HAUPTVERBAND DER DEUTSCHEN HOLZINDUSTRIE

ISO 38200 – Results of the online survey and further development in ISO/TC 287 WG 1

magnus.deinzer@storaenso.com on behalf of HDH

ISO/TC 287 Plenary session, 2nd of December 2021

Background of the survey

- Due to the fact that “ISO 38200:2018 Chain of Custody of wood and wood-based products” is still “quite young” (publication 2018/2019), the awareness and competence level of stakeholders about ISO 38200 is still rather low.
- That‘s why German and Austrian wood industry associations (coordinated by HDH) have organised a **webinar on ISO 38200** (with over 100 participants) **on 2021-03-03**.
- One **conclusion and decision out of this webinar** was to **systematically collect more input from stakeholders** about ISO 38200 via an **online survey**.
- The results of the survey have been officially published during the **2nd webinar on ISO 38200** (with again over 100 participants) **on 2021-11-23**.

Hauptverband der Deutschen Holzindustrie (HDH)

ISO-NORM ZUR LIEFERKETTE: ONLINE-SEMINAR TRIFFT AUF BREITES BRANCHENINTERESSE

Bad Honnef, 03.03.2021. Mehr als 100 Vertreter von Unternehmen aus allen Branchenteilen der Holzindustrie nahmen in der vergangenen Woche am überbuchten Online-Seminar zur ISO 38200 „Lieferkette von Holz und Holz basierten Produkten“ teil. Die weltweit gültige Industrienorm regelt die Weitergabe von Produktinformationen, z.B. zur Holzherkunft oder zur Legalität über internationale Lieferkette hinweg.

INTERNATIONAL ONLINE WORKSHOP ON ISO 38200 ENCOUNTERS GREAT INTEREST

Bad Honnef, 26.11.2021. More than 100 representatives of companies from different countries and all parts of the wood industry took part in the English-language online workshop on ISO 38200 "Supply chain of wood and wood-based products". The globally valid industry standard regulates the transfer of product information, e.g. on wood origin or legality, across international supply chains.

26.11.2021

Development of the survey

- The questionnaire for the survey was developed in the working committee "Supply chain of wood and wood-based products" of the Standards Committee for the Wood Industry and Furniture of the German Institute for Standardisation **DIN** (Deutsches Institut für Normung) to find out the awareness and competence level of stakeholders as to ISO 38200 and to gather stakeholders' input for its further development. Following organisations are represented in this working committee:
  - DIN German Institute for Standardisation (Standards Committee for the Wood Industry and Furniture (NHM)) represented by Dr. Laura Dehne
  - Gesamtverband Deutscher Holzhandel represented by Dr. Katharina Gamillscheg
  - University of Hamburg, Institute for Wood Science - World Forestry & Centre for Earth System Research and Sustainability represented by Professor Dr. Michael Köhl
  - Bundesverband Holzpackmittel, Paletten, Exportverpackung represented by Mr. Marcus Kirschner
  - Kuratorium für Waldarbeit und Forsttechnik represented by Mr Alexander Kaulen
  - The industry association DIE PAPIERINDUSTRIE represented by Mr. Magnus Deinzer
- The concrete questions of the questionnaire have been discussed/finalized in cooperation with a multitude of further stakeholders (industry associations, companies, consulting firms etc.).
- The survey was kicked off in August 2021 via the networks of the participating industry associations, responses until 12th of November 2021 have been analysed so far (questionnaire is still open).
- **Very good response rate with 240 responses from various countries**

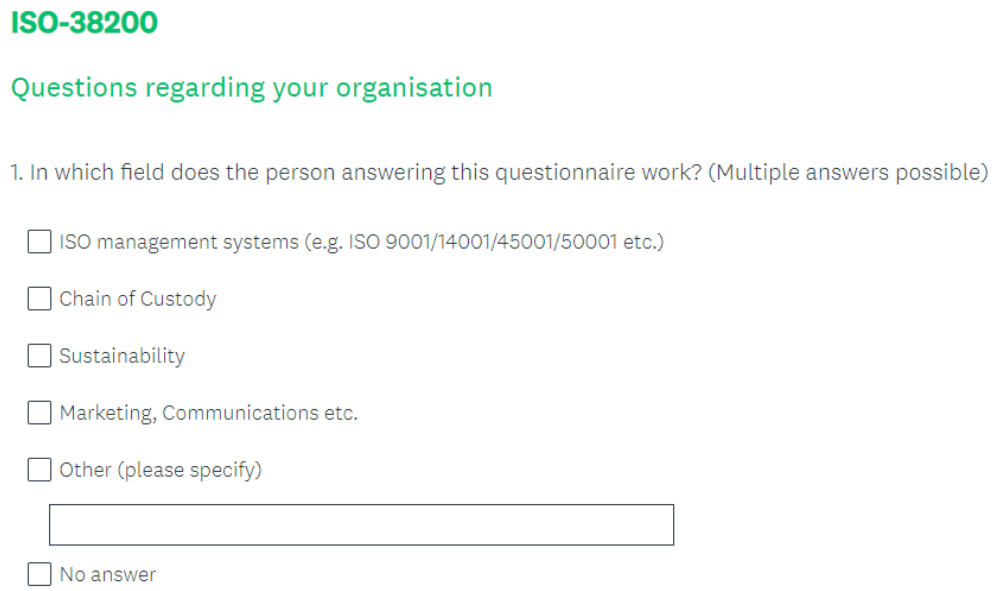
Contents of the survey questionnaire

- Organisations participating in the survey
- Deforestation-free supply chains
- ISO/CoC Management systems (already in use)
- ISO 38200
  - ISO 38200 already in use / planned
  - ISO 38200 not (yet) in use / planned
  - Material category claims and CoC methods
- Traceability
- Blockchain
- Any comments from participants

Our online survey is still “open“ for anyone interested.

Please feel invited to still participate. The links are:

- For the version in **German** language:
  https://de.research.net/r/questionnaire_ISO38200
- For the version in **English** language:
  https://de.research.net/r/questionnaire_ISO38200?lang=en
- For the version in **Portuguese** language:
  https://de.research.net/r/questionnaire_ISO38200?lang=pt



Participating in this survey will help you to better understand ISO 38200.

In case of questions, please contact:

- finn.moormann@uni-hamburg.de for technical questions
- magnus.deinzer@storaenso.com for content-related questions

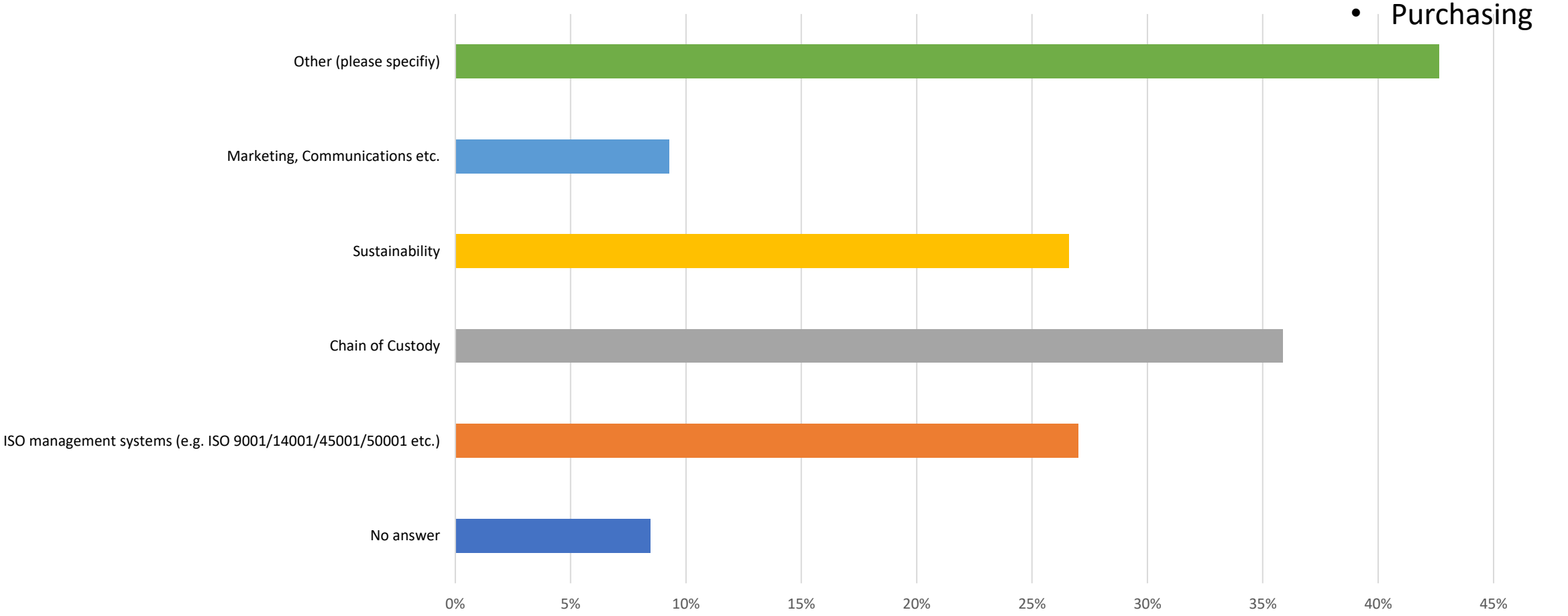
Questions and answers about

Organisations participating in the survey

Q1: In which field does the person answering this questionnaire work?
(Multiple answers possible)

