



DO IT
FOR YOUR
PLANET

**ARE YOU SITTING
COMFORTABLY?
SUSTAINABLE TIMBER
SOURCING AND THE UK
FURNITURE INDUSTRY**

Cover photo

© Brent Stirton / Getty Images / WWF-UK

Authors

Charles Drewe and Tim Barker
Newleaf Sustainability Practice Ltd

Design

madenoise.com

November 2016

About WWF-UK

At WWF-UK, we want a world with a future where people and wildlife can thrive. So we're working with businesses, governments and communities to address the world's most important environmental challenges. We're creating solutions that are helping to transform the future for the world's wildlife, rivers, forests and seas in areas we regard as particular priorities. We're pushing for the reduction in carbon emissions needed to avoid catastrophic climate change. And we're pressing for measures to help people live sustainably, within the means of our one planet.

Find out more about our forests work at wwf.org.uk/forests

About Newleaf

Newleaf Sustainability Practice Ltd was formed in 2008, and works with pioneering companies, trade associations and NGOs to translate sustainability strategies into real results. Newleaf sees businesses as having the potential to be the greatest ecologists and conservationists – because a major part of the way they'll create value in the future will be in minimising their impact on the world and managing natural resources for future generations. Newleaf's founder, Charles Drewe, has worked with some of the UK's leading brands on corporate social responsibility for more than 15 years.

www.newleafpractice.co.uk

The purpose of this research is to gather evidence to support one of the objectives of our forest campaign of encouraging UK businesses to shift 100% of their trade in wood and timber products to both sustainable and legal sources by 2020.

CONTENTS

1 BACKGROUND	5
2 INTRODUCTION	8
3 SETTING THE SCENE: A REVIEW OF EXISTING REPORTS	9
4 WHAT'S THE STORY: UK FURNITURE IMPORTS	10
5 SUB-PLOT: ADDITIONAL RISKS FROM IMPORTED RAW MATERIALS	14
6 A REVIEW OF UK FURNITURE RETAILERS' POLICIES	19
7 CONCLUSIONS	22
8 RECOMMENDATIONS FOR FURNITURE RETAILERS	24
9 APPENDIX	27
9.1. Indicators used for assessing retailers' policy and performance	27
9.2. List of retailers	28
9.3. Determining furniture imports	32
9.4. Wood-related furniture CN codes	33
9.5. Furniture CN codes excluded or omitted	34
9.6. Import from high risk countries	35
9.7. Sawn wood CN codes	37



LIST OF FIGURES

Figure 1: 59% of UK furniture imports are from outside the EU (by value)	10
Figure 2: 59% of UK furniture imports are in scope of the EU Timber Regulation	10
Figure 3: 53% of in-scope imports are from outside the EU (by value)	11
Figure 4: China is by far the UK's biggest import partner at €1.6 billion	11
Figure 5: Six CN codes represent 88% of UK furniture imports	11
Figure 6: Oak is the dominant sawn temperate hardwood import.....	15
Figure 7: The US is a major source of oak sawn wood.....	15
Figure 8: UK furniture retailers' responsible sourcing ratings.....	20

LIST OF TABLES

Table 1: The most important product types from key import partners (by value).....	13
Table 2: The most important import partners for key product types.....	13
Table 3: Retailer rating criteria	20
Table 4: Useful resources	25
Table 5: List of retailers, by name	28
Table 6: List of retailers, by rating	30
Table 7: The most important product types from other high risk import partners (in addition to China and Vietnam).....	35
Table 8: The most important 'high risk' import partners for key product types	36

BACKGROUND

This report seeks to establish the origins of the furniture that's sold in the UK, and to find out whether UK businesses in the sector are sitting comfortably, safe in the knowledge they are doing their best to ensure that the world's forests are being managed in ways that will secure this vital natural resource for the future.

**WE IDENTIFIED
€4.1BN (1.4M
TONNES) OF
UK IMPORTS
OF RELEVANT
FURNITURE-
RELATED CN CODES
IN 2015, OF WHICH
59% WERE FROM
OUTSIDE THE EU**



WHEN?

This study looks primarily at the furniture we bought in 2015.

HOW MUCH?

We needed to establish the size of the UK market for wood-related furniture – the kind of things that are made, using wood as a raw material, for our homes, gardens and offices. By using the European Union's Eurostat database, we were able to identify the value (in €) and quantity (in tonnes) of imported furniture products by their official 'combined nomenclature', or CN, codes. Predominantly these CN codes fall under Chapter 94 (furniture and related items) but some additional codes covering garden umbrellas, framed mirrors and audio-visual cabinets were also included for consideration. But for the purposes of this report, we excluded furniture items unlikely to contain wood.

WHERE FROM?

Using the same database, the figures showed that China is by far the most significant import partner country, providing 42% of all relevant UK furniture imports (€1.6 billion; 450,000 tonnes), followed by Italy (15%), Poland (10%), Vietnam (8%) and Germany (7%). Total furniture imports from 'high risk' countries – those with recognised illegal logging and trade issues – are valued at €1.9 billion (600,000 tonnes). As well as China and Vietnam, Malaysia, Brazil and Indonesia could also be considered as significant high risk import partners. But it should be noted that the partner country is not necessarily the country of origin for the wood used to make the furniture.

Some 88% of the value of UK wood-related furniture imports are made up of just six different CN codes, namely: upholstered seats (24%), other wooden furniture (20%), bedroom furniture (15%), dining and living room furniture (14%), wooden furniture parts (11%), and other seats with wooden frames (4%).

WHAT WOOD IS USED?

As well as the wood imported in finished furniture products, UK-based furniture manufactures could potentially use a wide variety of different timbers and timber products as raw materials or components. As an example, this analysis considered that temperate hardwoods (e.g. oak, beech, ash) could be high risk and are also likely to be imported in substantial quantities.

Oak was found to be the dominant sawn temperate hardwood import at nearly 93,000 tonnes and €145 million, predominantly from the US. But it should be noted that the import partner country (where the timber is imported from) is not necessarily the timber's country of origin (i.e. where the forest is) as the import partner may merely be a conduit for trade.

It was further recognised that tropical hardwoods could also be high risk species used in UK furniture and that composite products such as plywood can present particular challenges.

The recurring issue when considering wood raw materials (and therefore even more so with component parts or finished products) is that it is often unclear where the wood has originated and without thorough due diligence it is impossible to be sure that it has been harvested

legally, let alone sustainably. For this, the consumer has to trust that furniture retailers, and their supply partners, are taking responsibility for ensuring that their products, components and raw materials are sustainably sourced.

The EU Timber Regulation was introduced to eliminate illegal timber from the European market. However, at present, the scope of the regulation with respect to forest products is not comprehensive. When it comes to furniture, we have identified that over half of these imports are currently in scope of the EU Timber Regulation and of that about half is from outside the EU. This means that €1.3 billion (456,000 tonnes) of in-scope furniture is imported from outside the EU by UK operators and therefore should be subject to due diligence.

A further 24% of imports (€720 million of which is from outside the EU) arguably should be in scope, as they clearly contain wood. The rest could well be made using wood too, depending on the product's design.

But it should be remembered that, while the EU Timber Regulation is only a requirement to ensure the *legality* of the timber, there are much broader sustainability risks (such as inappropriate logging, loss of biodiversity, human rights etc.) that should be considered as part of a truly responsible timber sourcing policy.

WHO IS BUYING AND SELLING THE FURNITURE?

The UK furniture industry is a substantial importer of timber. So we also wanted to get a picture of how well the sector is performing at managing legal and ethical obligations to source such timber responsibly, not to mention safeguarding their own businesses by ensuring access to reliable and sustainable sources of raw materials.

Retailers are the public face of the industry; they have substantial brand influence and purchasing power. We identified 74 representative retail brands to act as proxies for the industry's sustainable sourcing performance, based on information published on company websites and other publicly shared documents. We rated the retailers on the presence of a sustainable timber sourcing policy, the strength of their commitments and any credible progress against them, using a range of indicators. (See page 27 for the indicators, followed by the table of companies).

Of the 74 retailers we assessed, 50 (68%) were rated 'awareness', or presented no information - having no published policy or any other credible sourcing statement.



WITH SOME NOTABLE EXCEPTIONS, MOST RETAILERS DON'T APPEAR TO KNOW OR CARE WHERE THE WOOD IN THEIR PRODUCTS COMES FROM OR IF IT IS RESPONSIBLY AND SUSTAINABLY SOURCED

This suggests that not only do they not see the responsible sourcing of a key commodity as an issue, but they are also not providing any information to support their customers' interest in environmental matters. This includes some well-known brands.

However, 16 out of the 74 retailers that we assessed (22%) are making good progress or show industry-leading performance, demonstrating a very high level of commitment to responsible sourcing. Some have already reached near full compliance with their policies. These are predominantly multi-sector retailers who are showing commitment in not just timber sourcing but in all their other materially-significant raw materials.

The greatest challenge relates to the importing of finished furniture from outside the EU, particularly where the products do not fall within the current scope of the EU Timber Regulation. As 68% of retailers in this study do not demonstrate strong timber sourcing policies, comprehensive due diligence is likely to be rare; even more so when

there is no legal obligation. Given that substantial proportions of household furniture like upholstered seats, living room and dining room furniture, bedroom furniture and other furniture are imported from high risk countries such as China and Vietnam, the home furnishings sector is particularly important.

