



IWAY Standard

Minimum Requirements for Environment and Social & Working Conditions when Purchasing Products, Materials and Services.

Issued By:
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IWAY Standard, Forestry Section

Scope and contents

This document applies to all solid wood, veneer, plywood, layer-glued, wood-based board materials, and bamboo cane (hereinafter applicable materials) that are used for manufacturing IKEA products. It describes requirements on wood raw material and corresponding wood procurement practices of IKEA suppliers.

The Forestry Section of IWAY Standard includes the following:

Requirements on wood raw material used in IKEA products;

IWAY Must requirements and procedures for start-up;

Requirements for IKEA suppliers representing more sustainable wood sources;

Requirements for IKEA suppliers implementing minimum requirements on wood raw material;

Requirements for IKEA suppliers using small volumes of solid wood, veneer, plywood, layer-glued, and bamboo;

Requirements for IKEA suppliers using board sources acknowledged by IKEA as compliant with minimum requirements on wood raw material.

Related Documents:

- Supplier Guidance to the Forestry Section of IWAY Standard, ed. 4, of 05-02-2015
- Auditor Guidance to the Forestry Section of IWAY Standard, ed. 4, of 05-02-2015

Requirements on wood raw material used in IKEA products

I: More Sustainable Wood

- 1) Wood from forests verified as responsibly managed according to a forest certification system recognized by IKEA¹;
- 2) Pre- and post-consumer reclaimed wood material (hereinafter recycled).

II: Minimum Requirements

Wood used in IKEA products fulfils the following criteria:

- a) Not from forests that have been illegally harvested;
- b) Not from forestry operations engaged in forest related social conflicts;
- c) Not harvested in Intact Natural Forests (INF) or other geographically identified High Conservation Value Forests (HCVF) unless certified according to a system recognized by IKEA¹;
- d) Not harvested from natural forests in the tropical and sub-tropical regions being converted to plantations or non-forest use;
- e) Not from officially recognized and geographically identified commercial Genetically Modified (GM) tree plantations.



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1.9. IWAY Must requirements and procedures for start-up

1.9.1 Forestry Requirements

IKEA supplier only uses in IKEA products approved tree and bamboo speciesⁱⁱ which origin is known and compliant with IKEA minimum requirements on wood raw material. Other species are only accepted in case there is written confirmation issued in advance by the Forestry Responsible in the respective IKEA Trading Area. High value tropical tree species are, in addition, covered by valid FSC Forest Management and Chain-of-Custody certificates.

1.9.2 Procedures for start-up

A newⁱⁱⁱ IKEA supplier before start-up of business with IKEA either:

- a) Provides IKEA with a valid FSC Chain of Custody or other chain of custody certificate recognized by IKEA, covering in its scope the production for IKEA.

Or

- b) Provides IKEA with a Wood Procurement Plan (WPP) describing the sources of applicable materials intended for IKEA production to be evaluated for compliance with the minimum requirements on wood raw material. For each source and material type the plan contains species (list of species for the board), place of wood origin to the resolution required by IKEA^{iv}, and expected volume. For the board materials name and site (location) of the manufacturer, and estimated annual average recycled content should be stated. The Wood Procurement Plan also includes any volumes already purchased for use in IKEA products.

And

- c) Within 90 days after the first delivery complies with all applicable points under Chapters 15, 16, 17, or 18^v.

15. Requirements for IKEA suppliers representing more sustainable wood sources

The qualifying IKEA supplier:

15.1 Chain of Custody

Has a valid FSC Chain of Custody or other chain of custody certificate recognized by IKEA, covering in its scope the production for IKEA. Applicable materials used in IKEA products only contain certified or controlled wood.

And/Or

Maintains a register of recycled wood contained in the applicable materials used in uncertified IKEA products. The average recycled content is established through written communication with the manufacturer at least prior to each reporting of Forest Tracing Survey (FTS) to IKEA. Documented evidence is retained at the IKEA supplier for at least five years.

15.2 IKEA Forest Tracing Survey

Produces regularly^{vi} and keeps on file the most recent IKEA Forest Tracing Survey (FTS) report. The report contains specified information for all sources of applicable materials used in IKEA products.



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16. Requirements for IKEA suppliers implementing minimum requirements on wood raw material

The qualifying IKEA supplier:

16.1 Responsibility for the Compliance

Agrees to comply with IKEA forestry requirements as outlined in the Forestry Section of IWAY Standard. There is a competent responsible person assigned to secure implementation of the requirements.

16.2 Wood Procurement Procedure

Has established a written wood procurement and handling procedure that describes the IKEA supplier's routines and allocates corresponding responsibilities in order to fulfil IWAY Must forestry requirements and the following points 16.3 - 16.10.