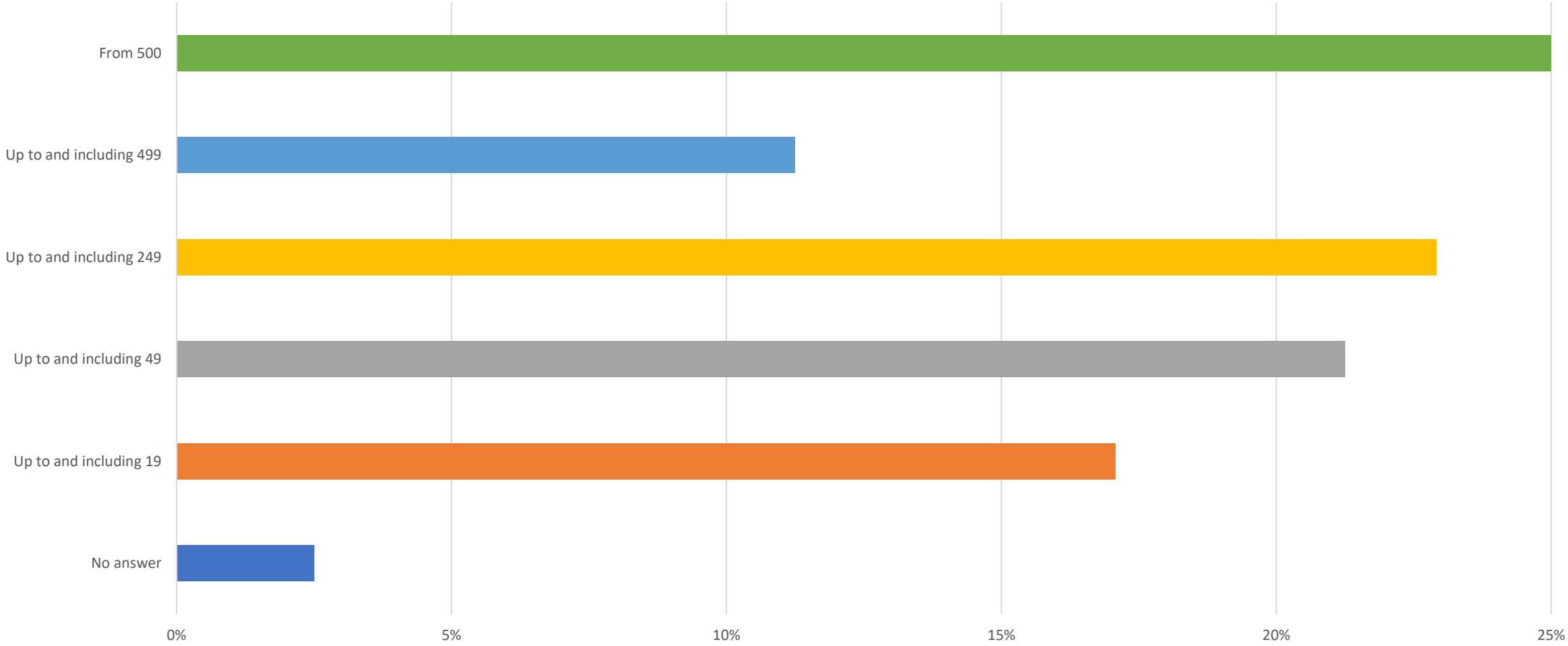
Answered: 237 Skipped: 8

- Management
- Purchasing



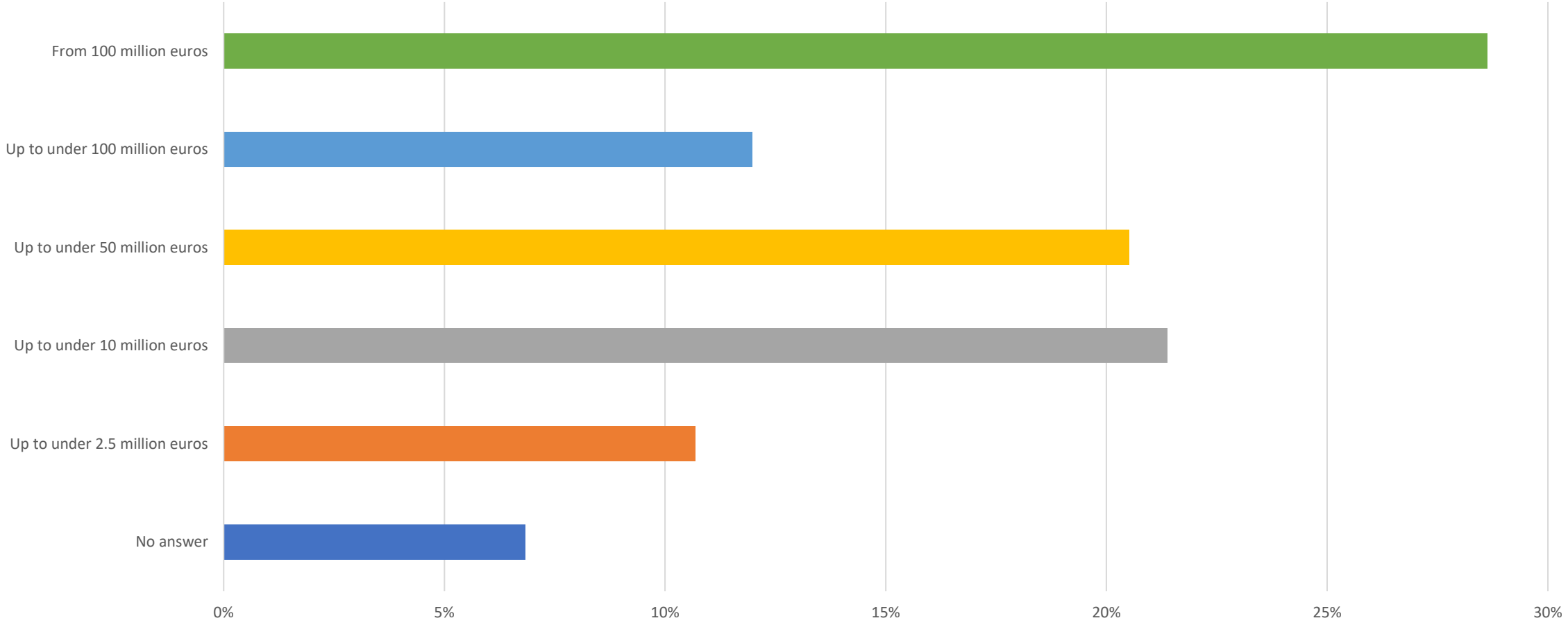
Q2: How many employees (full-time equivalents) does your organisation have?

Answered: 240 Skipped: 5



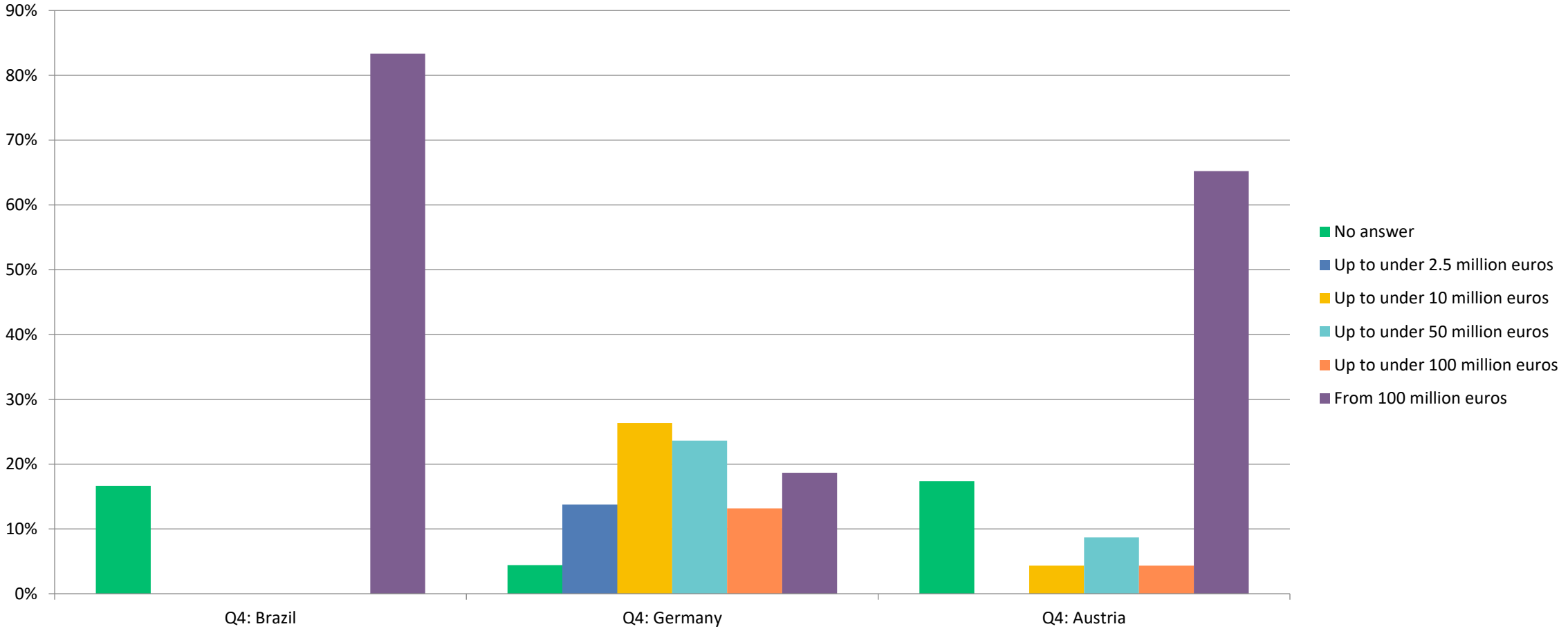
Q3: What is the annual turnover of your organisation (in million Euros)?

Answered: 234 Skipped: 11



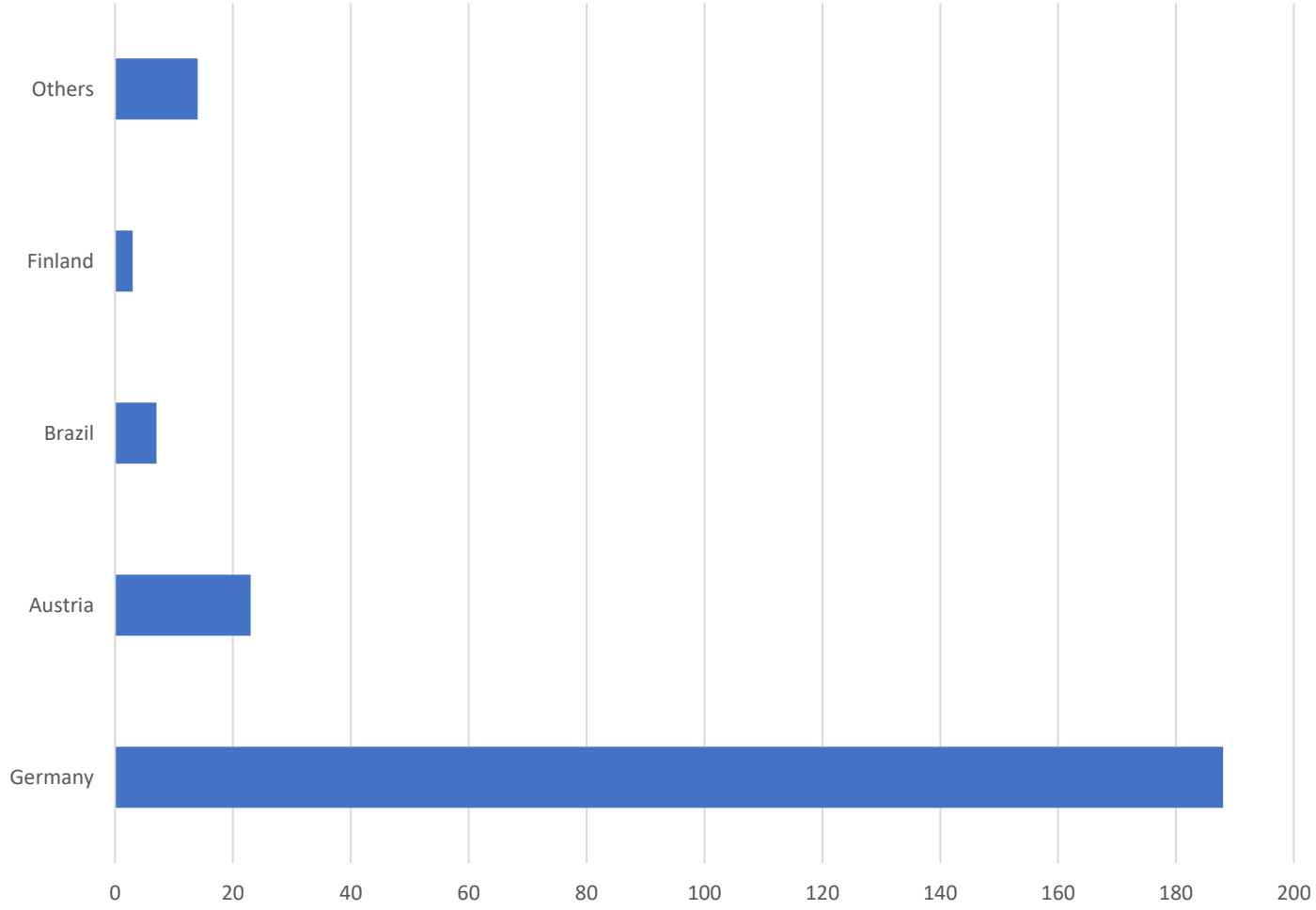
Q3: What is the annual turnover of your organisation (in million Euros)? Brazil – Germany – Austria

Answered: 234 Skipped: 11



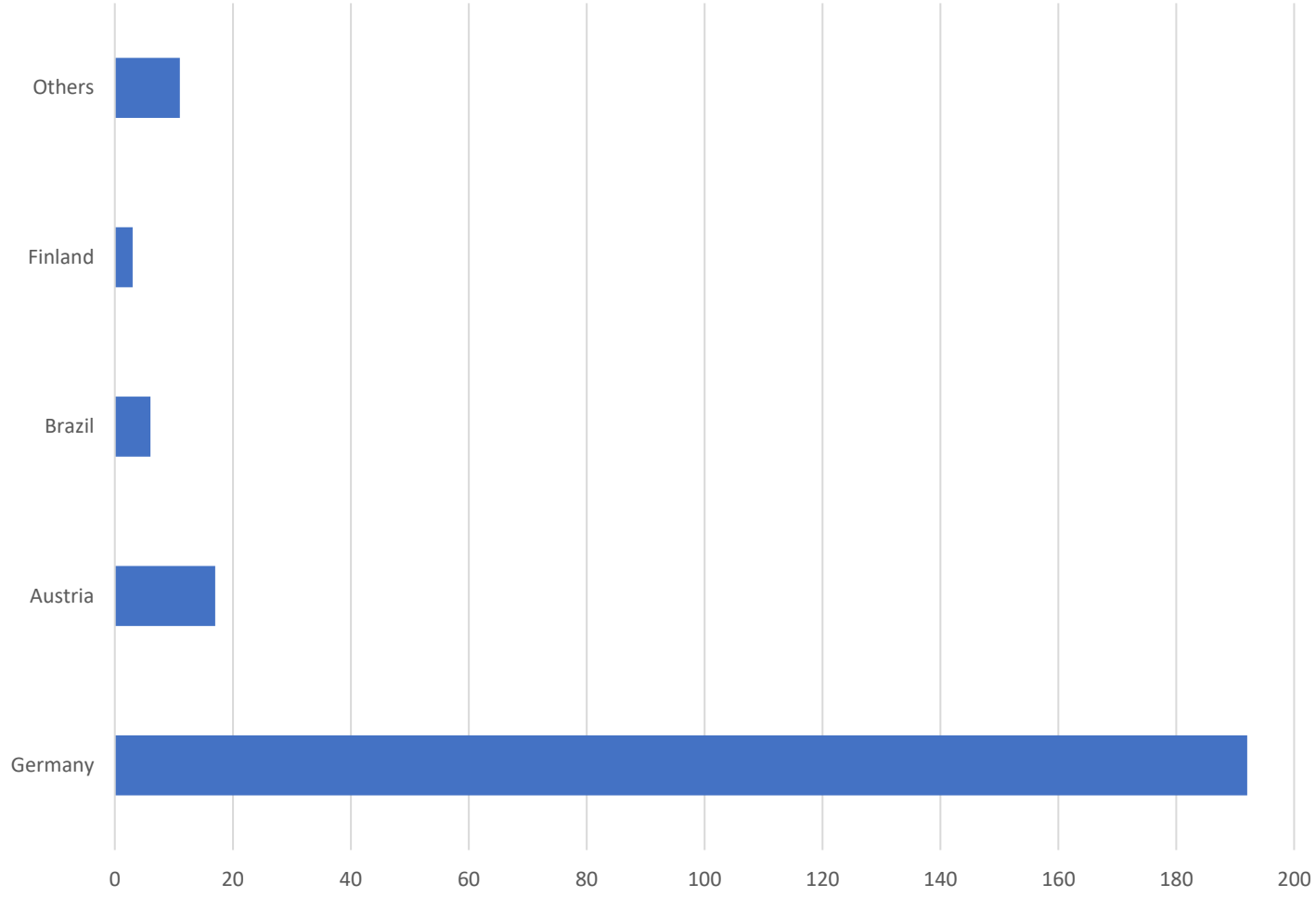
Q4: In which country is the (main) organisation site (for which you are answering this questionnaire) located?