Retailers (and other businesses in the furniture supply chain, including manufacturers and traders) can reduce risk and enhance their reputation by publishing a credible timber sourcing policy committing them to buying only products that use sustainably produced, legally verified timber; engaging actively with their suppliers to make progress; specifying third-party certification such as FSC as a way to achieve this commitment; communicating on their progress; and seeking support, for example from WWF's Global Forest & Trade Network.

Overall, with some notable exceptions, most retailers don't appear to know or care where the wood in their products comes from or if it is responsibly and sustainably sourced. It remains an open question how many of their customers would still be sitting comfortably if they knew that.



INTRODUCTION

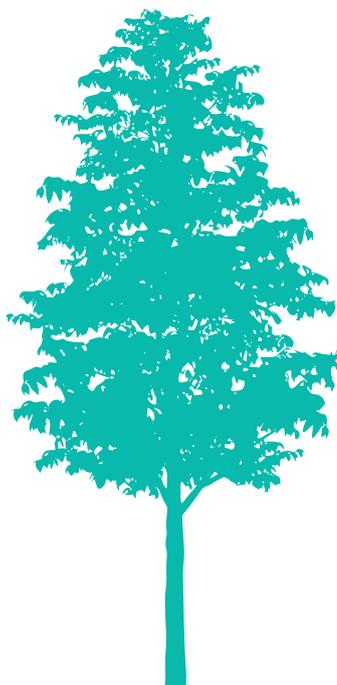
The world's forests perform a number of critical functions both globally and locally. They are fundamental to regulating the Earth's climate, preserving rich levels of biodiversity and providing prosperity for many local communities.

Today many of the world's natural forests have been lost, with the majority of losses occurring over the last 100 years. Although there are a variety of reasons for the continued destruction of natural forests, illegal logging poses a significant threat to global forest resources. It contributes to deforestation, causes loss of biodiversity and erodes the rule of law. It undermines responsible forest management, encourages corruption and tax evasion, and reduces the income of producer countries. Cheap imports of illegal products also distort market pricing and investment prospects. And they have social implications, threatening the jobs and livelihoods of people who depend on forests for their survival.

The UK furniture industry is a significant user of timber, either directly as a raw material for manufacturing, or indirectly in components or in finished products. Sometimes the presence of wood is obvious, but it can often be hidden behind other materials. Wherever the wood may be found, the furniture industry has a responsibility to ensure that it sources it legally and sustainably.

In this report we aimed to establish the origins of that furniture and to find out whether UK businesses in the sector are sitting comfortably, safe in the knowledge they are doing their best to ensure a sustainable future for the world's forests.

**THE UK FURNITURE
INDUSTRY IS A
SIGNIFICANT USER
OF TIMBER**



SETTING THE SCENE: A REVIEW OF EXISTING REPORTS

Before focusing on the new research, we reviewed other reports that provide an overview of the nature of the UK furniture import trade.

The first of the three reports we reviewed was a digest of UK furniture industry statistics published by the Furniture Industry Research Association (FIRA).¹ This helps to illustrate the size and structure of the UK furniture sector, which **represents a home market of £10.2 billion.**

There are nearly 6,000 UK furniture manufacturers, which reported a combined turnover of £7.4 billion in 2014 (1.4% of the UK's total manufacturing turnover). FIRA categorises the industry as: office & shop (900 manufacturers/£2bn turnover), kitchen furniture (1,200 manufacturers/£1.7bn turnover), mattresses (not relevant to this report) and other furniture (3,700 manufacturers/£3bn turnover).

Of these UK manufacturers, 83% have a turnover of less than £1 million. Overall furniture imports were worth £4.8 billion in 2014, which equates to 47% of the UK furniture market. The majority originate from China (33%; £1.66 bn), with Italy, Poland and Germany also being important import partners.

Furniture exports were worth £930 million in 2014, predominantly to the Irish Republic, France, Germany and the US.

An unpublished report², commissioned by WWF-UK, looked at high-risk countries for illegal logging. It concluded that 'almost half of the volume of furniture imported to the UK in 2015 was sourced from countries with recognised illegal logging and trade issues'. As well as China, the chief among these are Brazil, Indonesia, Malaysia and Vietnam. Species used for

furniture are also discussed in the report and range from fast-growing plantation species (eucalyptus, acacia), through managed temperate species (pine, spruce) to those with a higher value and potentially higher risk, such as oak, walnut, meranti and sapele.

Newleaf's own previous research on behalf of WWF³ (looking at EU imports of timber products in relation to the EU Timber Regulation) helped identify suitable furniture-related 'CN codes' (see section 4.1 below) for closer examination. It indicated that the international trade statistics from the EU's Eurostat database would be a reliable and comparable source of data. This research also allowed the chosen CN codes to be categorised as to their significance, i.e. whether they are already included within the scope of the EU Timber Regulation or are out of scope but made of wood, contain wood, or may be made of or contain wood.

It was this previous research that identified CN codes that relate to furniture. Predominantly these CN codes fall under Chapter 94 (furniture and related items) but some additional codes covering garden umbrellas, framed mirrors and audio-visual cabinets were also included for consideration. We excluded some furniture codes we looked at initially from this analysis because they described metal furniture items that were considered unlikely to contain wood very often, and so risked misrepresenting the import data. For more information on the methodology we used to determine furniture imports, see the Appendix.



THE UK FURNITURE SECTOR REPRESENTS A HOME MARKET OF £10.2BN

¹ Statistics digest for the UK furniture industry, November 2015, FIRA International Limited.

² UK Furniture imports 2015, George White Associates. [Unpublished background research].

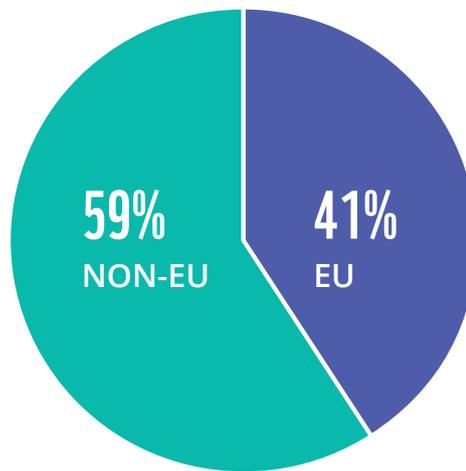
³ Analysis of Potential European Union Timber Regulation Product Scope Changes, January 2016, Newleaf Sustainability Practice Ltd/WWF.

WHAT'S THE STORY: UK FURNITURE IMPORTS

According to FIRA's statistics, imports accounted for 47% of the UK furniture market in 2014. But the story isn't straightforward when it comes to the remaining 53%. It might not be described as furniture when it's imported, but that portion will also contain imported timber and component parts that are used to manufacture furniture in the UK.

UK FURNITURE IMPORTS (2015) BY VALUE

Figure 1: 59% of UK furniture imports are from outside the EU (by value)



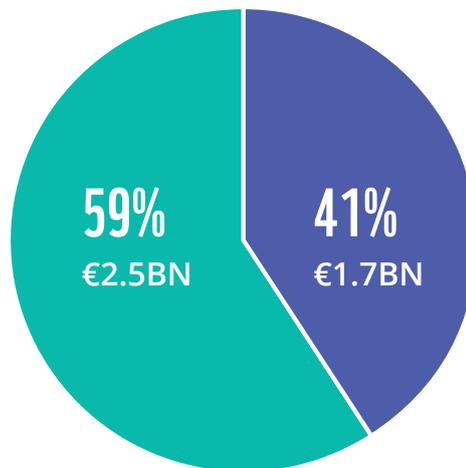
The FIRA analysis identified €4.1 billion (1.4 million tonnes) of UK imports of relevant furniture-related CN codes in 2015, of which 59% was from outside the EU (52% by quantity). These are the furniture items that use wood as a raw material and are made for our homes, gardens and offices.

Over half of all furniture imports are currently in scope of the EU Timber Regulation (59% by value; 74% by quantity). Of these, about half are from outside the EU (53% by value, 45% by quantity). **This means that €1.3 billion (456,000 tonnes) of in-scope furniture is imported from outside the EU by UK operators and therefore should be subject to due diligence.**

VALUE OF UK FURNITURE IMPORTS (2015)

Figure 2: 59% of UK furniture imports are in scope of the EU Timber Regulation

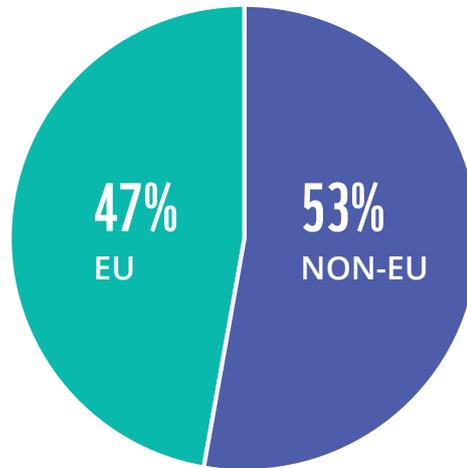
▶ IN-SCOPE
▶ OUT OF SCOPE



A further 24% of imports (15% by quantity) arguably should be in scope as they clearly contain wood (principally this concerns seating, as it remains a strange anomaly that the furniture we sit around, like tables, are likely to be included in the Regulation but the things we sit on – the seats themselves, are not). This equates to €720 million of imports from outside the EU (153,000 tonnes). The rest could well be made using wood too, depending on the product's design.

