



Agreement for the Promotion of Sustainable Forestry



- **Start:** 22 March 2017
- **Duration:** The Agreement is valid through 31 December 2020
- **Parties involved:** 24 Parties, plus supporting organisations FSC Netherlands (Forest Stewardship Council) and PEFC Netherlands (Programme for Endorsement of Forest Certification Schemes)Netherlands
- **Secretariat:** Stichting Bewust met Hout ('Timber Consciousness Foundation')
- **Core tasks for CNV:** Participating in Steering Committee, boosting the 'Reducing IRBC Risks' Working Group



WHY HAS AN AGREEMENT TO PROMOTE SUSTAINABLE FORESTRY BEEN ESTABLISHED?

By purchasing sustainably produced timber, we ensure that our forests remain available for current and future generations. With sustainably produced timber, there is a guarantee that the forest from which it originates is sustainably managed, taking into account social, environmental and economic aspects.

SUSTAINABLE FOREST MANAGEMENT IS OF GREAT IMPORTANCE FOR:

- preserving our biodiversity, because two-thirds of all biodiversity on land occurs in forests. Biodiversity is the wide variety of animals, plants and genes that sustain ecosystems in which organisms, such as humans, can live.
- the continuing availability of timber as a renewable commodity.
- protecting population groups dependent on forests. According to the World Bank, around 90% of the world's poorest people are economically dependent on forests, either directly or indirectly.
- counteracting climate change. Forests purify the air, produce oxygen, retain water and provide a good soil structure.
- increasing the economic value of forests.

"It is extremely valuable that within a year we will have a clear picture of now underrated risks to human and labour rights in the supply chain, and that the parties are determining together how we tackle these risks and how we deal with violations. For us, that is what makes these agreements so important."

Arend van Wijngaarden, Vice-Chairman of the CNV trade union federation, talking about the Agreement for the Promotion of Sustainable Forestry.

In a study of IRBC risks in Dutch business sectors, carried out on behalf of the Dutch government by KPMG in 2014, the timber and paper sectors were identified as presenting increased IRBC risks. These risks include loss of biodiversity, disappearance of primeval forests, poor working conditions and land grabbing or non-respect of land rights.

The Agreement is a broad partnership between the business community, civil society organisations, knowledge institutes, trade unions and the Dutch Government, aimed at giving a major boost to sustainable forest management, making the use of sustainably produced timber in the Netherlands an obvious choice and further strengthening international responsible business conduct (IRBC) throughout the timber production chain.

WHAT IS THE PURPOSE OF THE AGREEMENT FOR THE PARTICIPATING PARTIES?

In the Agreement, the Parties have joined forces to promote sustainable forestry and to strengthen sustainable enterprise throughout the timber production chain. The agreement stimulates the various Parties - links in the timber chain - to actively share the knowledge on social and environmental impact that they gained through their due diligence research, and to jointly address identified issues. For more information on due diligence, [see the fact sheet on IRBC agreements](#).

The Agreement also aims to increase market demand for legal timber, also known as FLEGT (Forest Law Enforcement, Governance and Trade) timber, as its use is an important step towards achieving sustainable forest management in tropical countries. FLEGT is a European Union initiative to combat illegal logging and the trade in illegal timber.

The Parties to this Agreement apply the sustainability criteria for timber used in the Dutch Government's Procurement Policy. Sustainably produced timber is sourced from sustainably managed forests. This means that trees are planted and harvested in a sustainable way, so that all the forest's functions are preserved, forestry workers can do their jobs under safe conditions and at a reasonable wage, and the rights of indigenous peoples are respected.

Source: <http://www.inkoopduurzaamhout.nl/wat/wat-is-duurzaam-geproduceerd-hout> (in Dutch)



THIS AGREEMENT IS CONSIDERED A SUCCESS IF IN 2020:

- the use of sustainably produced timber has become a matter of course in the Netherlands, in the construction industry as well as in the retail trade and with consumers,
- the business case for sustainable forestry has been given a boost, because we have greatly gained in awareness about the buttons we need to press to achieve this,
- IRBC is firmly anchored in the entire timber production chain, and several instruments have been developed that make it possible for SMBs in this chain to develop an effective implementation of IRBC.



WHO ARE THE PARTICIPANTS IN THIS AGREEMENT?

In total, 24 Parties signed the Agreement in March 2017. FSC-Netherlands (Forest Stewardship Council) and PEFC-Netherlands (Programme for Endorsement of Forest Certification Schemes), both of which are certification schemes accepted by the Dutch government, endorse the objective of the Agreement through a statement of support and will, during the term of the Agreement, carry out the activities that fall within their field of activity.