Answered: 235 Skipped: 10



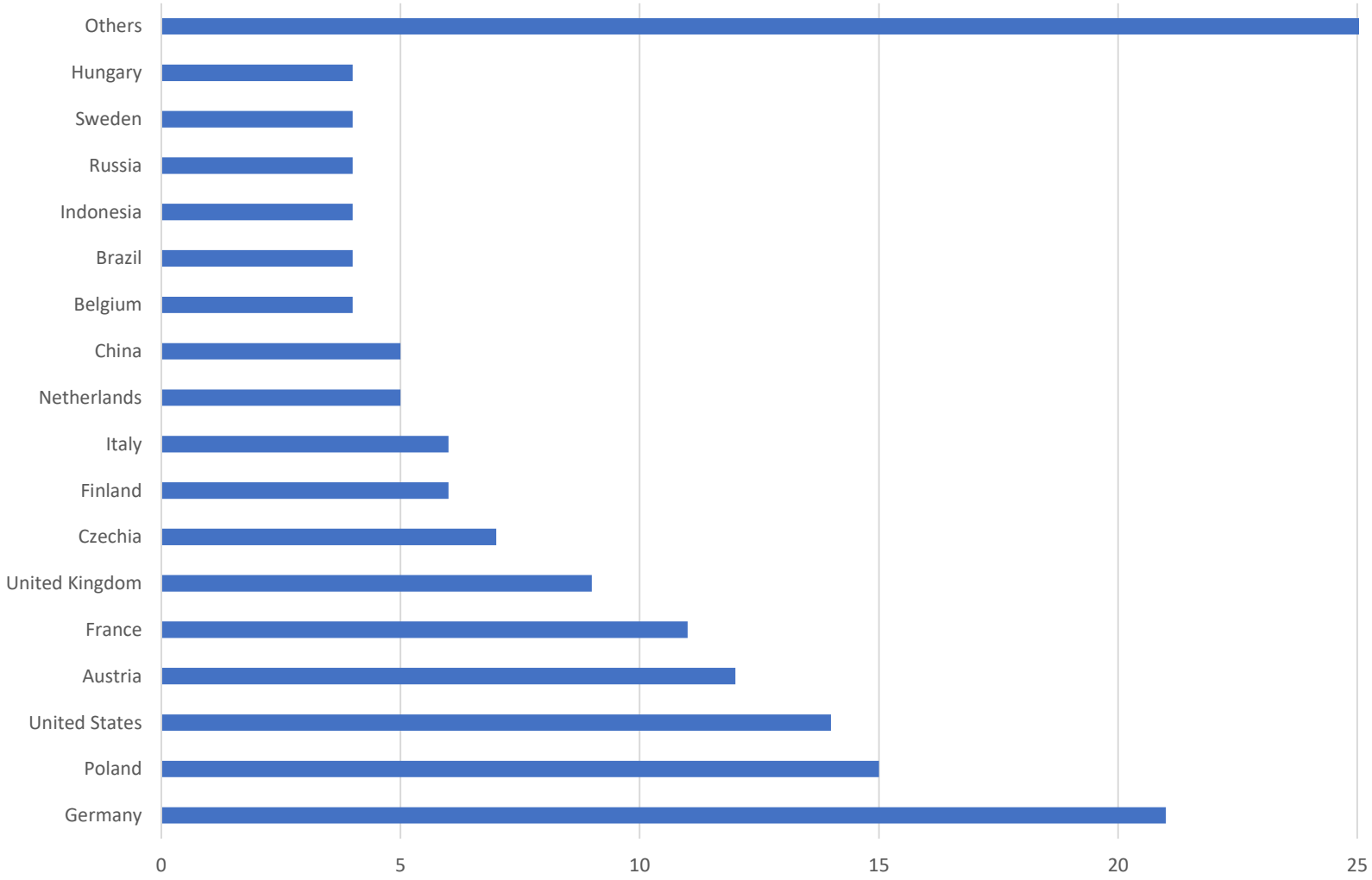
Q5: In which country is the (main) production site (for which you are answering this questionnaire) located?

Answered: 232 Skipped: 13



Q6: Do you have production sites in other countries and if so, in which country/countries? (Multiple answers possible)

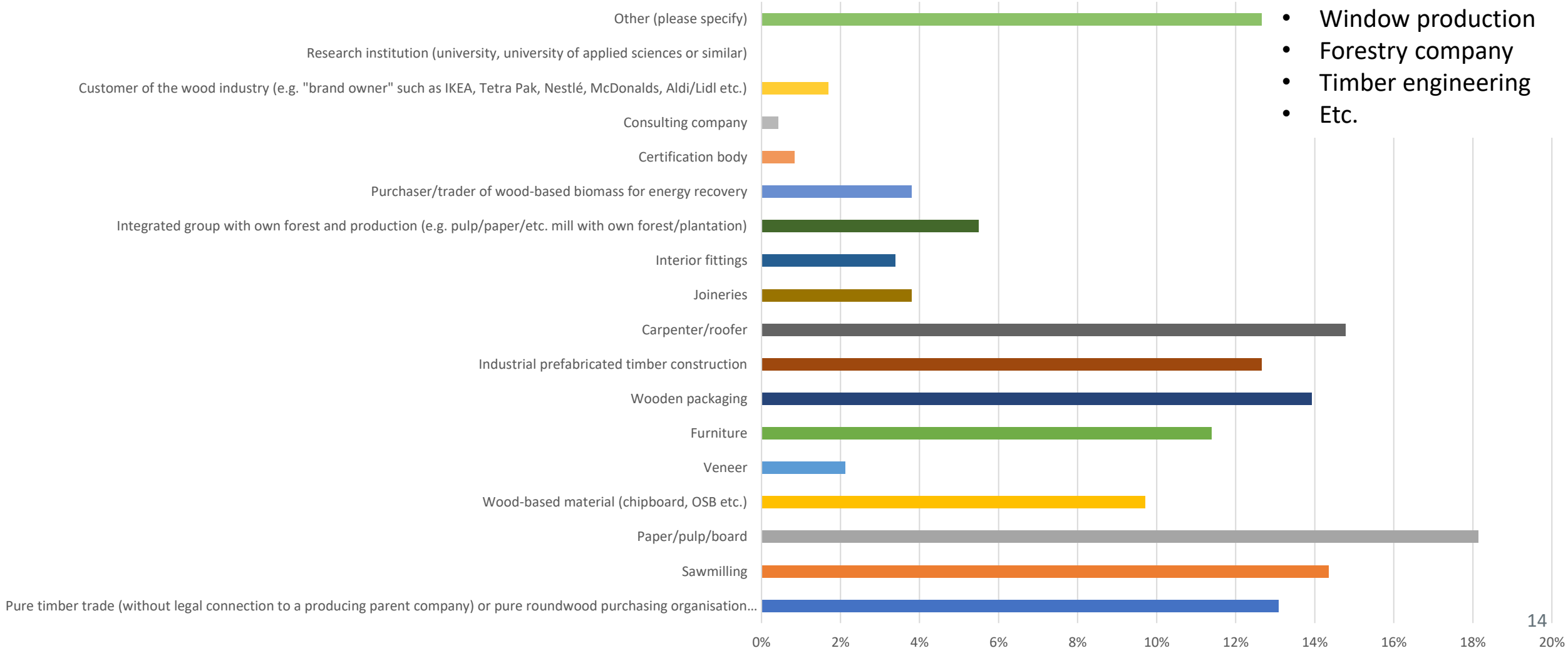
Answered: 63 Skipped: 182



Q7: In which business area(s) is your organisation active?
(Multiple answers possible)

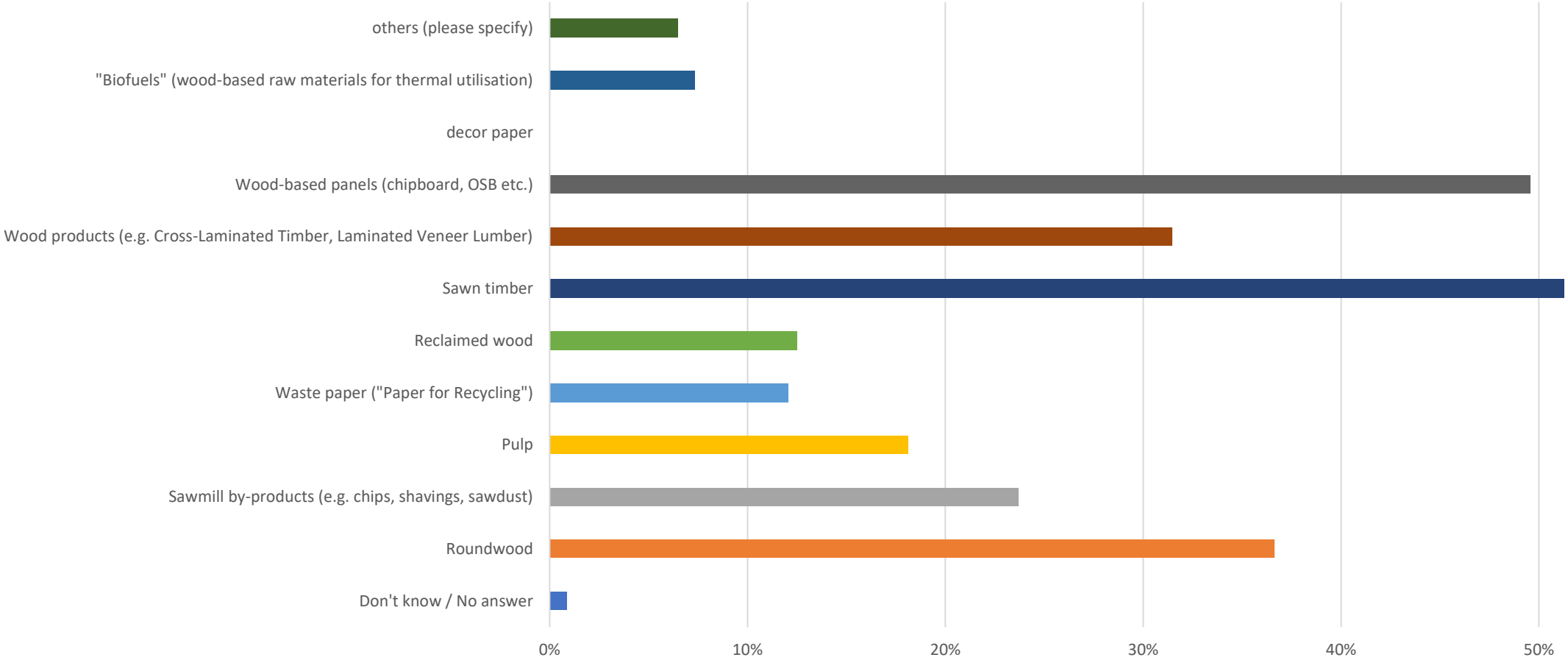
Answered: 237 Skipped: 8

- Floor manufacturing
- Window production
- Forestry company
- Timber engineering
- Etc.