ORIGIN OF IN-SCOPE UK FURNITURE IMPORTS (2015) BY VALUE

Figure 3: 53% of in-scope imports are from outside the EU (by value)

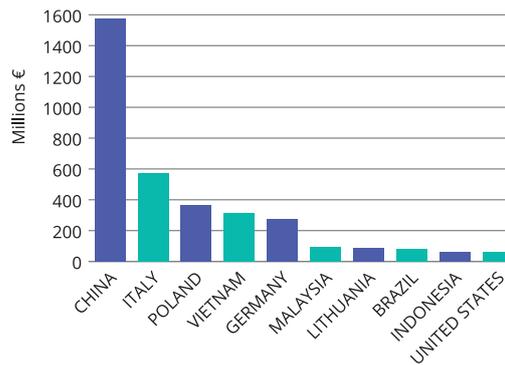


China is by far the most significant import partner country. It provides 42% of all relevant UK furniture imports (€1.6 billion; 450,000 tonnes). It is followed by Italy (15%), Poland (10%), Vietnam (8%) and Germany (7%). All other countries account for 18% of the total. Of these, Malaysia, Brazil and Indonesia could also be considered as significant because, like China and Vietnam, they are countries with a high risk of illegal logging and trade issues, as well as being top 10 import partners.

The most important product types from key import partners are summarised below (i.e. CN codes contributing 10% or more of the partner's exports to the UK, by value). These are the everyday items that furnish our homes, such as sofas, tables, cabinets and beds.

TOP 10 UK IMPORT PARTNERS (2015) BY VALUE (€)

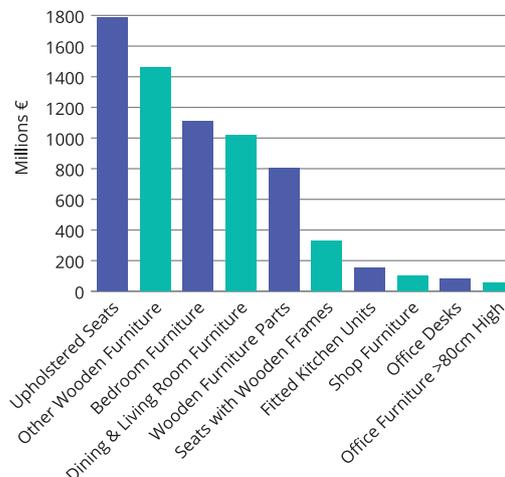
Figure 4: China is by far the UK's biggest import partner at €1.6 billion



Total furniture imports from 'high risk' countries are valued at €1.9 billion (600,000 tonnes). As well as Brazil, China, Malaysia and Vietnam, other 'high risk' import partners include Indonesia, which supplies less than 2% of the UK's imports (€59 million), Thailand (€30 million) and Russia (€3 million). Bolivia, Cameroon, Colombia, Ghana, Honduras, Myanmar and Peru collectively account for €2 million of imports. See Appendix for the most important product types from these countries.

TOP 10 IMPORTED CN CODES (2015), BY VALUE (€)

Figure 5: Six CN codes represent 88% of UK furniture imports



It should be noted that the partner country is not necessarily the country of origin for the wood used to make the furniture. For example, the UK's biggest export partner, China, is widely regarded as a conduit for timber originating elsewhere, primarily south-east Asia and the Russian Far East. Italy, the second biggest partner, appears to manufacture most of its furniture items domestically (imports for furniture parts and upholstered seats are only 12% of its export value) but the wood used is likely to come from elsewhere.



CHINA IS BY FAR THE MOST
SIGNIFICANT IMPORT
PARTNER COUNTRY. IT
PROVIDES 42% OF ALL
RELEVANT UK FURNITURE
IMPORTS (€1.6BN;
450,000 TONNES)

Table 1: The most important product types from key import partners (by value)

IMPORT PARTNER	PRODUCT TYPE	CN CODE	VALUE
China	Upholstered seats	94016100	€515 million
	Other wooden furniture	94036090	€287 million
	Bedroom furniture	94035000	€185 million
	Dining & living room furniture	94036010	€185 million
Italy	Wooden furniture parts	94039030	€305 million
	Upholstered seats	94016100	€107 million
Poland	Upholstered seats	94016100	€111 million
	Other wooden furniture	94036090	€83 million
	Bedroom furniture	94035000	€60 million
Vietnam	Dining & living room furniture	94036010	€96 million
	Other wooden furniture	94036090	€81 million
	Bedroom furniture	94035000	€76 million
	Upholstered seats	94016100	€29 million
Germany	Fitted kitchen units	94034010	€45 million
	Wooden furniture parts	94039030	€39 million
	Other wooden furniture	94036090	€26 million
	Bedroom furniture	94035000	€21 million

Some 88% of the value of UK wood-related furniture imports are made up of just six different CN codes, namely: upholstered seats (24%), other wooden furniture (20%), bedroom furniture (15%), dining & living room furniture (14%), wooden furniture parts (11%) and other seats with wooden frames (4%). These same six codes are dominant in terms of quantity

too, albeit in a slightly different order, with other wooden furniture being top by weight (29%) and upholstered seats being number five (with 14%). Wooden furniture parts and fitted kitchen units are sourced exclusively from within the EU.

The most important import partners for key CN codes (i.e. those providing 10% or more of the code's imports) are as follows:

Table 2: The most important import partners for key product types

PRODUCT TYPE (CN CODE)	CN CODE	IMPORT PARTNER	VALUE
Upholstered seats	94016100	China	€515 million
		Poland	€111 million
		Italy	€106 million
Other wooden furniture	94036090	China	€287 million
		Poland	€83 million
		Vietnam	€81 million
Bedroom furniture	94035000	China	€185 million
		Vietnam	€76 million
		Poland	€60 million
Dining room & living room furniture	94036010	China	€185 million
		Vietnam	€96 million
Wooden furniture parts	94039030	Italy	€305 million
		Germany	€39 million
Seats with wooden frames (exc. upholstered)	94016900	China	€53 million
		Vietnam	€25 million
		Poland	€19 million

With regards to high risk sources, China and Vietnam are particularly important import partners for key product types. Further detail on high risk sources can be found in the Appendix.

SUB-PLOT: ADDITIONAL RISKS FROM IMPORTED RAW MATERIALS

Based on FIRA's statistics, 53% of the UK furniture market is produced domestically. This could be primary production from wood raw materials or the assembly of components originally produced overseas and imported to the UK. Even if wood is used as a raw material it is likely that most will be imported (either directly or indirectly via suppliers), given that the UK forestry sector is relatively small. The risk related to the sourcing of these imported raw materials appears to be largely unknown.

THE RISK RELATED TO THE SOURCING OF THESE IMPORTED RAW MATERIALS APPEARS TO BE LARGELY UNKNOWN

UK furniture manufactures could potentially use a wide variety of different timbers and timber products, from wood in the rough, through sawn timbers, plywood, veneers, chipboards and engineered wood products. These could consist of reclaimed wood, softwoods, temperate hardwoods or tropical hardwoods of a variety of separate or mixed species. Some species may be grown in the UK but most will be imported. A thorough analysis of typical timber types and species used in UK manufacturing, and their related trade flows, could be insightful but would require additional research.

Nevertheless, we attempted to gain some insight into where the UK furniture industry's wood raw materials may come from. For the purpose of this analysis, we assumed that sawn solid wood greater than 6mm in thickness could be used in a wide range of furniture. We further considered that softwoods (e.g. pine or spruce) are less likely to be high risk species, but temperate hardwoods (e.g. oak, beech or ash) could be high risk and are also likely to be imported in substantial quantities. So we did an analysis of temperate solid hardwood CN codes⁴, using Eurostat data and the same approach as outlined for furniture imports.

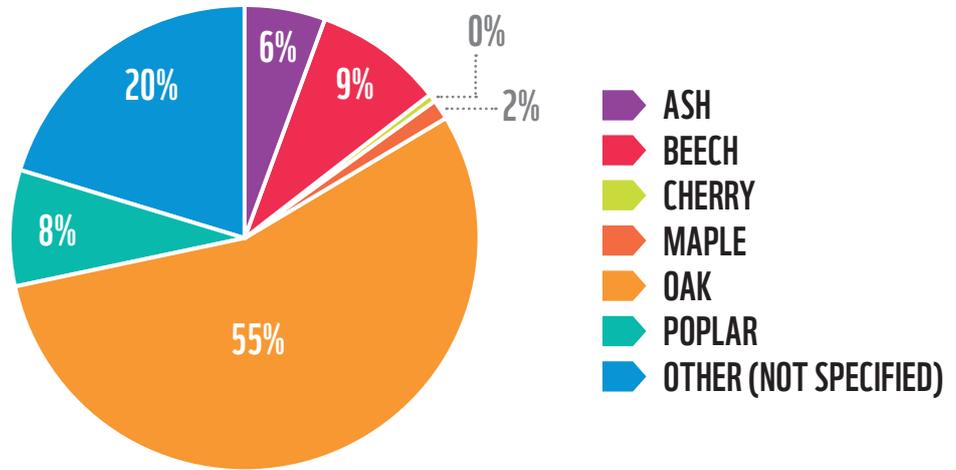
Total UK imports of sawn temperate hardwoods (for all purposes, not just furniture) were worth €219 million in 2015. As these codes represent solid wood, it is arguable that the quantity (weight) of imports at 168,000 tonnes is a more useful measure because it relates specifically to wood content (unlike for finished furniture, which often contains various other materials too) yet is not subject to the vagaries of pricing or currency fluctuation.



⁴ See Appendix for a full list of CN codes examined.