16.3 Training

Has established and implements a training plan for relevant personnel^{vii} covering the responsibilities stated in the wood procurement procedure. Records of trainings provided are available.

16.4 Incoming Wood Register

Maintains a register of all incoming applicable materials that can be used in IKEA products. For each source the register includes delivery dates, material types, species (list of species for the board), place of wood origin to the resolution required by IKEA^{iv}, and delivered volume. For the board materials name and site (location) of the manufacturer is also available. The register is retained at the IKEA supplier for at least five years.

16.5 Informing IKEA Sub-Suppliers about Raw Material Requirements

Communicates IKEA minimum requirements on wood raw material in written form to all own suppliers of applicable materials before starting business with them. The communication is done in a way making evident that IKEA sub-supplier understood the requirements, agreed to implement and transfer them further down supply chain.

16.6 Collection of Wood Origin Data

Collects data that demonstrate wood origin to the resolution required by IKEA from all own suppliers of applicable materials to be used for IKEA production before starting business with them^{viii}. Wood origin data is updated whenever suppliers of applicable materials change the source but at least prior to each reporting of Forest Tracing Survey (FTS) to IKEA.

16.7 IKEA Forest Tracing Survey

Produces regularly^{vi} and keeps on file the most recent IKEA Forest Tracing Survey (FTS) report. The report contains specified information for all sources of applicable materials used in IKEA products.

16.8 Identification of High Risk Sources

Identifies any high risk sources using criteria described in Appendix 3 of the Supplier Guidance to the Forestry Section of IWAY Standard. Identification of high risk sources accompanies each update of wood origin data.

16.9 Verification of High Risk Sources

Verifies that any high risk sources can be qualified according to the procedures described in Appendix 4 of the Supplier Guidance to the Forestry Section of IWAY Standard. Verification of high risk sources accompanies each update of wood origin data.

16.10 Separation of Unverified Wood

Identifies and physically separates from IKEA production any applicable material from high risk sources that has not passed verification for meeting IKEA minimum requirements on wood raw material in such a way that it is possible to track it throughout the entire production process.



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17. Requirements for IKEA suppliers using small volumes^{ix} of solid wood, veneer, plywood, layer-glued, and bamboo

The qualifying IKEA supplier:

17.1 Incoming Wood Register

Maintains a register of all incoming solid wood, veneer, plywood, layer-glued, and bamboo materials that can be used in IKEA products. For each source the register includes delivery dates, material types, species, place of wood origin to the resolution required by IKEA^{iv}, and delivered volume with the proof of certified status for all of it. Information in the register is updated at least prior to each reporting of Forest Tracing Survey (FTS) to IKEA. The register is retained at the IKEA supplier for at least five years.

17.2 IKEA Forest Tracing Survey

Produces regularly^{vi} and keeps on file the most recent IKEA Forest Tracing Survey (FTS) report. The report contains specified information for all sources of applicable materials used in IKEA products.

18. Requirements for IKEA suppliers using board sources acknowledged by IKEA as compliant with minimum requirements on wood raw material^x

The qualifying IKEA supplier:

18.1 Incoming Wood Register

Maintains a register of all incoming board materials that can be used in IKEA products. For each source the register includes delivery dates, board types, list of species, place of wood origin to the resolution required by IKEA^{iv}, name and site (location) of the board manufacturers, the details^{xi} of relevant certificates belonging to them, and delivered volume with the proof of certified status where applicable. Information in the register is updated at least prior to each reporting of Forest Tracing Survey (FTS) to IKEA. The register is retained at the IKEA supplier for at least five years.

18.2 IKEA Forest Tracing Survey

Produces regularly^{vi} and keeps on file the most recent IKEA Forest Tracing Survey (FTS) report. The report contains specified information for all sources of board material used in IKEA products.

Clarification: IKEA suppliers using board sources not acknowledged by IKEA as compliant with the minimum requirements on wood raw material shall not apply Chapter 18 towards them. The demands of other applicable Chapters of the Forestry Section of IWAY Standard shall be fulfilled instead.

ⁱ Wood certified according to Forest Stewardship Council (FSC) Forest Management (FM) and Chain of Custody (CoC) standards meets the IKEA requirements for more sustainable wood. To be accounted as such, sales documents issued by a supplier of certified product shall contain a formal FSC claim (100%, mix, or recycled).

ⁱⁱ List of IKEA approved species is found in Appendix 6 of the Supplier Guidance to the Forestry Section of IWAY Standard.

ⁱⁱⁱ The requirement also applies to IKEA suppliers that are not new but had not used wood for IKEA production before.