Q8: What raw materials does your organisation use?
(Multiple answers possible)

Answered: 232 Skipped: 13

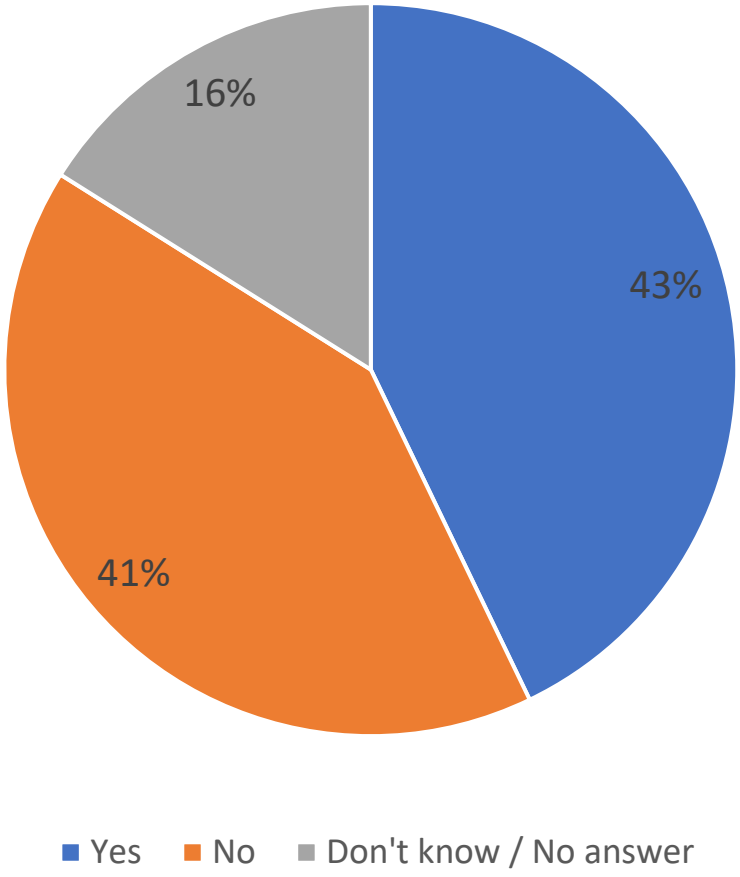


Questions and answers about

Deforestation-free supply chains

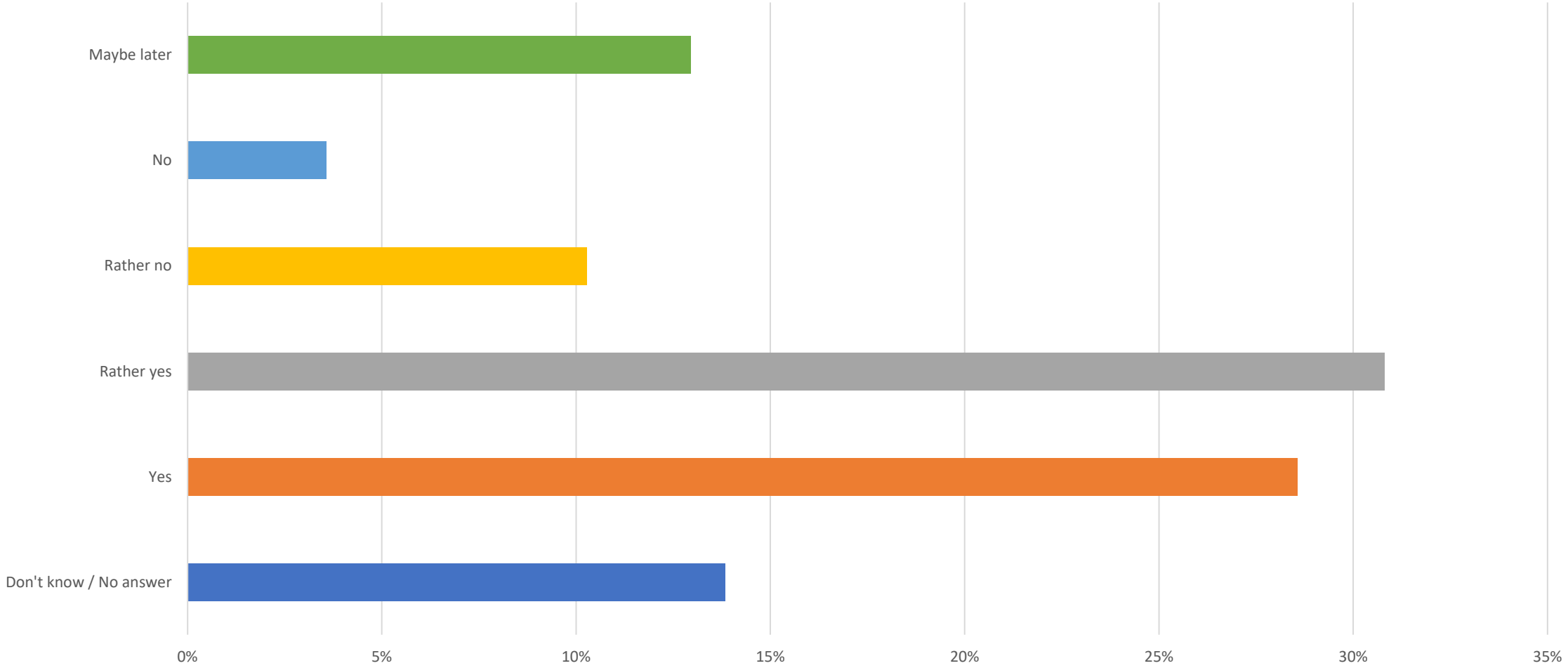
Q9: Are you/your organisation aware of the discussion on "deforestation-free supply chains"?

Answered: 224 Skipped: 21



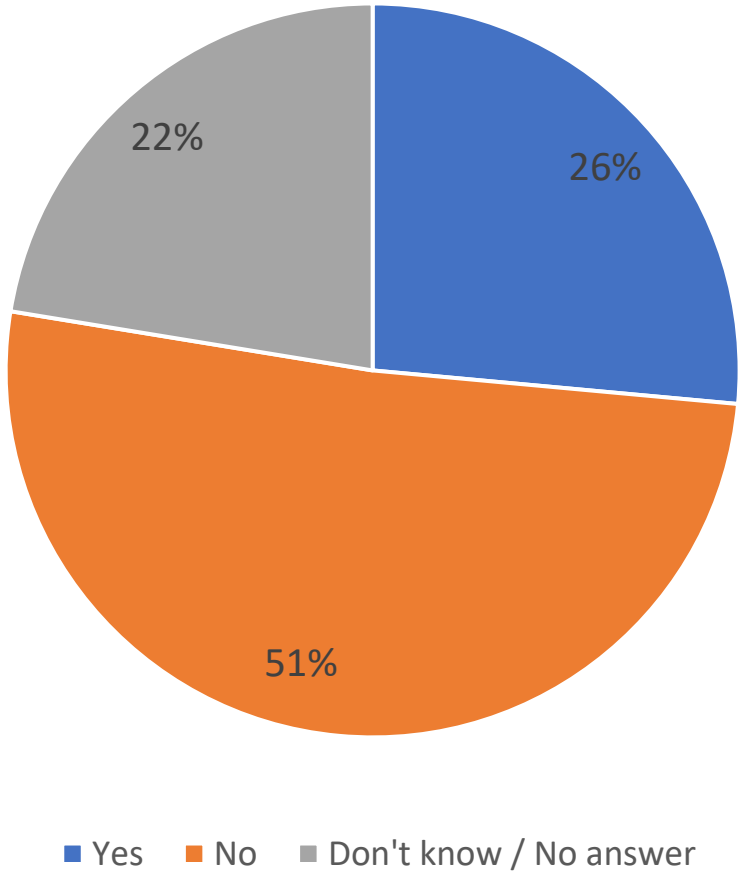
Q10: Do you/your organisation believe that the issue of "deforestation-free supply chains" will play a role for your customers in future?

Answered: 224 Skipped: 21



Q11: Legality: Is your organisation "operator" ("first placer to the market") according to the EU Timber Regulation?

Answered: 223 Skipped: 22

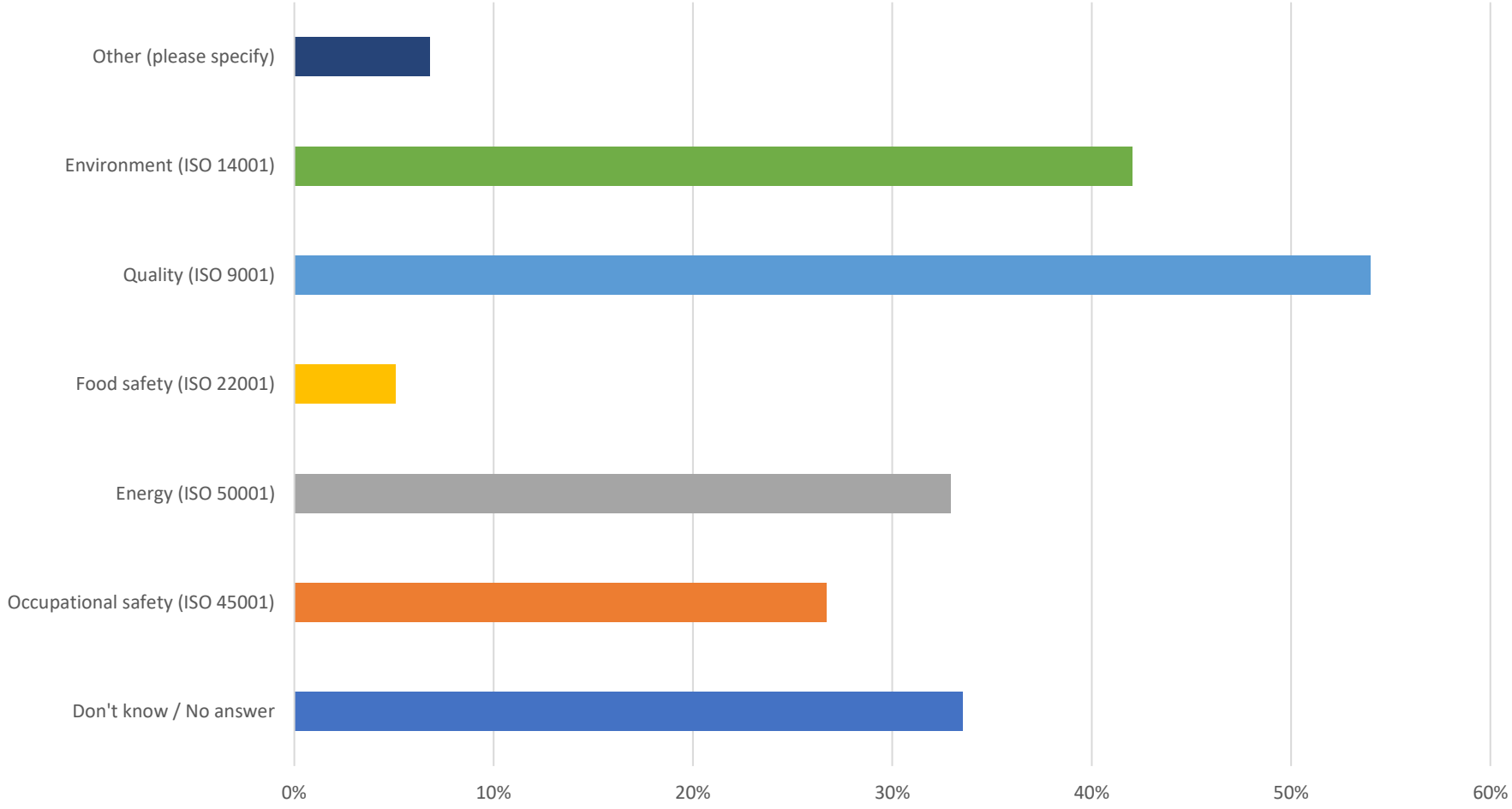


Questions and answers about

ISO/CoC Management systems (already in use)

Q12: Does your organisation already use ISO management systems? If yes, which one(s)? (Multiple answers possible)