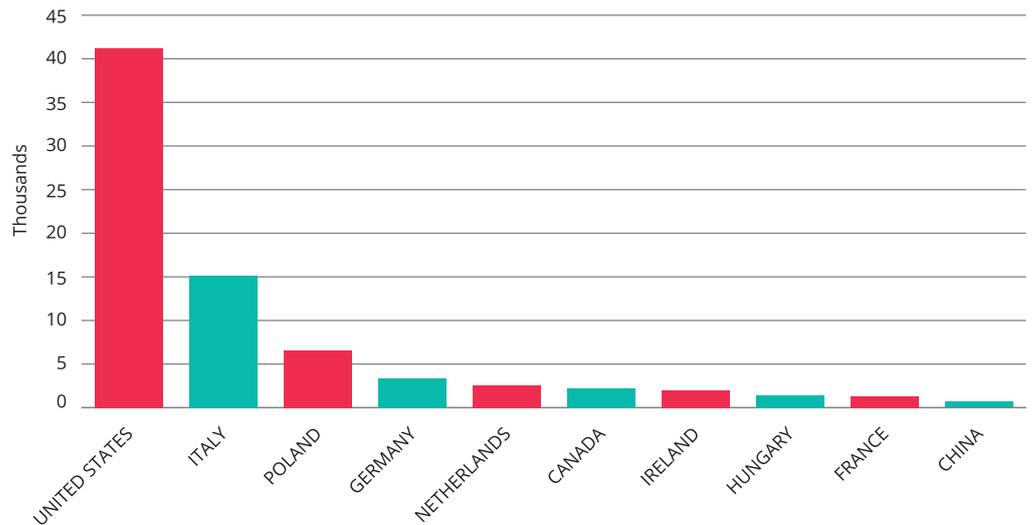
UK TEMPERATE HARDWOOD IMPORTS 2015, BY QUANTITY

Figure 6: Oak is the dominant sawn temperate hardwood import



TOP 10 UK IMPORT PARTNERS FOR OAK SAWN WOOD 2015, BY QUANTITY (TONNES)

Figure 7: The US is a major source of oak sawn wood



Oak is the dominant sawn temperate hardwood import at nearly 93,000 tonnes (55% of total quantity) and €145 million (66% of total value). Beech and ash account for 9% and 6% of import quantity respectively (5% and 6% of value). Other species, including maple, cherry and poplar, make up the remaining 30% (23% by value).

The US is the most important import partner for oak sawn wood for the UK, at over 41,000 tonnes (44% of total) and

€62 million, followed by Italy (16%), France (14%) and Poland (7%). Just over 1,000 tonnes is imported directly from ‘high risk’ countries, principally China, with relatively small amounts from Malaysia and Russia. Sometimes concerns are raised about poor governance, and therefore an increased risk of illegality, in eastern Europe. Just over 10,000 tonnes is directly imported from this region, although most (6,600 tonnes) is from Poland. Excluding EU members, the total drops to less than 600 tonnes, half of which is from Ukraine.

A large, moss-covered oak tree stands prominently in a lush green forest. The tree's trunk is thick and gnarled, with several large, spreading branches. The leaves are vibrant green, and the ground is covered in a dense carpet of green ferns and other forest floor vegetation. In the foreground, a rustic wooden fence made of branches and logs is visible. The background shows a dense stand of similar trees, creating a sense of a healthy, mature forest.

However, it should be noted that the import partner country (where the timber is imported from) is not necessarily the timber's country of origin (i.e. where the forest is). For example, while oak from France appears to be typically home grown (imports are only 12% of the French oak trade flow), Italy and Poland appear to be importing large proportions (imports are three-quarters or more of their oak trade flows) meaning that there is a good chance that the country of origin is elsewhere.

In Italy's case, over 90% of oak timber imports come from other EU countries, 4% from the US and smaller amounts from eastern Europe. But for Poland only 42% of the imported oak is from the EU while over half is from Ukraine with some from Bosnia and Russia.

Risks can also be present with composite products. For example, the UK government's enforcement authority for the EU Timber Regulation, the National Measurement and Regulation Office (NMRO) states that '[Chinese] plywood is a product that potentially represents an area of high risk, due to long supply chains and the species used in production being derived from illegally logged sources, notably Africa'. The NMRO found during an investigation that 'the majority of companies failed to supply sufficient due diligence to cover the product in question'⁵.

Another report, on behalf of WWF-Malaysia, considers that for rubber wood (commonly used for plywood and particleboard), 'traceability back to forest of harvest is difficult' as 'supply chains for composite products are opaque and may change frequently depending on availability'. It also considers that there is potential for the rubber wood to be mixed with MTH (mixed tropical hardwoods)⁶. Unless a buying company and its supplier carry out due diligence, there's a risk that illegal or unwanted timber product may not be detected. There are several risks in the case of wood-based products or components sourced for the manufacture of furniture. Mixed tropical hardwoods may have been felled during the conversion of natural forest to make way for plantations of one sort or another. The wood could be from illegal or controversial sources. Its extraction could cause the loss of high

conservation value forest, or encroach on protected forest areas. Or it could contribute to the ongoing degradation of natural forests, making them more susceptible to conversion or fire.

Potentially, tropical hardwoods could be high risk species used in UK furniture manufacturing too. For example, one environmental group recently claimed that 'any operator placing Burmese teak on the EU market will have failed to undertake even the most basic level of due diligence required by the EUTR'. Teak is known to be an important timber for garden furniture and, while it is most likely to be used in finished furniture made overseas and imported into the UK, there remains the possibility of a UK manufacturer using wood from some of the 9,000 tonnes (€8.5 million) of sawn wood imports that could include teak.

The recurring issue when considering wood raw materials (and therefore even more so with component parts or finished products) is that it is often unclear where the wood has originated. Without thorough due diligence it is impossible to be sure that it has been harvested legally, let alone sustainably. For this, the consumer has to trust that furniture retailers, and their supply partners, are taking responsibility for ensuring that their products, components and raw materials are sustainably sourced.



⁵ EUTR: Plywood imported from China, Nicolas Pillet & Michael Sawyer – National Measurement Office, February 2015.

⁶ Supply Chain Mapping of Malaysian Timber and Wood-based Industries, NEPCo, January 2016.

**TROPICAL HARDWOODS
COULD BE HIGH
RISK SPECIES USED
IN UK FURNITURE
MANUFACTURING**



A REVIEW OF UK FURNITURE RETAILERS' POLICIES

The UK furniture industry is a substantial importer of timber, whether it is as raw materials, components or finished products. So our next objective was to understand how well the sector is managing its legal and ethical obligations to source such timber sustainably, as well as safeguarding their own businesses by ensuring access to reliable and sustainable sources of raw materials.

Retailers are the public face of the industry – they have substantial brand influence and purchasing power. So by assessing the information that they make available publicly about their timber sourcing policies, and their progress against them, we intended to present a snapshot of performance that is reasonably representative of the industry as a whole.

The task was to identify at least 50 significant furniture retailers across all sectors of the market. The criteria were that they have multiple sites, or a major online presence, and either a national or at least substantial regional reach. They could be either general retailers or furniture specialists and with stores on the high street, out of town or online.

We identified 74 retail brands through online searches, industry knowledge and suggestions by WWF-UK⁷.

We conducted research online by examining publicly-available information during September and October 2016. We

aimed to find each company's published information on their wood fibre sourcing activities, so we started our web search with the retailer's brand name and timber policy – for example 'Argos timber policy'. If this failed to find relevant information, we used the brand name and 'environmental policy' to see if any wood fibre sourcing statement was included as part of a broader environmental policy. Finally, if this was still unsuccessful, we undertook a thorough search of the retailer's website to seek out any relevant information.

Where appropriate, the company's ownership was identified and searched, as sometimes the relevant information did not appear on the brand's website but on that of the parent group. We acknowledge that retailers may have policies and related information that could be obtained through further research, but this assessment was conducted on those communications that are reasonably easy to find by the general public.



⁷ See Appendix for the full list of retailers assessed.

Table 3: Retailer rating criteria

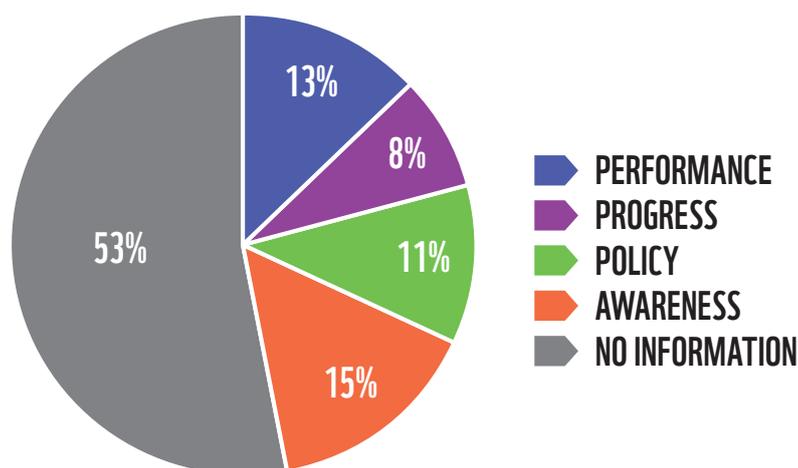
RATING	CRITERIA
Performance	Good policy commitments and credible, public reporting of them being 95%+ met (or 85%+ with a target to meet by 2020)
Progress	Good policy commitments and credible, public reporting of progress
Policy	Clear policy commitments* but no or limited evidence of having made progress against them
Awareness	Some information or basic policy found, but lacking detailed commitments
No information	No relevant policy, statement or responsible sourcing information found

We gave retailers a simple ‘yes’ or ‘no’ result for the availability of a timber purchasing policy or equivalent sourcing statement, and for the availability of a current performance statement against this policy. Then we rated them depending on the strength of their responsible timber sourcing commitments, and credible progress against them, using a range of indicators⁸.

