

Business seminar kicks off promotion drive to boost the international trade in certified wood products from Indonesia: “Sustainable. Quality. Guaranteed.”

A two-day trade encounter was facilitated from January 25 to 26 in Hotel Majapahit, Surabaya under the motto: “Indonesian tropical hardwood products: Sustainable. Quality. Guaranteed.” The event was attended by representatives of 19 overseas timber trading companies and 28 Indonesian wood processing industries. The trade encounter on the first day, consisted of a half-day seminar discussing international market perspectives, plus a half-day trade fair, completed, on the second day, with wood factory visits around Surabaya.

The seminar is the third in a row, organized by the Indonesian Association of Forest Concessionaires (APHI) in cooperation with The Borneo Initiative, an international non-profit organization that supports sustainable forest management and the trade in certified wood products from Indonesia. The event was the kick-off for a promotional of Indonesian certified wood products, emphasizing their high environmental and social implicit values under the motto: “Sustainable. Quality. Guaranteed.”

The Indonesian manufacturers present in the trade encounter offered a broad range of wood products including wood panels (plywood), veneer, indoor flooring, outdoor decking, truck flooring, construction wood, doors and window frames, scantlings, and garden furniture. They realize that to grow their market share in the international markets, quality and legal origin are key factors. Therefore, all producers in the business event comply with Indonesia’s mandatory forest certification system (SVLK), while some combine this with voluntary certification from the Forest Stewardship Council (FSC®). The Borneo Initiative offers financial support towards capacity building for certified forest management, and can count on the participation of almost 25% of all active forest concessions. The Indonesian forest sector is therefore taking major steps towards legal and sustainable production. This trade encounter offered a meeting platform between the newly certified suppliers, and leading overseas trading companies who have buying policies dedicated to legal and sustainable origin of wood products.

Lenny Shibley, President of Inter Continental Hardwoods explains: “sustainability, certification and legality are the core values of the tropical timber trade. TBI has facilitated all of the values effectively. The initiative to bring suppliers and customers together in a working format has helped our company to find good suppliers that value all of the same things that we do as responsible buyers”.

“Certification is vital to our company to maintain market share”, explains Henry Kumala Putra and his partner William Goh of PT Jatim Sentra Utama, a manufacturer of hardwood garden products and decking. “Because of the difficult market conditions in the European market these past few years, we receive little price margin only for being certified, however, we managed to attract to new buyers because they gave us preference over others. The share of FSC® certified products was 30% in 2010, and went up to 80% in 2015. We sell mostly to do-it-yourself outlets in the Netherlands, Germany, France, and in other European countries and Australia.”

An exit poll indicated that all respondents made new trade contacts and request a repeat event next year.

Editorial note: For enquiries and/or pictures please contact Ms Rosa Widiyarini (widiyarini@theborneoinitiative.org) or contact Mr Soeyitno Soedirman (s_soedirman@yahoo.co.id) or call GGA Office at +62-541-742393

Indonesian Association of Forest Concessionaires (APHI)

APHI is a trade association for forest concessionaires in Indonesia. <http://www.rimbawan.com>

The Borneo Initiative

The Borneo Initiative is a non-profit organisation that operates close coordination with the Indonesian Association of Forest Concessionaires (APHI). The Borneo Initiative offers grant funding to forest concessions to enhance their capacity for sustainable forest management. In addition, The Borneo Initiative promotes international trade in certified wood products.

The Borneo Initiative operates as a platform, support to forest concessions is delivered with assistance from partner organisations as APHI, TFF, GFTN, TFT, TNC, and Wana Aksara.

The Borneo Initiative is registered in the Netherlands, with funding from charities, private sector, and institutional donors including The Sustainable Trade Initiative (IDH) (see below). For more information: www.theborneoinitiative.org

International Wood Products Association (IWPA)

Established in 1956, IWPA is the leading international trade association representing the North American imported wood products industry, with over 200 companies and trade organizations engaged in the import of hardwoods and softwoods from sustainably managed forests in more than 30 nations across the globe. Association members consist of three key groups involved in the import process: U.S. importers and consuming industries, offshore manufacturers and the service providers that facilitate trade. <http://www.iwpawood.org>

Extended text on motto:

Indonesian tropical hardwood products: Sustainable. Quality. Guaranteed.

Indonesia – emerging centre of **sustainability**

Amid global concerns over climate change mitigation, forest conversion, destructive forest fires etc., in reality, the Indonesian forest sector is taking significant steps towards sustainability and responsible forest management. Government is rolling out its sector-wide mandatory compliance program (SVLK) with focus on legal origin and compliance with forest management standards. Additionally, almost a quarter of all active forest concessions are taking additional steps towards voluntary FSC®-certification.

Indonesia – a tradition in **quality**

Wood industries in Indonesia have a sound reputation for craftsmanship and quality, with the capability to comply with international product standards. Indonesian wood industries can supply you with plywood, flooring, decking, mouldings and joinery, garden wood, indoor and outdoor furniture, and certified wood chips.

Indonesia – **guaranteed supply** across a broad range of species

Indonesia has vast areas of production forest, consisting of both plantation forests and natural forests. The forests produce a wide range of tropical hardwood species with a reliable long-term supply capacity.