G The Dutch Government: the Ministry of Foreign Affairs, the Ministry of Economic Affairs and the Ministry of Infrastructure and the Environment (as of later in 2017: Ministry of Infrastructure and Water Management).

B Industry: The Agreement covers a wide range of timber products and companies that import, process and/or distribute timber and timber products. Think of, for example, construction timber, such as roof trusses, sheet piling, windows, doors or bridges. But also furniture and kitchens. The signatories are: Timber and wood processing industries: Koninklijke Vereniging Van Nederlandse Houtondernemingen (Royal Association of Dutch Timber enterprises, KVNH), Nederlandse Bran-

chevereniging Timmerindustrie (Dutch Trade Association for the Carpentry Industry, NBvT), Bouwend Nederland, Aedes, INretail, Aannemersfederatie Nederland (Dutch Contractors Federation), NVB-Bouw (Association for project developers and building contractors), Koninklijke CBM (Interior and Furniture Association), EPV (Dutch Packaging and Pallet Industry Association), NATA (Dutch Association of Timber Agents), Hibin (Royal Association of Building Materials Dealers in the Netherlands), Dutch Man, Vereniging Tuinbranche Nederland (Garden Industry Association)

V Trade union federations: CNV and FNV.

K Knowledge institutes: Stichting Hout Research (SHR, timber research foundation), Initiatief voor Duurzame Handel (IDH, sustainable trade initiative), Stichting Tropenbos International (TBI, Dutch NGO for the protection of tropical forests), Koninklijke Nederlandse Bosbouwvereniging (Dutch forestry association).

M Civil society organisations: International Union for the Conservation of Nature - National Committee of the Netherlands (IUCN-NL), Nederlands Centrum voor Inheemse Volken (NCIV, Dutch center for indigenous peoples), Stichting Both ENDS (sustainable development NGO).



HOW IS IMPLEMENTATION OF THE AGREEMENT BEING ORGANIZED?

First of all, there is a **Steering Committee**. This Committee has the responsibility to discuss the advancement of the Agreement's implementation and solutions to possible problems, to share experiences, initiate actions and assess results. The Steering Committee consists of representatives of the Dutch Government, the industry associations, **trade unions (including CNV)**, knowledge institutes and civil society organisations. SER, the Dutch Social and Economic Council, participates as an advisor. The Steering Committee meets at least 3 times a year, and takes its decisions by consensus. The Chairman of the Steering Committee is Paul van den Heuvel.

The **secretariat** is hosted by **Stichting Bewust met Hout (Foundation Conscious Wood)**. The Secretary is Berdien van Overeem. She acts as a point of contact for all the Parties involved, reports to the Steering Committee, organises the annual meeting, prepares meetings and ensures the implementation of decisions.

In addition, the following **four working groups have been set up:**

- **Reducing IRBC risks** (assessment using OECD Guidelines, UN Guiding Principles and EU Timber Regulation), to which CNV makes an active contribution
- **Strengthening Business Chains** (simplification of the supply and production chain)
- **Marketing Communication** (stimulate the demand for sustainable timber)
- **Strengthening the Business Case** for Sustainable Forestry (pooling knowledge, strengthening the business case)

WHAT DOES 'DUE DILIGENCE' MEAN IN THE CONTEXT OF THIS SUSTAINABLE FORESTRY AGREEMENT?

Due diligence is a process in which companies identify their impact on human rights and the environment, [and then take action to] prevent, mitigate and account for it (read more on due diligence in the introduction to the IRBC agreements). Within one year, the timber sector wants to have a clear understanding of underrated risks in their compliance with human rights and workers' rights in the business chain, and jointly determine how these risks can be tackled and violations addressed. The Agreement stimulates the various links in the timber production chain to actively share the knowledge and experience they have gained from their due diligence procedures (the assessments of their social and environmental impact), and to jointly address any identified issues. The Parties also wish to ascertain to what extent the European Timber Regulation (EUTR) and the current FSC and PEFC-Netherlands certification initiatives are in line with the IRBC principles as formulated in the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.



WHAT MUTUAL COMMITMENTS HAVE THE PARTIES ENTERED INTO?

Concrete actions have been agreed, and working groups created, on the following themes:

WORKING GROUP 1. Reducing IRBC Risks

Under the leadership of the CNV a working group on Reducing IRBC Risks has been established. It consists of technical experts from the Parties participating in this Agreement, and of relevant stakeholders. This Working Group coordinates:

- The organisation of an annual meeting to share practical experiences and identified issues in the implementation of due diligence in the timber business chain and, where necessary, to formulate and communicate solutions.
- The conduct of an independent review to assess whether the OECD Guidelines and the UN Guiding Principles are adequately covered by the EUTR (European Union Timber Regulation) and the current certification initiatives for a sustainable timber chain; and if not, what adjustments and steps are needed. The results of this assessment will be evaluated in the annual meeting.