There are some examples of very good performance among furniture retailers: 10 of the 74 brands (13% of the research sample) achieved the maximum ‘performance’ rating. These are mostly the big consumer brands such as supermarkets (Sainsbury’s, M&S, Co-Op and Waitrose) and DIY chains (B&Q, Wickes), but they also include four more specialist retailers – Magnet (kitchens), Warren Evans (beds), Alexander Rose (garden furniture) and Office Depot (office furniture).

UK FURNITURE RETAILERS’ RESPONSIBLE TIMBER SOURCING COMMITMENT 2016

Figure 8



⁸ See Appendix for the full list of indicators.

* Clear policy commitments typically contain defined aims for sustainable sourcing, a comprehensive and relevant scope, a commitment to credible certification and a commitment to public reporting of progress. However, they can be as simple as a commitment to ‘only use FSC certified timber’.

A further six well-known brands (8%) achieved a rating of 'progress', indicating they are indeed making good progress against strong policy commitments. These were Argos, Homebase, Ikea, John Lewis, Morrisons and Tesco.

Eight retailers (11%) came under the 'policy' rating, meaning that they have clear policy commitments but are not demonstrating credible progress against them, at least not publicly. These were made up mostly of specialist retailers such as those that focus on home furnishings (Furniture Village, Harveys, Dunelm), garden furniture (Wyevale and Nottcuts) and office furniture (Staples) as well as the department stores Debenhams and House of Fraser.

Some 11 brands (15%) made only incidental reference to timber sourcing and so were rated under 'awareness'. These may have some knowledge of responsible timber sourcing issues but are failing either to pursue credible policies or to communicate effectively what they are doing. These retailers include some prominent brand names such as Laura Ashley, made.com, Oak Furnitureland and Next.

A significant number – 39 out of 74 retailers (53% of the total) – could not be rated as they hadn't made even the most basic reference to responsible timber sourcing. We identified these as 'no information'. Well-known brands such as DFS, Sofa Workshop, SCS, Sofology, Sharps, The Range, Habitat, Leekes, Dreams, Multi York, Harrods, Harvey Nichols, Bensons Beds and Brighthouse are among them.

Overall, 33% of retailers (the 24 brands rated under 'policy', 'progress' or 'performance') could be considered to have made a commitment to responsible timber sourcing. **The remaining 68% (50 out of 74 retailers) were rated 'awareness' or presented no information. These are failing to put robust policies in place, or to communicate them effectively, even though they are likely to be sourcing substantial amounts of timber-related furniture.**

Further analysis of some of these retailers' overall commitments to sustainable timber procurement can be found in WWF-UK's Timber Scorecard report⁹.

**39 OUT OF 74
RETAILERS (53%)
COULD NOT BE
RATED AS THEY
HADN'T MADE
EVEN THE MOST
BASIC REFERENCE
TO RESPONSIBLE
TIMBER SOURCING**



⁹ WWF-UK Timber Scorecard: Measuring the progress of timber and timber-product buyers on sustainability in 2013-2014, Andrew Heald, July 2015. (http://assets.wwf.org.uk/downloads/wwf_uk_timber_scorecard_report.pdf)

CONCLUSIONS

The 74 major retailers we assessed sell all types of furniture (home furnishings, kitchen, garden and office). They are likely to represent the bulk of UK retail furniture sales¹⁰ and we consider them to be a good sample from which to draw conclusions. A full list of the retailers assessed is included in the Appendix.

Of the 74 retailers assessed in this exercise, 50 (68%) were rated 'awareness', or presented no information - having no published policy or any other credible sourcing statement. This suggests that they don't see the responsible sourcing of a key commodity as an issue, and that they are also not providing any information to support their customers' interest in environmental matters.

However, 16 out of the 74 retailers (22%) are making good progress or show industry-leading performance – demonstrating a very high level of commitment to responsible sourcing. Some have already reached near full compliance with their policies.

There is no standard format that retailers use to articulate their position on the responsible sourcing of timber – many have stand-alone policies, others display public statements, and some integrate their timber sourcing commitments within an existing environmental policy. It is clear, however, that the strongest policies are those that:

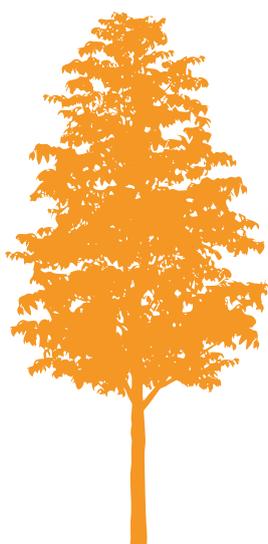
- have a clear scope;
- explain what is covered under the policy;
- contain ambitious targets such as 100% responsibly-sourced timber by 2020;
- report their progress on an annual basis (though this may not be an explicit requirement of the policy);
- display a positive commitment to forest certification (especially to FSC); and

- clearly articulate the retailer's aims such as promoting certification, the use of recycled fibre/wood and prohibiting materials from a range of unacceptable sources.

Eleven of the retailers (15%) do have some information on their website regarding the sourcing of timber but much of this is non-specific, extremely basic or not directly related to all of the retailer's wood-based products. This suggests these retailers may well benefit the most from receiving support to further understand the issues affecting the sourcing of timber and also in the development and implementation of stronger policies and sourcing statements.

The eight retailers (11%) at the 'policy' stage are probably at the beginning of their responsible timber sourcing journey and show the basic requirements of a responsible sourcing programme. Some are thought to have made progress following intervention by WWF to assist them in their policy work. They could all benefit from ongoing access to help, advice and resources¹¹, such as through some form of support group, to help them with further development of policy and responsible sourcing activities.

The 22% of retailers rated 'progress' or 'performance' are predominantly multi-sector retailers that are showing commitment (and for some, leadership) in not just timber sourcing but in all their other materially-significant raw materials. It is also interesting to note that



¹⁰ All of the top 10 UK furniture and flooring retailers 2014 (as judged by RetailEconomics: <http://www.retaileconomics.co.uk/top10-retailers-furniture-and-flooring>) are included in this report.

¹¹ Some useful resources are provided in section 8.

**FURNITURE
MANUFACTURERS
NEED TO TAKE
RESPONSIBILITY
TO ENSURE THEY
UNDERSTAND AND
MINIMISE THE RISKS
THEY FACE RELATED
TO THEIR RAW
MATERIALS**

responsible sourcing has become ‘business as usual’ for them. The successful delivery of their aims is typically supported through dedicated and experienced teams focused on supporting their business and its supply base.

However, it may not only be a question of resources, as several big brands rated poorly while some smaller players did well. In any further research it would be useful to investigate the correlation between where a retailer is on their sourcing journey and the dedicated resource they have in place to achieve their objectives.

Experience suggests that the bulk of furniture manufacturing in the UK relies upon local resources such as UK-produced MDF/chipboard or raw materials via other businesses that have imported the timber into the UK, either from within Europe or further afield. These are most likely to have been derived from lower-risk softwoods or hardwoods such as oak (predominantly from the US) and, in principle, all should be subject to due diligence under the EU Timber Regulation to ensure their legal origins. So it could be that the sourcing of timber components for UK manufacture is a comparatively lower-risk activity (though this may not always be the case, such as with plywood from China).

There is currently a lack of knowledge about which CN codes such timber is imported under for the furniture industry (and, therefore, the origins and potential supply chain risks). Further research in this area would be useful. Even when the direct country of supply is known, this may not necessarily be where the wood originates, as sometimes the export country is merely acting as a conduit for trade from elsewhere. Without thorough due diligence it is impossible to be sure that it has been harvested legally, let alone sustainably. Furniture manufacturers need to take responsibility to ensure they understand and minimise the risks they face related to their raw materials.

However, the greatest challenge relates to the importing of finished furniture from outside the EU, particularly where the products do not fall within the current scope of the EU Timber Regulation. As 68% of retailers in this study do not demonstrate strong timber sourcing policies, comprehensive due diligence is likely to be rare, even more so when there is no legal obligation. It should also be remembered that, while the EU Timber Regulation is only a requirement to ensure the legality of the timber, there are much broader sustainability risks (such as inappropriate logging, loss of biodiversity, human rights etc.) that should be considered as part of a truly responsible timber sourcing policy.

Given that substantial proportions of household furniture such as upholstered seats, living room and dining room furniture, bedroom furniture and other furniture are imported from high risk countries such as China and Vietnam, the home furnishings sector is particularly important. They produce and sell everyday home comforts, and consumers are likely to take the sustainability of their origins for granted.

Overall, with some notable exceptions, most retailers don’t appear to know or care where the wood in their products comes from or if it is responsibly sourced. It remains an open question how many of their customers would still be sitting comfortably if they knew that.

**AS 68% OF
RETAILERS IN THIS
STUDY DO NOT
DEMONSTRATE
STRONG TIMBER
SOURCING POLICIES,
COMPREHENSIVE
DUE DILIGENCE IS
LIKELY TO BE RARE,
EVEN MORE SO WHEN
THERE IS NO LEGAL
OBLIGATION**



RECOMMENDATIONS FOR FURNITURE RETAILERS

PUBLISH A RESPONSIBLE TIMBER SOURCING POLICY

A sustainable timber and timber products purchasing policy outlines the criteria an organisation sets for the wood and timber products it sources for its business. This in turn sets the expectations an organisation has of its suppliers, and the criteria that its suppliers need to fulfil before they can supply wood and timber products.