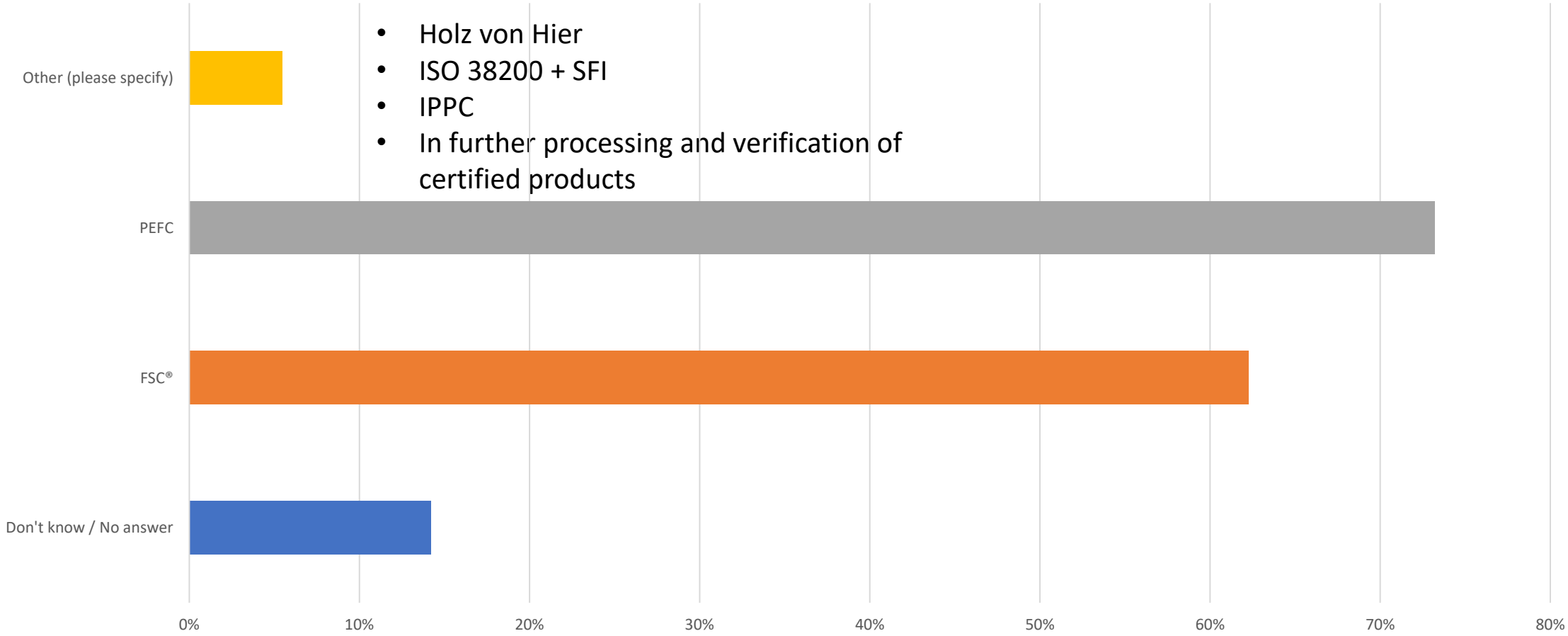
Answered: 176 Skipped: 69



- Only in production, not in the context of wood procurement
- FSC
- EMAS
- ISO 38200
- HPE Certified Standard
- RAL GZ 422
- EMAS
- No ISO Management systems
- AMS-Bau (verwandt 45001)
- BRCGS, FSC, PEFC, SAN-RA, Halal and Kosher
- IFS

Q13: Does your organisation already use chain of custody management systems? If yes, which one(s)? (Multiple answers possible)

Answered: 183 Skipped: 62



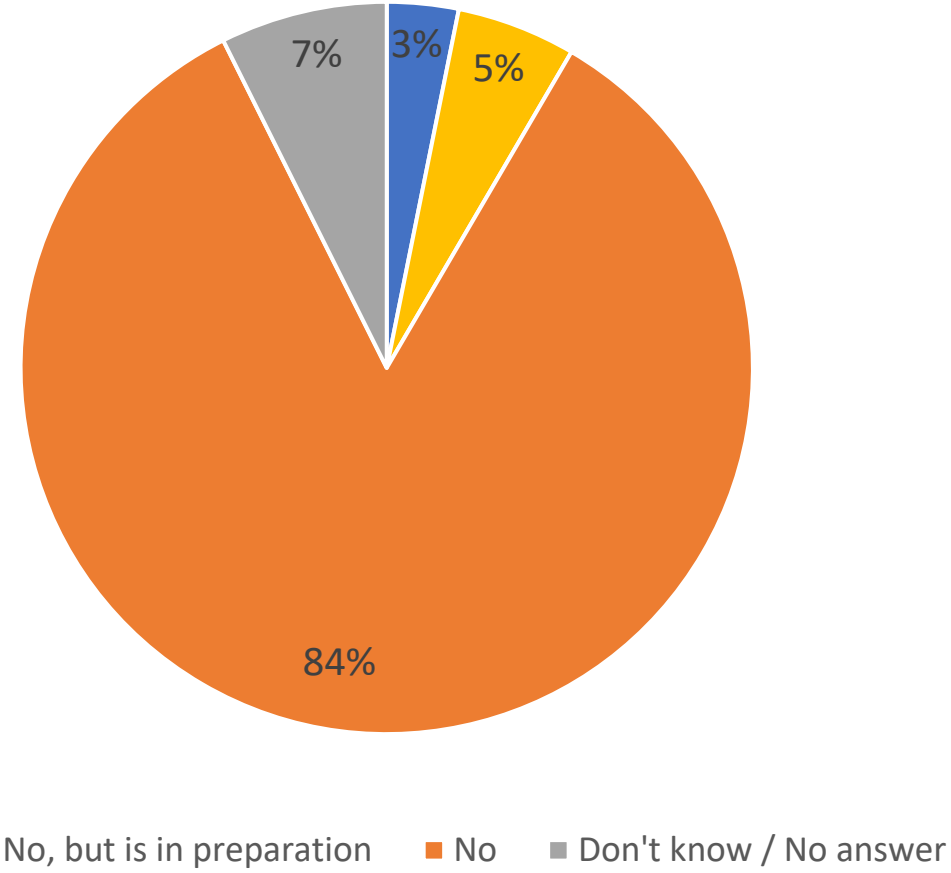
- Holz von Hier
- ISO 38200 + SFI
- IPPC
- In further processing and verification of certified products

Questions and answers about

ISO 38200 already in use / planned

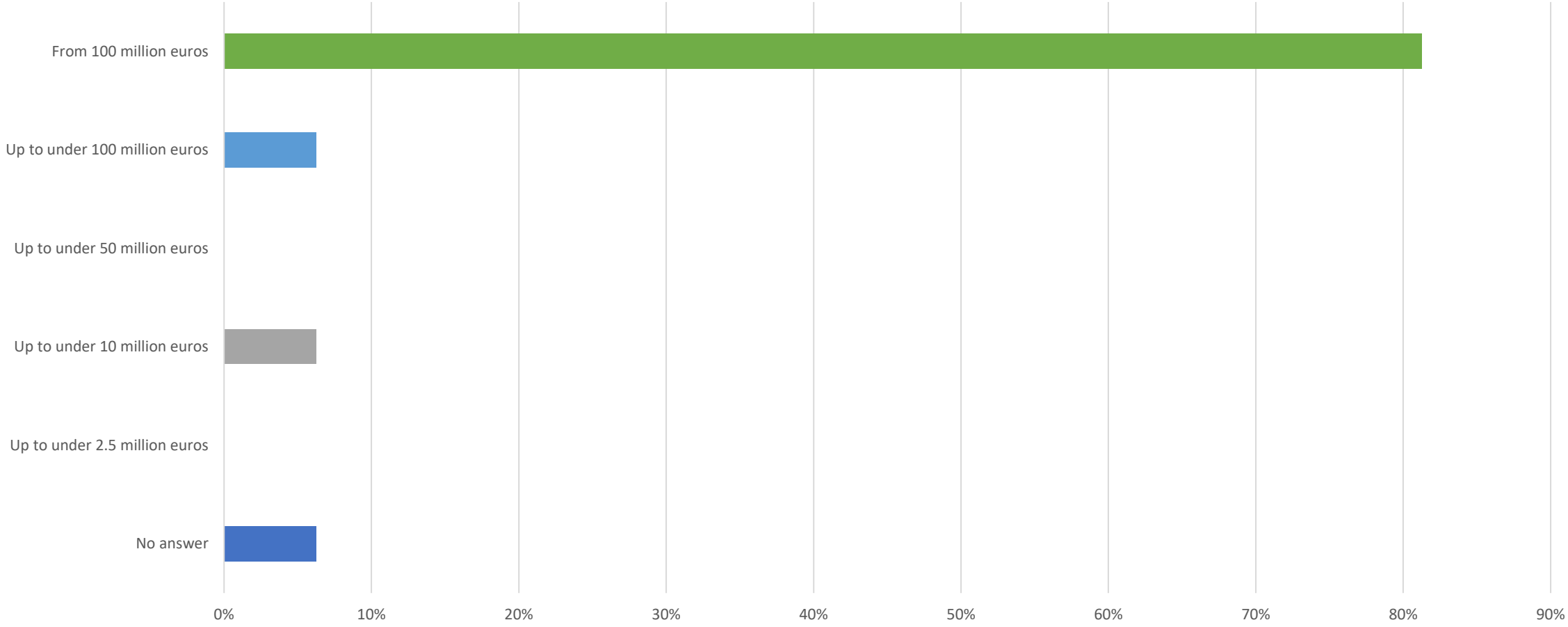
Q14: Has your organization already implemented ISO 38200?

Answered: 190 Skipped: 55



Q3: What is the annual turnover of your organisation (in million Euros)?

Answered: 16 Skipped: 0

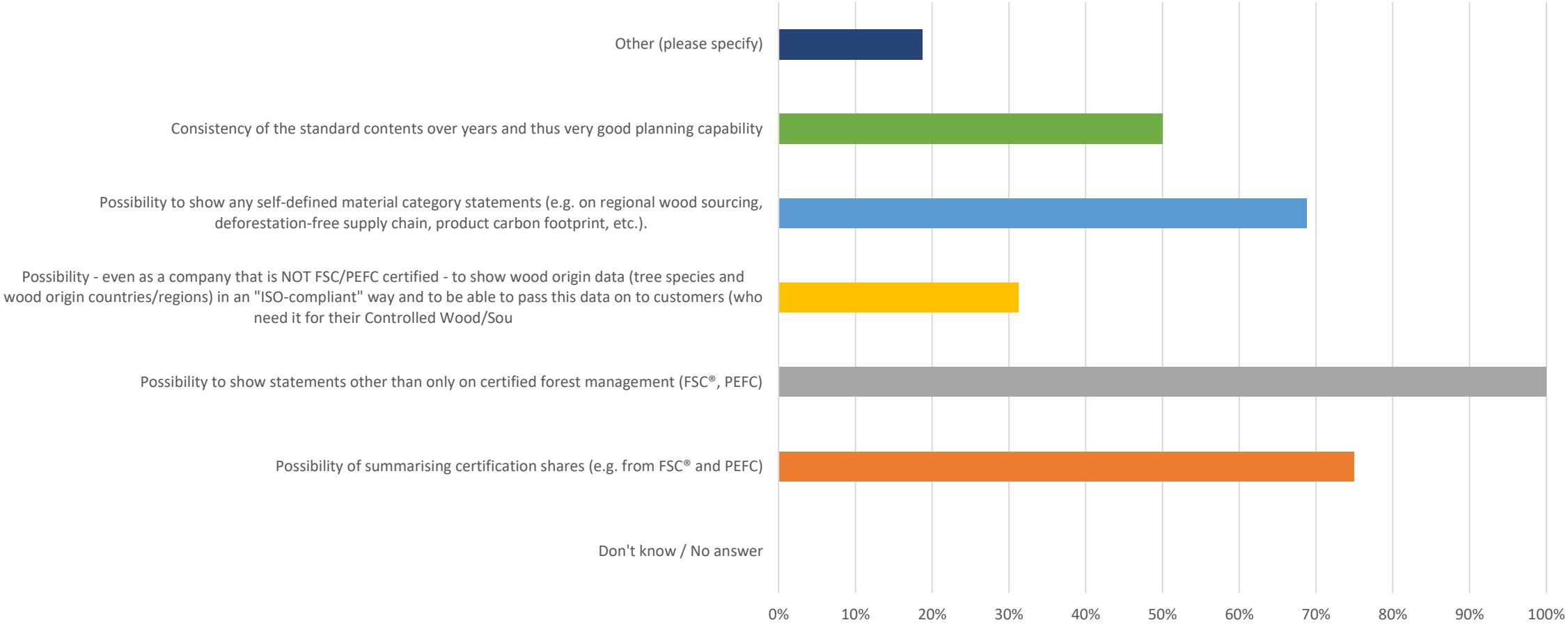


Q15: For what reasons has your organisation already implemented ISO 38200?

- **Customer** demand and CSR
- Stockpiling! The system is currently only stocked at one location in order to guarantee rapid operational capability as soon as **customer enquiries** come in.
- Third party verification of information requirements from shareholders and **customers** that are not mapped via the FSC/PEFC chain of custody (traceability, origin of wood, transport distance, regionality, etc.).
- Alternative to PEFC & FSC-COC
- Delivery possible in consistent **statement on wood raw materials**, as both systems (PEFC and FSC) are recognised
- Initial certification almost completed at first site. As a further tool to **ensure compliance in wood purchasing**.