WORKING GROUP 2. Strengthening the trading chain for sustainably produced timber

Many SMBs in the timber chain are wary of the administrative requirements that are now involved in switching to use of sustainably produced timber. The 'Trading Chain Strengthening' Working Group is examining the possibilities to simplify administrative rules for the use of sustainably produced timber in order to facilitate a sustainability switch for the many SMBs in the timber chain.

WORKING GROUP 3. Marketing Communications: stimulating market demand for sustainably produced timber

The Marketing Communications Working Group, coordinated by the Dutch Carpentry Industry Association, is charged with the following tasks:

- Provide unambiguous information about the environmental performance of timber, so that a transparent comparison with other (building) materials becomes possible.
- Develop and implement an information campaign for consumers and corporate timber buyers, which makes it clear that it is precisely the use of sustainably produced timber that is a prerequisite for forest conservation.
- Show in concrete terms how buyers can easily switch to using sustainably produced timber. To this end, two training courses for buyers will be organised each year.



WORKING GROUP 4. Strengthening the business case for Sustainable Forestry

The 'Sustainable Forestry Business Case Strengthening' Working Group, coordinated by Tropenbos and NVVH (the Royal Association of Dutch Timber Companies), documents the added value that forest owners can gain from switching to sustainable forest management. It answers questions such as: what premium can forest owners expect to receive for sustainably produced timber? What are the costs and benefits of sustainable forest management? How can yields be increased and/or costs reduced for sustainable forestry, in order to make it more attractive for forest managers to switch to sustainable forestry? Depending on the results, two pilot projects will be set up to strengthen sustainable forest management in regions that export a lot of timber to the Netherlands and where sustainable forestry is still struggling to get off the ground.





HOW DOES CNV INTERNATIONAAL CONTRIBUTE TO THE AGREEMENT? AND WHAT CAN LOCAL PARTNERS CONTRIBUTE?

Within this Agreement, CNV is in charge of the Working Group on Reducing IRBC Risks. Additional research is needed to see whether the current certification initiatives adequately address the various international guidelines (OECD, ILO, UNGP) in the field of human rights, employment, working conditions and the environment throughout the timber chain (i.e. from the forest to the quayside in the Netherlands). The aim of this research is to strengthen the certification systems and to determine what the Dutch timber sector can contribute to these efforts.

The Working Group will actively contribute to elements of an information campaign on the role of using sustainably produced timber in conserving (tropical) forests. In this respect, however, the trade unions are in the back seat and do not have a leading role. CNV will also assist in increasing market parties' knowledge of the ecological, social and economic aspects of sustainable forestry.

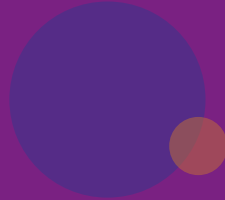
HOW DOES REPORTING AND MONITORING TAKE PLACE?

The secretariat is provided by Stichting Bewust met Hout ('Timber Consciousness Foundation'). It coordinates active working groups and supervises achieving the intended results. Parties and working establish annual reports on progress, results and further plans. The results of monitoring are made public by the Agreement's Secretary. In 2017 and in 2020, the Government will monitor the proportion of sustainably produced (tropical) timber with FLEGT license on the Dutch market. These results are published [online](#).



Additional information on the IRBC Agreements, including links to background information and documents mentioned in this factsheet, is available on:

www.cnvinternationaal.nl/en/business-and-human-rights/dutch-agreements-responsible-business-conduct



About CNV Internationaal

CNV Internationaal has been supporting trade union work in developing countries for more than 50 years. Working with counterpart organisations, CNV Internationaal protects and promotes the rights of employees, building on Christian social tradition. This involves social dialogue, a pluralist trade union movement and individual responsibility of employees as core values. CNV Internationaal's mission is to contribute to decent work in developing countries by improving the position of employees in both the formal and informal economy through strengthening social partnership and promoting sustainability in production and supply chains. In the Netherlands, CNV Internationaal works with its CNV confederation and affiliated unions to contribute towards decent work in developing countries through lobbying, policy-making and awareness-raising. In the coming years CNV Internationaal will mainly focus on the themes of social dialogue, labour rights in production chains, and (youth) employment and employability.

CNV Internationaal

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