A good policy should:

- Specify the scope of what is covered (including all materially-significant purchases).
- Include prohibitions, such as the purchasing of timber from high conservation value forests, illegal logging, inappropriately converted land or unknown origins.
- Include a commitment to source credibly certified wood and timber products.
- Contain stretching, time-bound objectives.
- Outline how the objectives are to be achieved and who is responsible.
- Be regularly reviewed.
- Be made publicly (and easily) available.

Building such a policy into trading documents such as terms and conditions and purchase orders clearly communicates your requirements to your supply chain. It can also help staff focus on what the organisation wants to achieve and why, and lay out what needs to be checked with suppliers when sourcing products.

ENGAGE SUPPLIERS

Providing supplier guidance notes or training can help ensure that all supply chain participants are aware of your policy requirements and their role in helping you to fulfil them. Codes of conduct can also operate in this way, as an agreement between two organisations that certain requirements will be met as a condition of business.

Developing wood and timber product questionnaires for your suppliers helps you to understand what is going on in your supply chain and any risks or opportunities to improve.

You will need to assess suppliers, to gain confidence that they are meeting your policy requirements. Look for evidence to back up what is claimed, such as delivery notes, invoices, pallet labels and photos. Site visits can be particularly useful to verify facts. Try to understand the risks related to the materials being used, for example the prevalence of illegal logging in countries of origin or the potential for endangered species being used. You may need expert help for difficult issues and complex supply chains.

PREFER THIRD-PARTY CERTIFICATION

In some cases third-party verification (for example, of legal origin) may be available. This can come in various forms, but the most common type of assurance is forest certification such as FSC. This is good evidence that the timber has originated from a well-managed forest, but it's important to check that the supplier's 'chain of custody' is valid (via the FSC or PEFC websites) and that the specific product is certified (with the correct claim and chain of custody number on sales documents).

COMMUNICATE

Customers, suppliers, employees, shareholders and other stakeholders may be interested to know that you are sourcing timber sustainably. It could be a selling point, or could promote your business as one of the industry's leaders. Even if you still have much to do, it can build credibility and trust to demonstrate a commitment to make genuine progress. But it's important to make sure that your communications are clear, accurate and substantiated. Report on progress against your objectives using meaningful targets and be prepared to back-up any claims with evidence.



SEEK SUPPORT

Suppliers, industry bodies, environmental groups and even competitors may be able to share experiences or resources to help you source responsibly.

As an example, WWF has been assisting companies for over 20 years to exercise due diligence on their supply chains for forest goods, to help them make a difference in the global market through prioritising sourcing from legal and sustainable forest sources.

We hope this report prompts businesses in the furniture sector to start asking questions about the nature of their products and what they, and indeed the whole industry, can do to support sustainable forest management. It's a necessity for the resilient supply chains they themselves will depend on going forward.

If your organisation wants to make clear its commitment to responsible forest trade, please contact:

Global Forest & Trade Network
01483 412468
gftn@wwf.org.uk

Table 4: Useful resources

RESOURCE	DESCRIPTION
BCFA (British Contract Furnishing Association) Code of Practice	Manufacturers and suppliers across the contract furnishing industry are encouraged to comply with the Code of Best Practice formulated by the BCFA.
BRC (British Retail Consortium)	The BRC's Timber Working Group advises member on sustainable sourcing issues and has published a timber due diligence guide.
EU Timber Regulation	Official European Commission website for the EUTR. It contains links to the legislation, guidance and further information.
FIRA (Furniture Industry Research Association)	The Furniture Industry Research Association provides advice and training on EUTR, Chain of Custody and environmental legislation.
FISP (Furniture Industries Sustainability Programme)	FISP membership demonstrates that a company is taking its environmental and corporate social responsibility obligations seriously. FISP is backed by the entire furniture industry.
FSC Certification Check	Search for FSC Chain of Custody certificate numbers or FSC label licence codes to check their validity.
Global Forest Registry	The registry covers more than 150 countries worldwide and helps with due diligence on the sourcing of timber raw materials. Search to identify known risks within a country of origin.
Green Claims Guidance	The UK government's guidance on the use of clear, accurate and relevant environmental claims in marketing and advertising.
Leisure & Outdoor Furniture Association (LOFA)	The LOFA Code of Practice requires all members to have an adequate environmental policy.
National Measurement and Regulation Office	Enforcement services for the EU Timber Regulation.
PAS2021:2012	Free guidance document about exercising due diligence in establishing the legal origin of timber and timber products.
PEFC Certification Check	Search for PEFC Chain of Custody certificate numbers or PEFC label licence codes to check their validity.
WWF Global Forest & Trade Network	GFTN-UK has become widely recognised as a successful partnership between WWF and business – a partnership that promotes and progresses responsible management of the world's forests.



APPENDIX

INDICATORS USED FOR ASSESSING RETAILERS' POLICY AND PERFORMANCE

Key criteria:

Timber Policy or Sourcing

Statement: A 'yes' was recorded if a specific timber policy or similar (for example a sourcing statement), was found. 'No' was recorded if nothing resembling this was found.

Progress: A 'yes' was recorded together with the retailer's declared current performance (e.g. percentage coming from responsible sources).

Additional indicators:

Relevant information: If any mention of timber (including timber products, wood, wood fibre or similar) was made in relation to the products sold, a 'yes' or 'partial' was recorded. A 'partial' was recorded if timber was mentioned but without clear relevance to products or purchasing.

Deadlines: A 'yes' was recorded along with the date the retailer had declared to be sourcing from 100% responsible sources. A specific timeframe for improvement is often an indicator of a genuine commitment to improvement.

Scope: The scope of what was contained in the policy, statement or report was noted, where possible, and expected to be relevant to the nature and scale of the business.

Dates: It was noted whether policies and statements etc. were dated so that their current relevance could be determined.

Reporting: A 'yes' was recorded where the retailer published its aims and objectives or progress via annual corporate responsibility reports or similar.

Auditing: It was noted whether reports and statements were third-party audited, as this provides assurance of their reliability.

Commitment to credible

certification: A 'yes' was recorded if the retailer clearly indicated its commitment to FSC certification. If a retailer held Chain of Custody certification, its certificate and licence numbers were recorded.

EU Timber Regulation: A 'yes' was recorded if the retailer made mention of the EUTR in its communications. It was further noted whether it appears to understand its obligations, e.g. the EUTR is referenced correctly or referred to in the right context.

Accessibility: A 'yes' was recorded if relevant information (if any) was reasonably straightforward to find.



LIST OF RETAILERS

RATING	CRITERIA
Performance	Good policy commitments and credible, public reporting of them being 95%+ met (or 85%+ with a target to meet by 2020)
Progress	Good policy commitments and credible, public reporting of progress
Policy	Clear policy commitments, but no or limited evidence of having made progress against them
Awareness	Some information or basic policy found, but lacking detailed commitments
No information	No relevant policy, statement or responsible sourcing information found

Table 5: List of retailers, by name.

RETAILER	TYPE OF FURNITURE	POLICY	PERFORMANCE	RATING
Alexander Rose	Garden	Yes	Yes	Performance
Argos	Home & garden	Yes	Yes	Progress
B&Q	Home & garden	Yes	Yes	Performance
Barker & Stonehouse	Home	No	No	No information
Barlow Tyrie	Garden	No	No	Awareness
Bensons Beds	Bedroom	No	No	No information
BM Stores	Home	No	No	No information
Bramblecrest	Garden	No	No	No information
Brighthouse Furniture	Home & garden	No	No	No information
btoofficefurniture.co.uk	Office	No	No	No information
Co-Op	Home & garden	Yes	Yes	Performance
Debenhams	Home & garden	Yes	No	Policy
DFS	Living room	No	No	No information
Dobbies	Garden	No	No	No information
Dreams	Bedroom	No	No	No information
Dunelm	Home & garden	Yes	No	Policy
Feather & Black	Home	No	No	Awareness
funique.co.uk	Home	No	No	No information
Furniture Village	Home	Yes	No	Policy
Furniture123	Home	No	No	No information
furniture-work.co.uk	Office	No	No	No information
Gardman	Garden	No	No	No information
Gloster Furniture	Garden	No	No	No information
Habitat	Home & garden	No	No	No information
Harrods	Home & garden	No	No	No information
Hartman UK	Garden	No	No	No information
Harvey Nichols	Home & garden	No	No	No information
Harveys	Home	Yes	No	Policy
Heals	Home	No	No	Awareness
Hilliers GC	Home & garden	No	No	No information
Homebase	Home & garden	Yes	Yes	Progress
House of Fraser	Home & garden	Yes	No	Policy
IKEA	Home	Yes	Yes	Progress
John Lewis	Home & garden	Yes	Yes	Progress