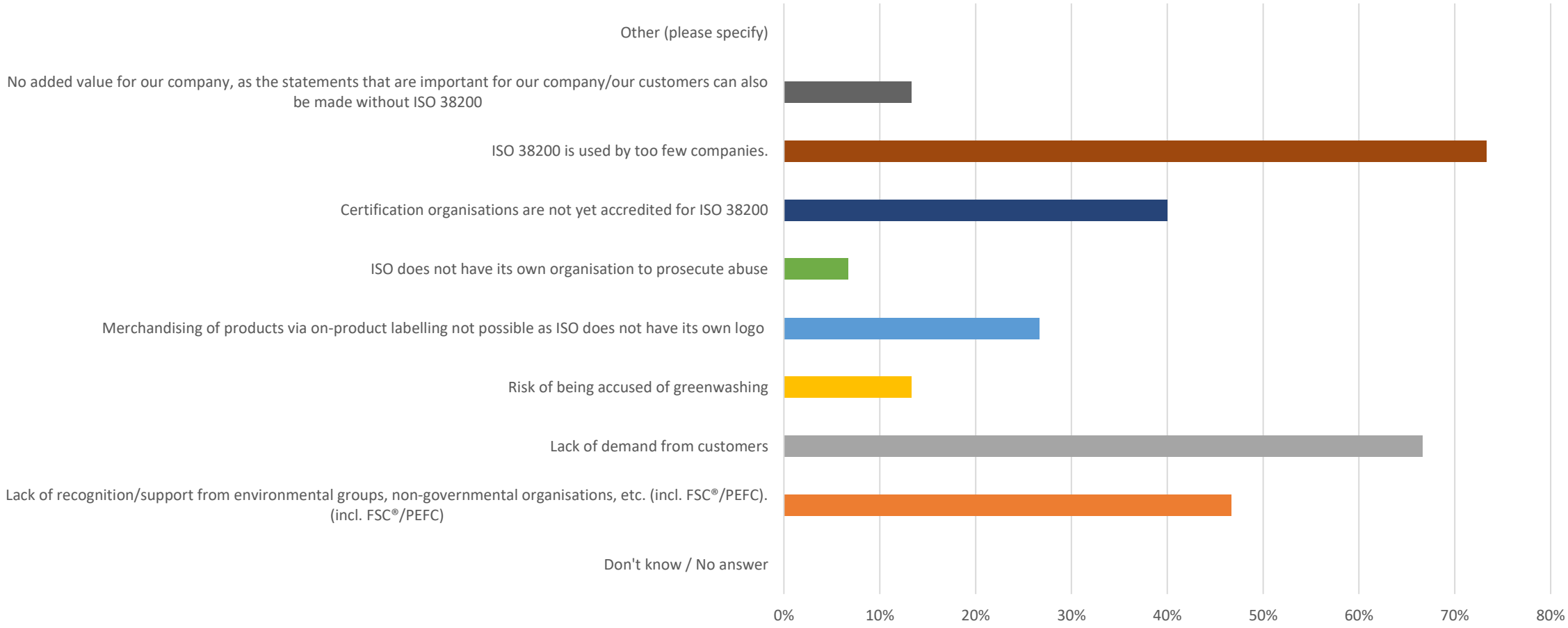
Q18: What strengths and opportunities do you see in ISO 38200 compared to the existing FSC®/PEFC systems? (Multiple answers possible)

Answered: 16 Skipped: 0



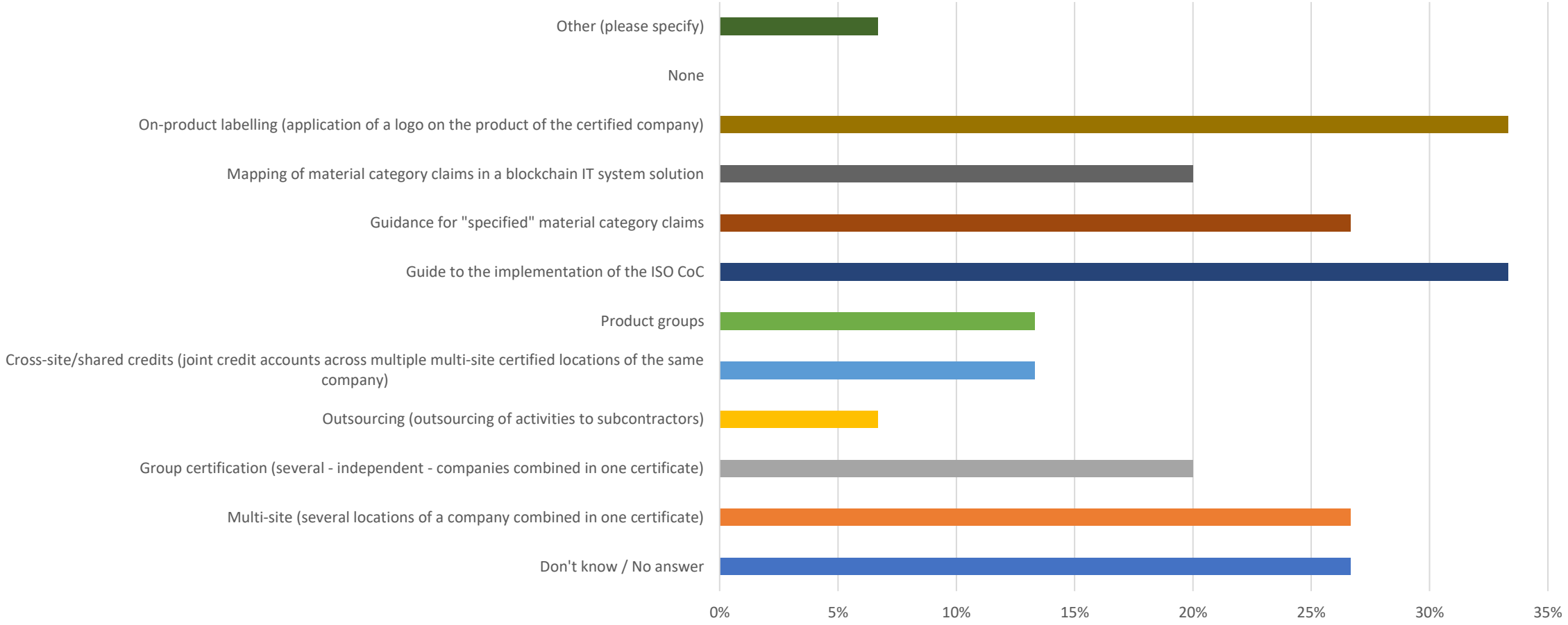
Q19: What weaknesses and risks do you see in ISO 38200 in its current version?

Answered: 15 Skipped: 1



Q21: Which standard components are you still missing in the current version of ISO 38200? (Multiple answers possible)

Answered: 15 Skipped: 1



Q21: Which standard components are you still missing in the current version of ISO 38200? – (Other – Quotations)

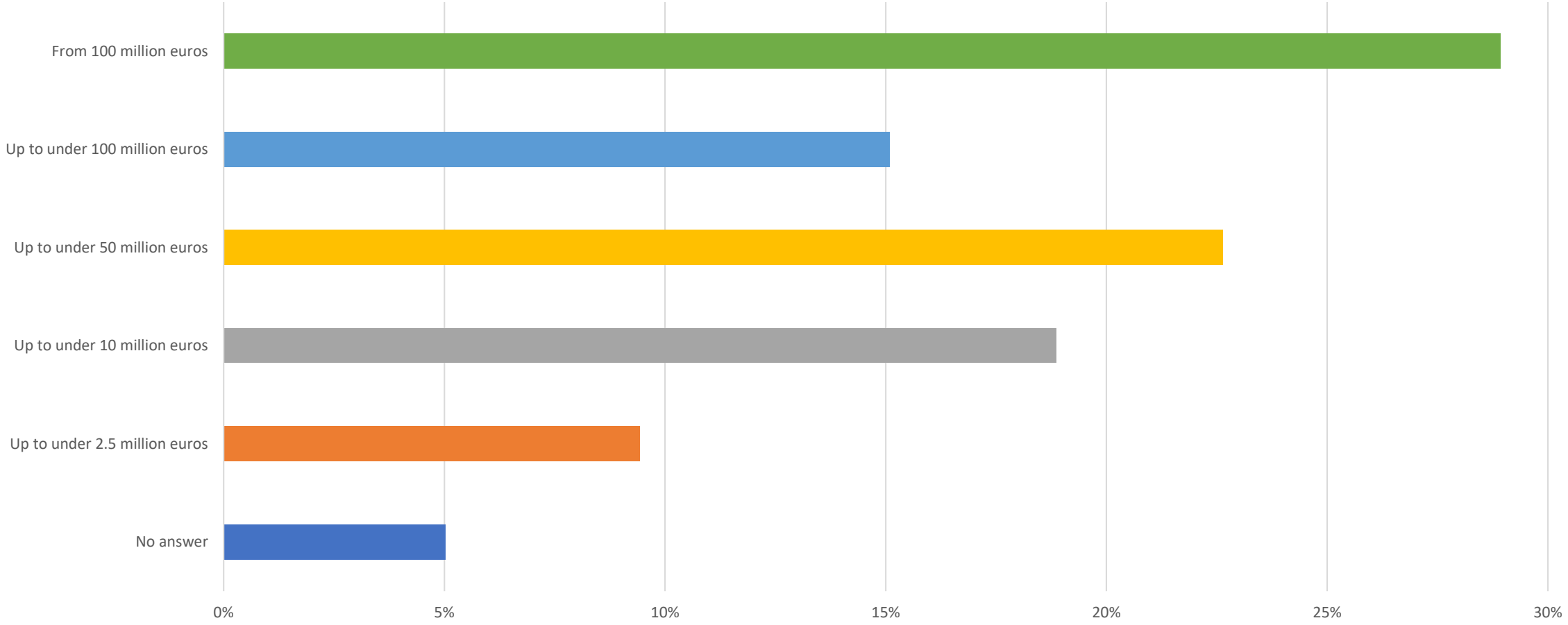
- “Requirements for product groups do not bring any added value with FSC/PEFC, the product scope always remains a case-by-case consideration in the end, 38200 should remain generic here.”
  - *Comment by Magnus Deinzer: Dear sender: What exactly do you mean with this statement? May I kindly ask you to still shortly explain – either now in our workshop (or please send a mail to: magnus.deinzer@storaenso.com). Thank you.*

Questions and answers about

ISO 38200 not (yet) in use / planned

Q3: What is the annual turnover of your organisation (in million Euros)?

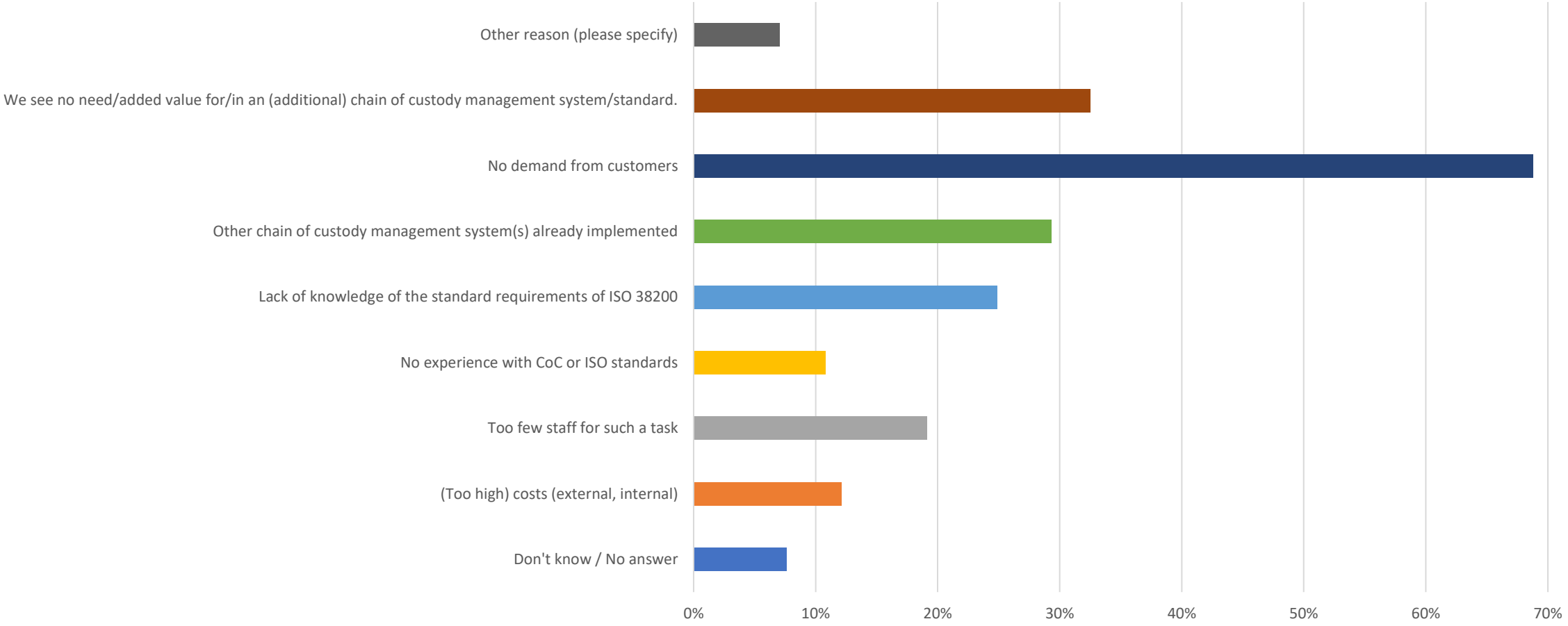
Answered: 159 Skipped: 1



Q16: For what reasons have you NOT implemented ISO 38200?

