



# Sustainable Timber Guidance Note:

[TS14.1]



## Background and Context

Massmart recognises that advocacy to suppliers offers significant opportunity to limit the harmful effects of consumerism on the environment. We therefore continue to focus on intensifying our engagement efforts with our suppliers through various environmental advocacy programmes.

Over 8000 tree species representing 10% of the world's total are threatened with extinction. Illegal and unsustainable forest management practices, deforestation caused by soya, palm oil, beef and timber harvesting along with the conversion of land for agricultural purposes remain the foremost accelerators of deforestation and degradation of the world's forests (STA). Not only does land-use change and deforestation have major negative environmental impacts, but they have an adverse effect on social sustainability impacts as well. More than a fifth of the world's population rely on forest resources to sustain their livelihoods; as a consequence forest dwelling communities are highly vulnerable to deforestation and forest degradation (STA). In addition, deforestation is a major driver of greenhouse gas emissions and biodiversity loss, and today it accounts for approximately 15% of all global carbon emissions. We appreciate the importance of well-managed forests and the loss of valuable biodiversity caused as a result of forest mismanagement and as such, Massmart expanded its advocacy programme in 2013 to include the sourcing of high priority timber species.

## Walmart Position

In 2008, Walmart pledged to help conserve endangered forest by sourcing wood from sustainable and certified sources, in addition Walmart pledged to complete an assessment of the origin of its wood sources, and eliminate timber from illegal and unknown sources.

## Massmart's position

As a retailer of timber products, Massmart recognises the need to promote sustainable forest management and ensure that the timber products it offers to its customers have been sourced responsibly from well-managed forests. To this end, Massmart has introduced a set of responsible timber sourcing guidelines for buyers, and annually assesses the conservation status of the timber species and forests from which it sources to ensure that it does not offer timber products manufactured from species that are; threatened, endangered, critically endangered or considered to be high risk; harvested from timber from forests that violates traditional and/or human rights. In addition, we encourage the use of sustainability-certified hardwood timber in our supply chain.



## Guidelines

### 1. Hardwood advocacy process

Massmart plans to formalise a sustainable hardwood timber advocacy process, which will be aimed at identifying risks and opportunities through supply chain tracking and audits.

The advocacy process entails the following steps:

- Supplier advocacy survey,
- Buyer and supplier workshops,
- Site assessments and data verification
- Compilation of a sustainable hard wood advocacy report

### 2. Sustainable forest management standards

Eco-labels and standards set the sustainability criteria which suppliers can adopt to conserve forests and help consumers make informed buying decisions. Where appropriate, and with due regard for smaller local suppliers, Massmart will encourage suppliers through its timber advocacy process and facilitation of workshops between suppliers and the Forest Stewardship Council (FSC), to consider the adoption of the FSC eco-label which certifies that timber species come from well- managed and sustainable forests.

### 3. Hardwood procurement guidelines

Massmart, through the adoption of the following hardwood timber procurement guidelines, is intent on increasing hard wood supply chain transparency and preventing the purchase and sale of timber which is threatened, endangered, or considered to be at risk

- Massmart will not source any threatened, endangered, or critically endangered timber species.
- Massmart will not source timber from illegal, unregulated, uncontrolled and undocumented forests.
- Massmart will not source timber that is harvested from forests that are in high risk areas.
- Massmart will require all timber suppliers and traders to disclose the country of origin and species in the form of an affidavit, on an annual basis.
- Massmart, in consultation with relevant industry experts and non-governmental organisations (NGO) reserve the right to delist any timber species that it considers to be of high risk.
- All hardwood timber suppliers and traders supplying to Massmart will be required to disclose the measures they have put in place to ensure that they do not source timber species from unsustainable and high risk forests.



- To give force and effect to the above requirements, Massmart reserves the right to request evidence of chain of custody documentation as part of a rand assessment process.
- Massmart will run annual workshops for buyers and suppliers, to sensitise them to high risk timber species, and educate them regarding sustainable timber species alternatives.