Klondykes	Home & garden	No	No	Awareness
Laura Ashley	Home & garden	No	No	Awareness
Leekes	Home & garden	No	No	No information
M&S	Home & garden	Yes	Yes	Performance
made.com	Home	No	No	Awareness
Magnet	Kitchen	Yes	Yes	Performance
Mole County stores	Home & garden	No	No	No information
Morrisons	Home & garden	Yes	Yes	Progress
Multi York	Home	No	No	No information
Neptune	Home & garden	No	No	No information
nest.co.uk	Home	No	No	No information
Nevillejohnson.co.uk	Home	No	No	Awareness
Next	Home & garden	No	No	Awareness
Notcutts	Garden	Yes	No	Policy
Oak Furnitureland	Home	No	No	Awareness
Office Depot/Viking	Office	Yes	Yes	Performance
Officefurnitureonline.co.uk	Office	No	No	No information
OKA stores	Home	No	No	No information
Rymans	Office	No	No	No information
Sainsbury's	Home & garden	Yes	Yes	Performance
SCS	Living room	No	No	No information
Selfridges	Home & garden	No	No	No information
Sharps	Home	No	No	No information
Sofa Workshop	Living room	No	No	No information
Sofology	Living room	No	No	No information
Staples	Office	Yes	No	Policy
Sterling Furniture	Home & garden	No	No	No information
Swoon Editions.co.uk	Home	No	No	No information
Tesco	Home & garden	Yes	Yes	Progress
The Range	Home & garden	No	No	No information
Thekitchendepot.co.uk	Kitchen	No	No	Awareness
Theonlinefurniturestore.co.uk	Home	No	No	No information
Verco.co.uk	Office	No	No	No information
Waitrose	Home & garden	Yes	Yes	Performance
Warren Evans	Bedroom	Yes	Yes	Performance
Wayfair.co.uk	Home	No	No	No information
Wickes	Kitchen	Yes	Yes	Performance
Worldstore	Home & garden	No	No	No information
Wren Kitchen	Kitchen	No	No	Awareness
Wyevale	Garden	Yes	No	Policy

Table 6: List of retailers, by rating.

RETAILER	TYPE OF FURNITURE	POLICY	PERFORMANCE	RATING
Alexander Rose	Garden	Yes	Yes	Performance
B&Q	Home & garden	Yes	Yes	Performance
Co-Op	Home & garden	Yes	Yes	Performance
M&S	Home & garden	Yes	Yes	Performance
Magnet	Kitchen	Yes	Yes	Performance
Office Depot/Viking	Office	Yes	Yes	Performance
Sainsbury's	Home & garden	Yes	Yes	Performance
Waitrose	Home & garden	Yes	Yes	Performance
Warren Evans	Bedroom	Yes	Yes	Performance
Wickes	Kitchen	Yes	Yes	Performance
Argos	Home & garden	Yes	Yes	Progress
Homebase	Home & garden	Yes	Yes	Progress
IKEA	Home	Yes	Yes	Progress
John Lewis	Home & garden	Yes	Yes	Progress
Morrisons	Home & garden	Yes	Yes	Progress
Tesco	Home & garden	Yes	Yes	Progress
Debenhams	Home & garden	Yes	No	Policy
Dunelm	Home & garden	Yes	No	Policy
Furniture Village	Home	Yes	No	Policy
Harveys	Home	Yes	No	Policy
House of Fraser	Home & garden	Yes	No	Policy
Notcutts	Garden	Yes	No	Policy
Staples	Office	Yes	No	Policy
Wyevale	Garden	Yes	No	Policy
Barlow Tyrie	Garden	No	No	Awareness
Feather & Black	Home	No	No	Awareness
Heals	Home	No	No	Awareness
Klondykes	Home & garden	No	No	Awareness
Laura Ashley	Home & garden	No	No	Awareness
made.com	Home	No	No	Awareness
Nevillejohnson.co.uk	Home	No	No	Awareness
Next	Home & garden	No	No	Awareness
Oak Furnitureland	Home	No	No	Awareness
Thekitchendepot.co.uk	Kitchen	No	No	Awareness
Wren Kitchen	Kitchen	No	No	Awareness
Barker & Stonehouse	Home	No	No	No Information
Bensons Beds	Bedroom	No	No	No Information
BM Stores	Home	No	No	No Information
Bramblecrest	Garden	No	No	No Information
Brighthouse Furniture	Home & garden	No	No	No Information
btoofficefurniture.co.uk	Office	No	No	No Information
DFS	Living room	No	No	No Information
Dobbies	Garden	No	No	No Information
Dreams	Bedroom	No	No	No Information
funique.co.uk	Home	No	No	No Information

Furniture123	Home	No	No	No Information
furniture-work.co.uk	Office	No	No	No Information
Gardman	Garden	No	No	No information
Gloster Furniture	Garden	No	No	No information
Habitat	Home & garden	No	No	No information
Harrods	Home & garden	No	No	No information
Hartman UK	Garden	No	No	No information
Harvey Nichols	Home & garden	No	No	No information
Hilliers GC	Home & garden	No	No	No information
Leekes	Home & garden	No	No	No information
Mole County stores	Home & garden	No	No	No information
Multi York	Home	No	No	No information
Neptune	Home & garden	No	No	No information
nest.co.uk	Home	No	No	No information
Officefurnitureonline.co.uk	Office	No	No	No information
OKA stores	Home	No	No	No information
Rymans	Office	No	No	No information
SCS	Living room	No	No	No information
Selfridges	Home & garden	No	No	No information
Sharps	Home	No	No	No information
Sofa Workshop	Living room	No	No	No information
Sofology	Living room	No	No	No information
Sterling Furniture	Home & garden	No	No	No information
Swoon Editions.co.uk	Home	No	No	No information
The Range	Home & garden	No	No	No information
Theonlinefurniturestore.co.uk	Home	No	No	No information
Verco.co.uk	Office	No	No	No information
Wayfair.co.uk	Home	No	No	No information
Worldstore	Home & garden	No	No	No information



DETERMINING FURNITURE IMPORTS

Previous Newleaf reports for WWF have used European Union trade statistics, sourced from the Eurostat database¹². As this source is considered to be sufficiently reliable for comparison purposes and allows continuity with previous research, we used it again for this report.

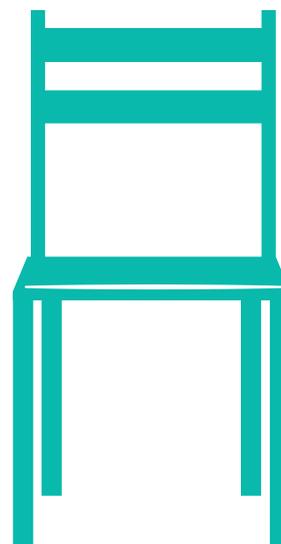
We searched two different datasets¹³, depending on whether the UK imports were from within or outside the EU. All datasets examined were for the period January-December 2015 and value was reported in euros (€). As the EU trade dataset reports quantity in 100kg this was converted to tonnes (1,000kg) and we combined the results from the two datasets for analysis.

The EU datasets are based on the 'combined nomenclature' (CN), an eight-digit coding system that serves the EU's common customs tariff and facilitates the administration of EU and member state trade statistics. Using CN codes, all physically traded materials and products are categorised into related chapters, headings and sub-headings.

Previous work by Newleaf had identified CN codes that relate to furniture. Predominantly these CN codes fall under Chapter 94 (furniture and related items) but some additional codes covering garden umbrellas, framed mirrors and audio-visual cabinets were also included for consideration. For simplicity, in this report we use a summary description when discussing product codes, which is not necessarily the full, official description used in the combined nomenclature.

A full list of codes examined can be found in the Appendix.

Some furniture codes initially looked at were excluded from this analysis because they described metal furniture items which were considered unlikely to contain wood very often, and so risked misrepresenting the import data. Some other codes did not present any imports, either at all (possibly because they are redundant codes) or just for those from outside the EU. These exclusions and omissions are listed in the Appendix.



¹² <http://ec.europa.eu/eurostat/data/database>

¹³ For EU trade, the EU trade since 1988 by CN8 (DS-016890) dataset was used, for extra-EU trade the Adjusted EU-EXTRA imports by tariff regime, by CN8 (DS-041691) dataset was used.

WOOD-RELATED FURNITURE CN CODES

CN CODE	DESCRIPTION	VALUE (€)	QUANTITY (TONNES)
94016100	UPHOLSTERED SEATS, WITH WOODEN FRAMES (EXCL. CONVERTIBLE ...	891,788,672	172,574
94036090	WOODEN FURNITURE (EXCL. FOR OFFICES OR SHOPS, KITCHENS, D...	729,539,739	363,651
94035000	WOODEN FURNITURE FOR BEDROOMS (EXCL. SEATS)	553,422,242	224,246
94036010	WOODEN FURNITURE FOR DINING ROOMS AND LIVING ROOMS (EXCL....	510,405,526	179,329
94039030	PARTS OF FURNITURE, OF WOOD, N.E.S. (EXCL. SEATS)	403,190,138	179,439
94016900	SEATS, WITH WOODEN FRAMES (EXCL. UPHOLSTERED)	164,165,897	39,156
94017900	SEATS, WITH METAL FRAMES (EXCL. UPHOLSTERED, SWIVEL SEATS...	161,203,856	44,698
94013000	SWIVEL SEATS WITH VARIABLE HEIGHT ADJUSTMENTS (EXCL. MEDI...	146,032,156	32,097
94017100	UPHOLSTERED SEATS, WITH METAL FRAMES (EXCL. SEATS FOR AIR...	145,517,047	26,422
94029000	OPERATING TABLES, EXAMINATION TABLES, AND OTHER MEDICAL, ...	108,599,497	12,730
94034010	FITTED KITCHEN UNITS	76,532,127	21,767
94036030	WOODEN FURNITURE FOR SHOPS (EXCL. SEATS)	50,130,075	6,492
94033011	DESKS FOR OFFICES, WITH WOODEN FRAMES	39,927,153	14,071
94033099	WOODEN FURNITURE FOR OFFICES, OF > 80 CM IN HEIGHT (EXCL....	27,789,927	9,020
94034090	WOODEN FURNITURE OF A KIND USED IN KITCHENS (EXCL. SEATS ...	26,545,969	7,257
94033019	WOODEN FURNITURE FOR OFFICES, OF <= 80 CM IN HEIGHT (EXCL...	25,326,495	8,145
94014000	SEATS, CONVERTIBLE INTO BEDS (EXCL. GARDEN SEATS AND CAMP...	25,080,625	9,476
94021000	DENTISTS', BARBERS' OR SIMILAR CHAIRS HAVING ROTATING AS ...	19,500,006	1,711
94031051	OFFICE DESKS, WITH METAL FRAMES	15,454,661	3,389
94033091	WOODEN CUPBOARDS FOR OFFICES, OF > 80 CM IN HEIGHT	11,542,106	2,865
70099200	GLASS MIRRORS, FRAMED (EXCL. REAR-VIEW MIRRORS FOR VEHICL...	9,437,061	3,196
94019030	PARTS OF SEATS, OF WOOD, N.E.S.	5,953,263	1,872
66011000	GARDEN OR SIMILAR UMBRELLAS (EXCL. BEACH TENTS)	1,499,387	311
85299041	CABINETS AND CASES OF WOOD, FOR TRANSMISSION AND RECEPTIO...	99,485	3
Grand Total		4,148,683,110	1,363,917