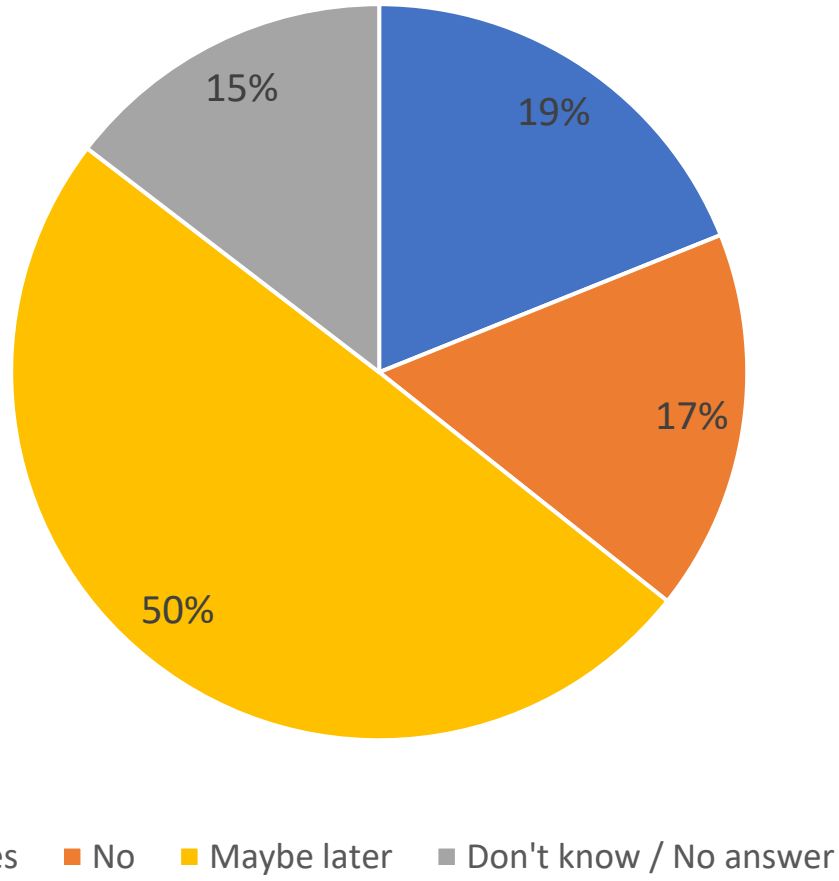
(Multiple answers possible)

Answered: 157 Skipped: 3



Q17: Is your organisation interested in implementing ISO 38200?

Answered: 158 Skipped: 2

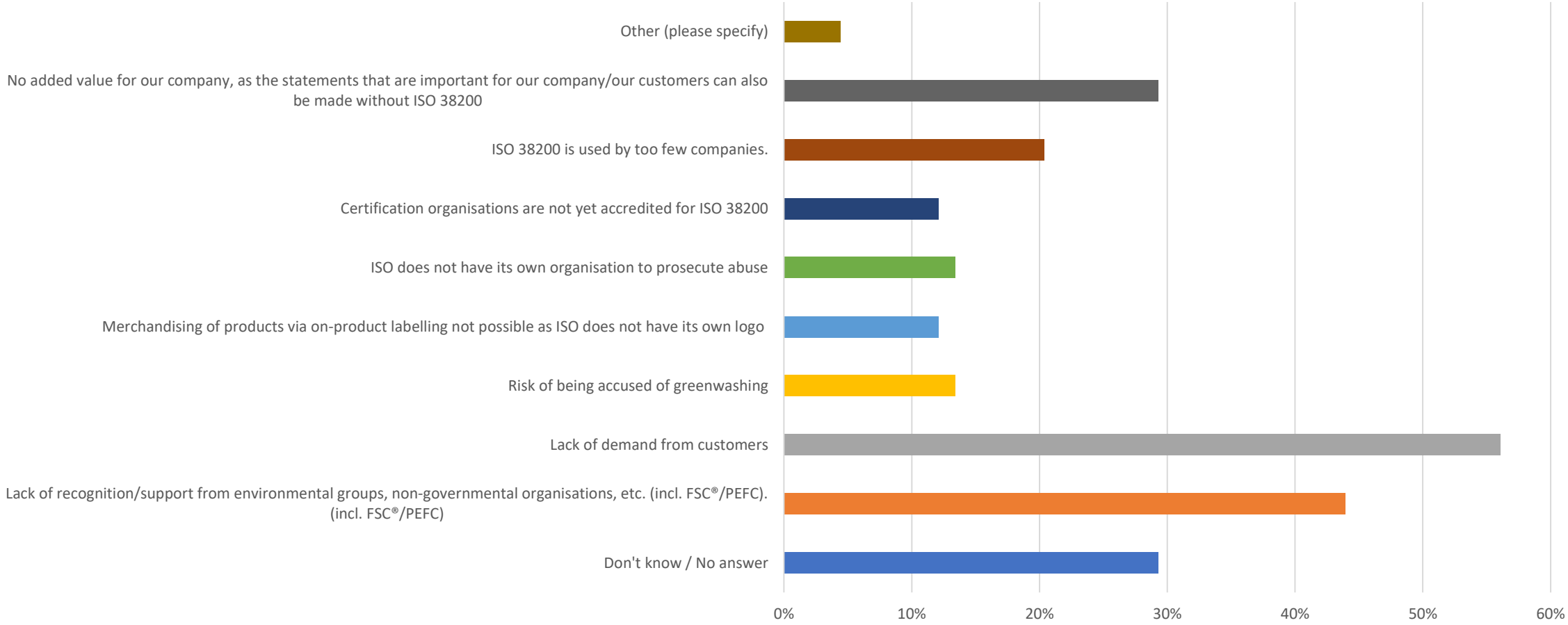


Q18: What strengths and opportunities do you see in ISO 38200 compared to the existing FSC®/PEFC systems? (Multiple answers possible)

Answered: 158 Skipped: 2

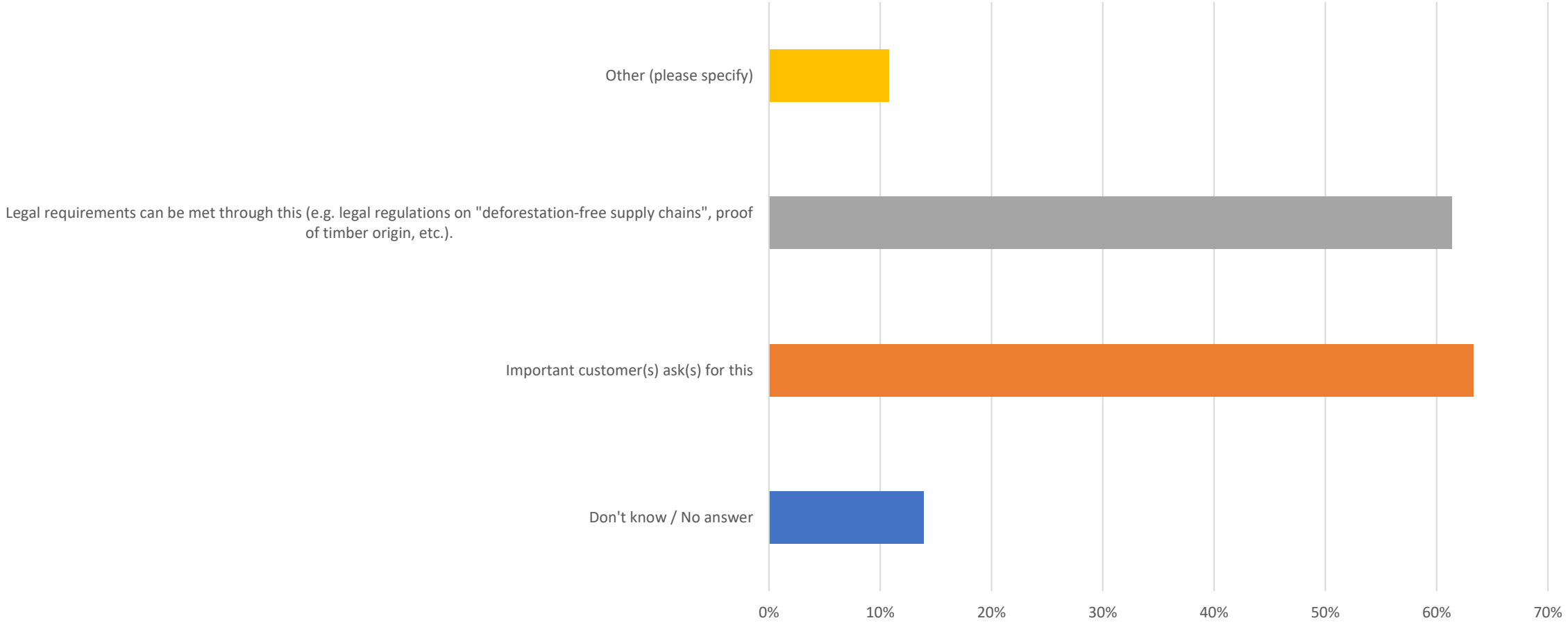
Q19: What weaknesses and risks do you see in ISO 38200 in its current version?

Answered: 157 Skipped: 3



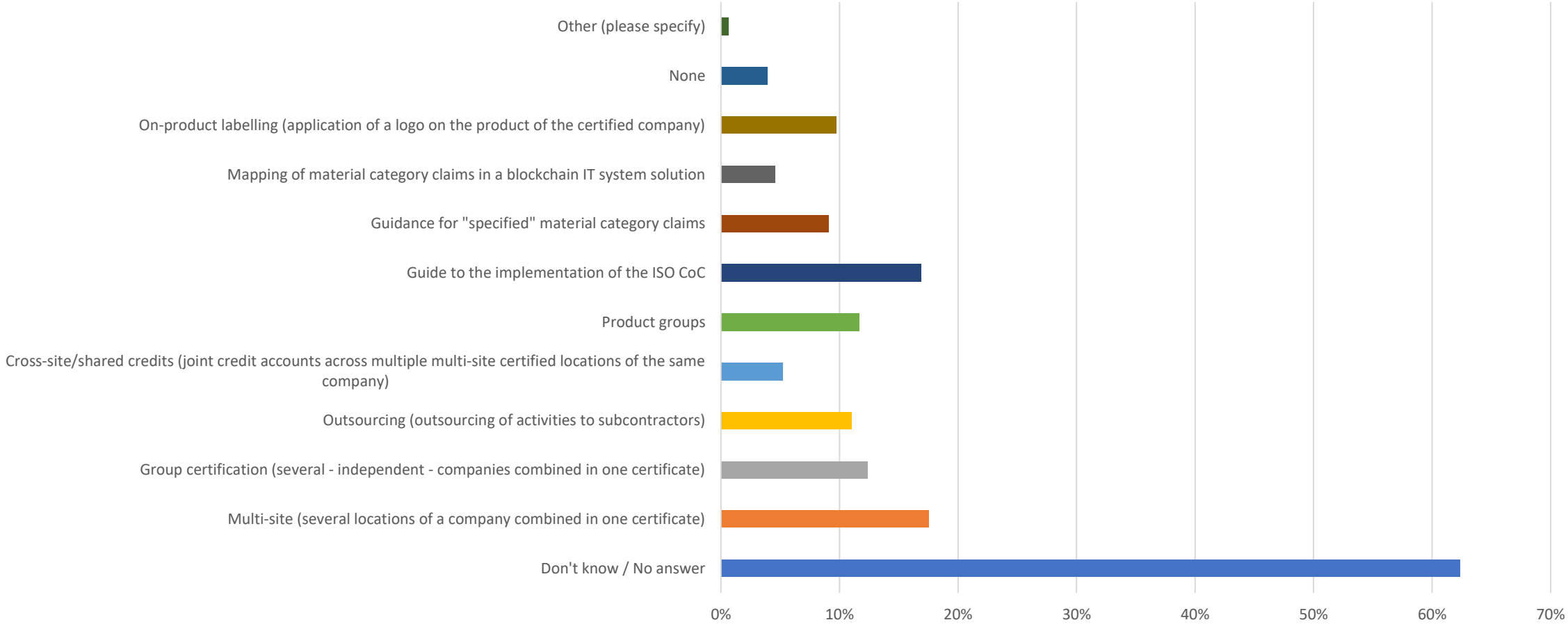
Q20: What would be your reasons for adopting ISO 38200?
(Multiple answers possible)

