but they also want to know if they are produced in a socially responsible manner. For a majority of European consumers a company's commitment to social responsibility is important when buying a product or service. This creates interesting market opportunities, as a significant number of consumers say they would be willing to pay more for such products, although at present only a minority actually do so. The issues European consumers care about the most are protecting the health and safety of workers and respecting human rights throughout company's operations and the supply chain (for example, not using child labour), safeguarding the environment in general, and reducing the emissions of greenhouse gases in particular. (Green Paper "Promoting a European Framework for CSR"; European Commission, 2001)

A recent survey conducted by a consumers' organisation made clear that most of the wooden products available in European shops don't have a FSC¹ mark. The survey results received lots of attention from the media and, as a result, consumers became more aware of the importance of sustainable forest use.

Part 2

You are the CEO of a furniture company. You have been purchasing the wood for a long time from a trustful Swedish company, which has just informed you that, from now on, they will only sell wood with the FSC mark, which means that this wood is coming from sustainable forests. Unfortunately, for this reason the prices will have to rise 10%.

At the same time, your company received a selling offer from an unknown Brazilian producer, proposing a similar kind of material, with prices even cheaper than the ones you have been paying.

What would be your decision?

1. You will continue purchasing the wood from the Swedish company, even if the price for it is 10% higher. Your selling prices will be raised 10% too.
2. You will purchase your wood from Brazil, so you can sell your products cheaper to your clients.
3. You purchase your wood from Brazil, but you don't change your prices, so that you can make more profit
4. Other options.

Discuss all the answers with your group members.

Justify your answers on each item.

Decide which solution you will choose and why.

¹ The Forest Stewardship Council (FSC) promotes environmentally appropriate, socially beneficial, and economically viable management of the world's forests.

Environmentally appropriate forest management ensures that the harvest of timber and non-timber products maintains the forest's biodiversity, productivity and ecological processes.

Socially beneficial forest management helps both local people and society at large to enjoy long term benefits and also provides strong incentives to local people to sustain the forest resources and adhere to long-term management plans.

Economically viable forest management means that forest operations are structured and managed so as to be sufficiently profitable, without generating financial profit at the expense of the forest resources, the ecosystem or affected communities. The tension between the need to generate adequate financial returns and the principles of responsible forest operations can be reduced through efforts to market forest products for their best value.

What is sustainability?

Sustainable forest management (from the "European Environment Agency Glossary")

Sustainable management means the stewardship and use of forests and forest lands in such a way, and at a rate, that maintain their biodiversity, productivity, regeneration capacity, vitality and their potential to fulfil, now and in the future, relevant ecological, economic and social functions, at local, national, and global levels, and that does not cause damage to other ecosystems.

Sustainability in general

Community

A sustainable community has businesses that work both to improve the long term viability of the community, but also to improve conditions within the community as it is today. That business operates on principles that are based on a foundation of sustainable development. A key point for sustainable production is that the company's overall success cannot be dependent upon unsustainable consumption patterns.

Product's life cycle

A product's life cycle begins with the mining or harvesting of the raw materials, ends when the product is finally disposed of, and includes all the points in between: transporting raw material, the manufacturing process, transporting to the vendor, and actual use by the consumer.

Products and services

Products and services must use appropriate materials and energy. Depending on the product or service, they should be durable, repairable, recyclable, compostable, and use minimal and appropriate energy, material and packaging. For example, an item designed for long term use such as a car, should be durable, easily repairable and made of parts that can be recycled. An item designed for short term use, such as soda, should be in a package that is readily recyclable by the consumer in that consumer's community.

Sustainable production

Sustainable production includes processes that are ecologically sound, preserve resources and energy, but also embodies a company's mindset that places high value on employees and communities.