FURNITURE CN CODES EXCLUDED OR OMITTED

CN CODE	DESCRIPTION	EXCLUSION OR OMISSION
66011000	GARDEN OR SIMILAR UMBRELLAS (EXCL. BEACH TENTS)	No non-EU imports
70099200	GLASS MIRRORS, FRAMED (EXCL. REAR-VIEW MIRRORS FOR VEHICL...	No non-EU imports
85299041	CABINETS AND CASES OF WOOD, FOR TRANSMISSION AND RECEPTIO...	No non-EU imports
85299051	CABINETS AND CASES OF WOOD, FOR TRANSMISSION AND RECEPTIO...	No imports
94018000	SEATS, N.E.S.	Excluded
94019030	PARTS OF SEATS, OF WOOD, N.E.S.	No non-EU imports
94031010	DRAWING TABLES FOR OFFICES, WITH METAL FRAMES (EXCL. TABL...	No imports
94031058	METAL FURNITURE FOR OFFICES, OF <= 80 CM IN HEIGHT (EXCL....	Excluded
94031091	METAL CUPBOARDS WITH DOORS, SHUTTERS OR FLAPS, FOR OFFICE...	Excluded
94031093	METAL FILING, CARD-INDEX AND OTHER CABINETS, FOR OFFICES,...	Excluded
94031098	METAL FURNITURE FOR OFFICES, OF > 80 CM IN HEIGHT (EXCL. ...	Excluded
94031099	METAL FURNITURE FOR OFFICES, OF > 80 CM IN HEIGHT (EXCL. ...	Excluded
94032010	METAL FURNITURE, FOR CIVIL AIRCRAFT (EXCL. FOR OFFICES, S...	Excluded
94032020	METAL BEDS (EXCL. HOSPITAL BEDS WITH MECHANICAL FITTINGS)	Excluded
94032080	METAL FURNITURE (EXCL. FOR OFFICES, MEDICAL, SURGICAL, DE...	Excluded
94032091	METAL BEDS (EXCL. FOR CIVIL AIRCRAFT AND HOSPITAL BEDS WI...	Excluded
94032099	METAL FURNITURE (EXCL. FOR CIVIL AIRCRAFT, FOR OFFICES, M...	Excluded
94034000	WOODEN FURNITURE FOR KITCHENS (EXCL. SEATS)	No aggregated data (see detail)
94034010	FITTED KITCHEN UNITS	No non-EU imports
94034090	WOODEN FURNITURE OF A KIND USED IN KITCHENS (EXCL. SEATS ...	No non-EU imports
94039030	PARTS OF FURNITURE, OF WOOD, N.E.S. (EXCL. SEATS)	No non-EU imports

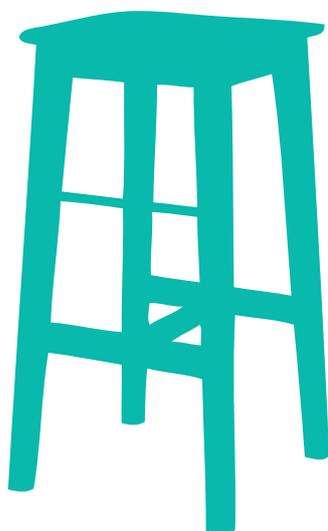


IMPORTS FROM HIGH RISK COUNTRIES

For this analysis, high risk countries are defined as: Bolivia, Brazil, Cameroon, China, Colombia, Ghana, Honduras, Indonesia, Malaysia, Myanmar, Peru, Russia, Thailand and Vietnam.

Table 7: The most important product types from other high risk import partners (in addition to China and Vietnam)

IMPORT PARTNER	PRODUCT TYPE	CN CODE	VALUE
Malaysia	Bedroom furniture	94035000	€37 million
	Upholstered seats	94016100	€20 million
	Dining & living room furniture	94036010	€17 million
	Other wooden furniture	94036090	€10 million
Brazil	Bedroom furniture	94035000	€49 million
	Dining & living room furniture	94036010	€25 million
Indonesia	Dining & living room furniture	94036010	€19 million
	Other wooden furniture	94036090	€18 million
	Bedroom furniture	94035000	€12 million
	Seats with wooden frames	94016900	€7 million
Thailand	Upholstered seats	94016100	€17 million
	Dining & living room furniture	94036010	€6 million
	Seats with wooden frames	94016900	€4 million
Russia	Dining & living room furniture	94036010	€2 million
	Other wooden furniture	94036090	€1 million
Others	Seats with wooden frames	94016900	€1 million
	Other wooden furniture	94036090	€0.5 million



When looking solely at high risk countries, wooden furniture parts cease to be relevant (as they are only sourced from within the EU) but otherwise the key product types remain the same, even when China and Vietnam are excluded. Outside these key product types, all other CN codes collectively account for €159 million of imports from high

risk countries (all but €10 million from China or Vietnam), with €82 million of this being swivel seats (CN code 94013000).

The most important 'high risk' import partners (i.e. those with €10 million or more imports) for key CN codes are as follows:

Table 8: The most important 'high risk' import partners for key product types

PRODUCT TYPE	CN CODE	IMPORT PARTNER	VALUE
Upholstered seats with wooden frames	94016100	China	€515 million
		Vietnam	€29 million
		Malaysia	€20 million
		Thailand	€17 million
Other wooden furniture	94036090	China	€287 million
		Vietnam	€81 million
		Indonesia	€18 million
		Malaysia	€10 million
Bedroom furniture	94035000	China	€185 million
		Vietnam	€76 million
		Brazil	€49 million
		Malaysia	€37 million
		Indonesia	€12 million
Dining room & living room furniture	94036010	China	€185 million
		Vietnam	€96 million
		Brazil	€25 million
		Indonesia	€19 million
		Malaysia	€17 million
Seats with wooden frames (exc. upholstered)	94016900	China	€53 million
		Vietnam	€25 million
Swivel seats	9401300	China	€82 million

SAWN WOOD CN CODES

SAWN TEMPERATE HARDWOOD >6MM THICK	QUANTITY (TONNES)	VALUE (€)
ASH "FRAXINUS SPP.", SAWN OR CHIPPED LENGTHWISE, SLICED O...	9,347	12,233,206
44079510	1,520	2,071,008
44079599	7,828	10,162,198
BEECH "FAGUS SPP.", SAWN OR CHIPPED LENGTHWISE, SLICED OR...	15,054	10,108,489
44079200	15,054	10,108,489
CHERRY "PRUNUS SPP.", SAWN OR CHIPPED LENGTHWISE, SLICED ...	851	1,177,096
44079410	60	85,284
44079499	791	1,091,812
MAPLE "ACER SPP.", SAWN OR CHIPPED LENGTHWISE, SLICED OR ...	2,747	3,628,006
44079310	106	145,424
44079399	2,642	3,482,582
OAK "QUERCUS SPP.", SAWN OR CHIPPED LENGTHWISE, SLICED OR...	92,561	144,708,368
44079115	16,725	29,647,437
44079139	2,260	3,986,039
44079190	73,576	111,074,892
POPLAR, SAWN OR CHIPPED LENGTHWISE, SLICED OR PEELED, OF ...	13,419	13,880,833
44079991	13,419	13,880,833
WOOD SAWN OR CUT LENGTHWISE, SLICED OR PEELED, OF A THICK...	15,816	7,611,553
44079927	15,816	7,611,553
WOOD SAWN OR CUT LENGTHWISE, SLICED OR PEELED, SANDED, OF...	3,396	1,838,430
44079940	3,396	1,838,430
WOOD, SAWN OR CUT LENGTHWISE, SLICED OR BARKED, OF A THIC...	14,821	23,381,760
44079998	14,821	23,381,760
Grand total	168,012.80	218,567,741.00



For a future where people and nature thrive | wwf.org.uk

© 1986 panda symbol and ® "WWF" Registered Trademark of WWF. WWF-UK registered charity (1081247) and in Scotland (SC039593). A company limited by guarantee (4016725)