^{iv} Requirements on resolution of wood origin place required for different countries are included in IKEA WPP and FTS templates.

^v FTS, however, shall be provided within maximum 14 days after the first delivery.

^{vi} Frequency of FTS reporting is determined by IKEA Trading Area Forestry Responsible.

^{vii} Relevant personnel may include management team, wood procurement personnel, IWAY, warehouse, and incoming wood registration responsible.

^{viii} Upon request an IKEA supplier shall provide to IKEA data on the wood origin from new suppliers of applicable materials before starting business with them.

^{ix} Small wood volumes are usually defined as less than 1000 m³/year (*total volume in round wood equivalent*). This exception can only be given (in writing) by local or global forestry responsible.

^x Status of compliant source is awarded by IKEA based on availability and scope of relevant certificates. Appendix 5 of the Supplier Guidance to the Forestry Section of IWAY Standard contains an explicit list of criteria defining board sources that may be acknowledged by IKEA as compliant.

^{xi} Applicable standards, certificate code, validity period, products covered by the scope, and output categories (100%, mix, or recycled).



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Glossary of terms

Chain of Custody: The path taken by raw materials, processed goods, and finished products from the forest to the consumer.

Controlled Wood: Wood that has been independently verified as having been controlled to avoid wood harvested from categories outlined in the standards FSC-STD-40-005 (Company evaluation of FSC Controlled Wood), or FSC-STD-30-010 (FSC Controlled Wood requirements for forest management enterprises), i.e. wood from areas where traditional or civil rights are violated; wood from forests where high conservation values are threatened; wood harvested from genetically modified (GM) trees; wood that has been harvested illegally or wood harvested from areas which have been converted from natural forest to plantations or non-forest uses

Forests being converted: Natural forests that are being converted to plantations e.g. harvesting of native mixed forests to replace with e.g. monoculture tree crops.

Forest related social conflicts: significant conflicts caused by logging operations violating traditional or civil forest use rights.

FSC, Forest Stewardship Council: FSC is an independent, non-governmental, not-for-profit organization established to promote the responsible management of the world's forests.

Genetically Modified (GM): A biological organism which has had its DNA altered through genetic engineering. E.g. tri-gene poplar. Clones and hybrids formed by natural process e.g. tree breeding or selection are not considered Genetically Modified.

High Conservation Value Forests (HCVF): Forests having globally, nationally or regionally important biodiversity considerations, forest areas containing rare, threatened or endangered ecosystems or species and/or forest areas having important services such as watershed protection or erosion control.

High risk sources: Wood sources that have high risk for illegally harvesting, forest related social conflicts; Intact Natural Forests (INF); High Conservation Value Forests (HCVF); forests being converted to plantations; and/or GMO occurrence.

High value tropical tree species: e.g. teak, meranti, rosewood, mahogany.

IKEA Forest Tracing Survey (FTS): Regular report of wood used for IKEA production by the IKEA supplier. FTS is usually collected by IKEA up to three times a year and contains information such as supplier name, wood species, origin and volume used during reporting period.

IKEA Wood Procurement Plan (WPP): Report of wood supposed to be used for IKEA production. WPP is collected by IKEA before any business start-up for every new supplier and prior to the beginning of every Financial Year (FY).

Illegally harvested: Wood that has been stolen, harvested without required authorization or in violation of international, national, or regional forestry and environmental legislation as related to timber harvesting and trade.

Intact Natural Forests (INF): Forest landscapes larger than 500 sq. km that are not fragmented by infrastructure and are without significant visible signs of human impact such as logging, burning or other forms of forest clearing. These can conserve populations of large animals in their natural state and tend to rely on remoteness as their main guarantee of protection.

Pre-consumer reclaimed (also known as post-industrial): Material that is diverted from a potential waste stream and reclaimed during secondary manufacturing or further downstream industry processes, in which the material has not been intentionally produced, is unfit for end use and not capable of being re-used on-site in the same manufacturing process that had generated it. This includes damaged stock, rejected products, overstock, off cuts, shavings, sawdust, and the like, generated during secondary manufacture or subsequent steps in manufacturing an end product. Sawmill by-products (like chips, sawdust, slabs) are not included.

Post-consumer reclaimed: Material that is reclaimed from a consumer or commercial product which had completed its life cycle after intended use by individuals, households or by commercial, industrial, and institutional facilities in their role as end-users of the product. This includes commercial transport packaging (pallets, crates, cases, cable drums); construction and demolition debris (doors, flooring, old cabinets, moldings, and dimensional lumber, discarded wood packaging e.g. pallets and cable drums), etc.