Answered: 158 Skipped: 2



Q21: Which standard components are you still missing in the current version of ISO 38200? (Multiple answers possible)

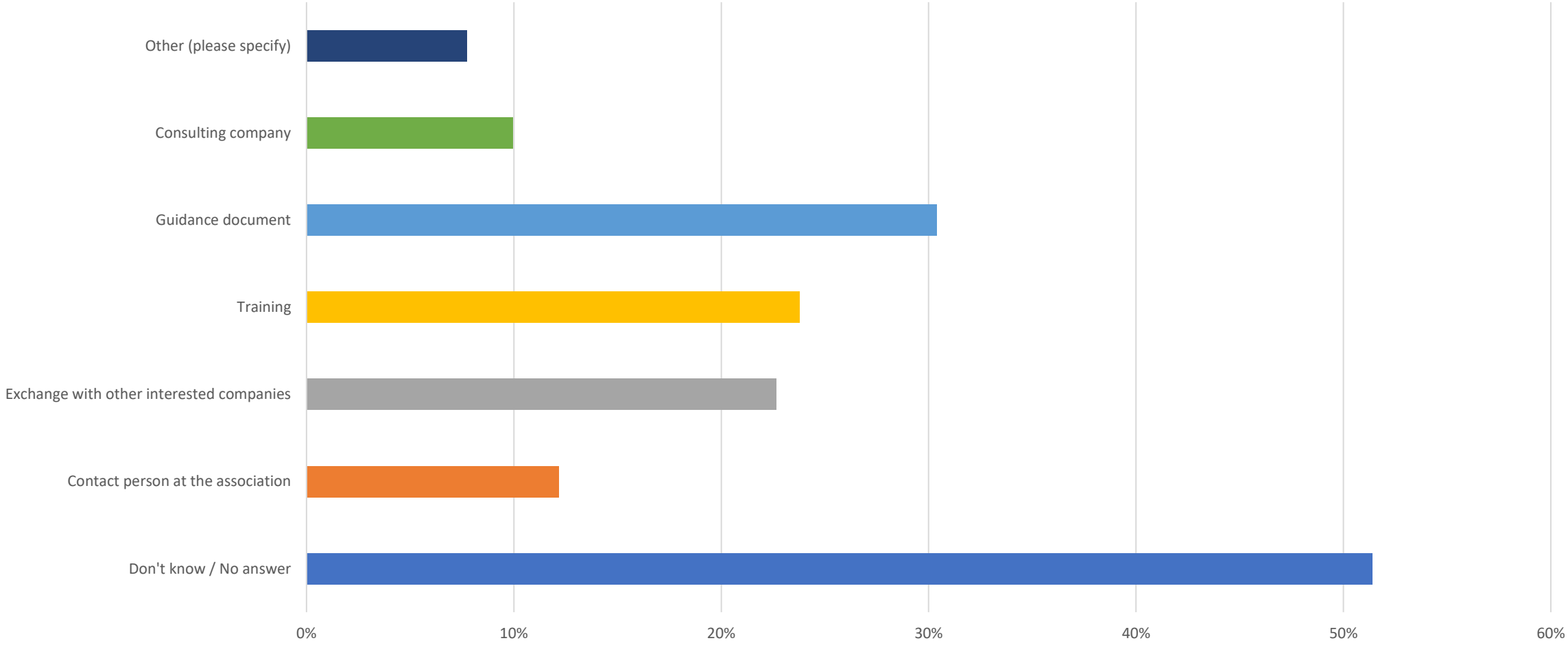
Answered: 154 Skipped: 6



Q22: What is still missing for your organization to implement ISO 38200?

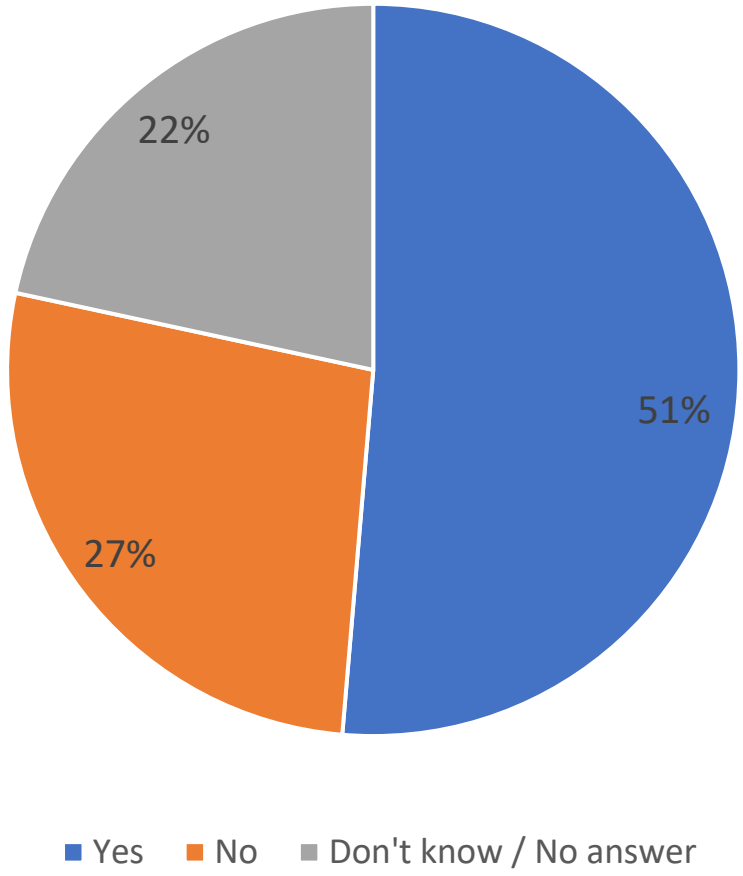
(Multiple answers possible)

Answered: 181 Skipped: 64



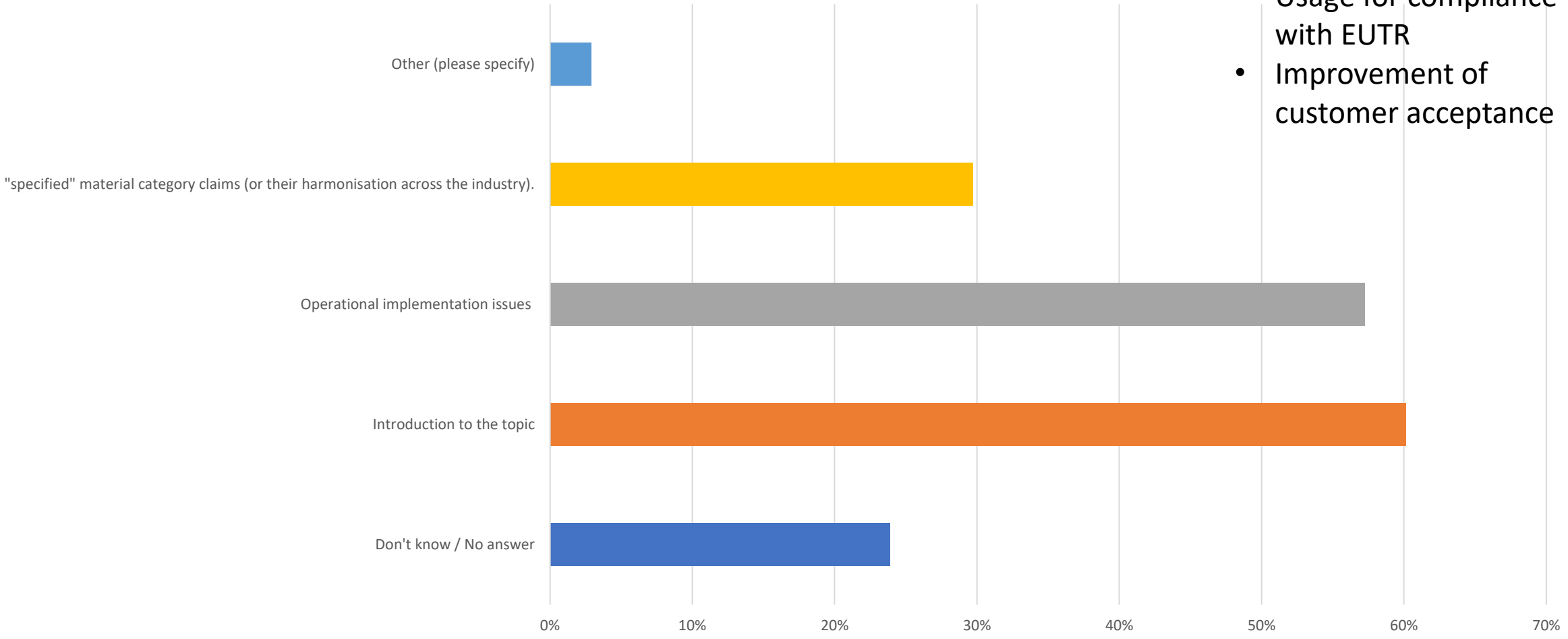
Q23: Are you interested in a workshop for organisations interested in ISO 38200?

Answered: 185 Skipped: 60



Q24: If yes, on which topics?

Answered: 138 Skipped: 107



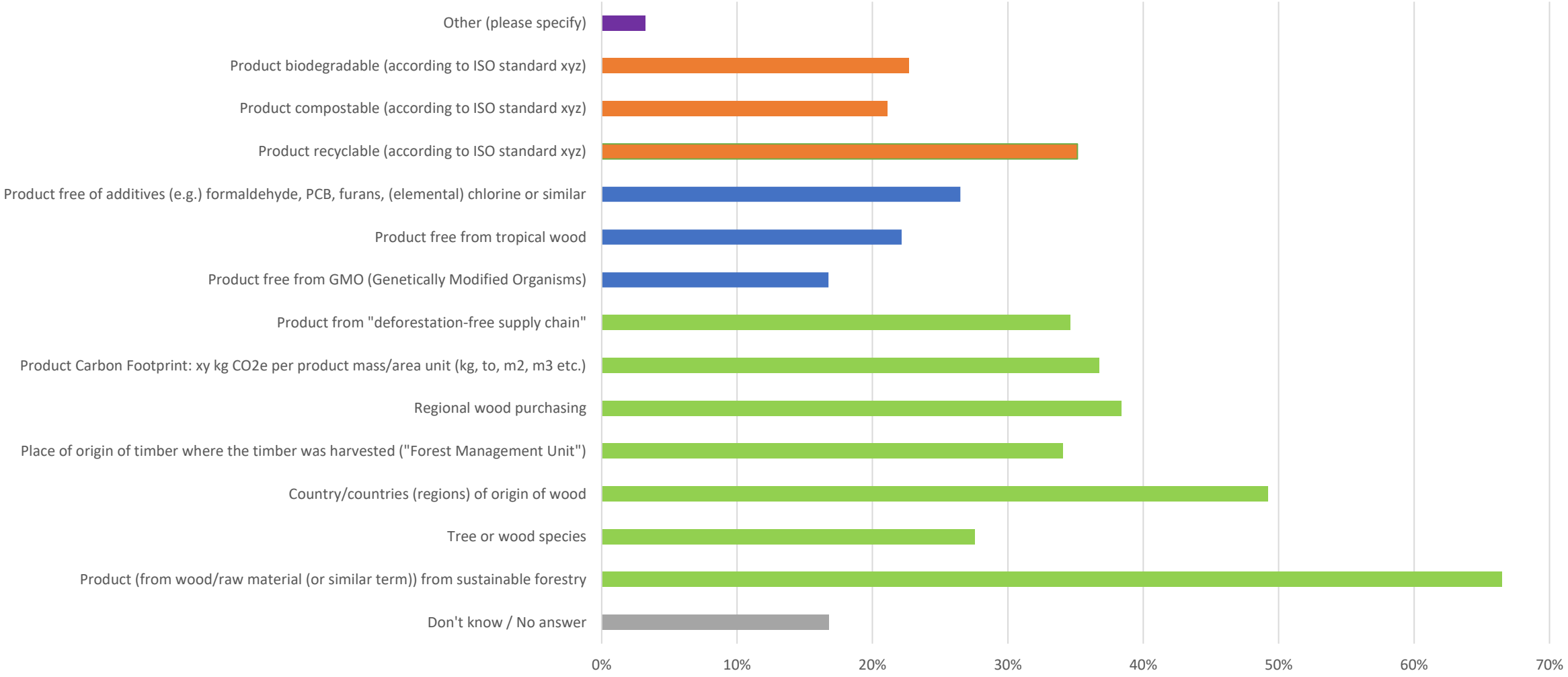
- Usage for compliance with EUTR
- Improvement of customer acceptance

Questions and answers about

Material category claims and CoC methods

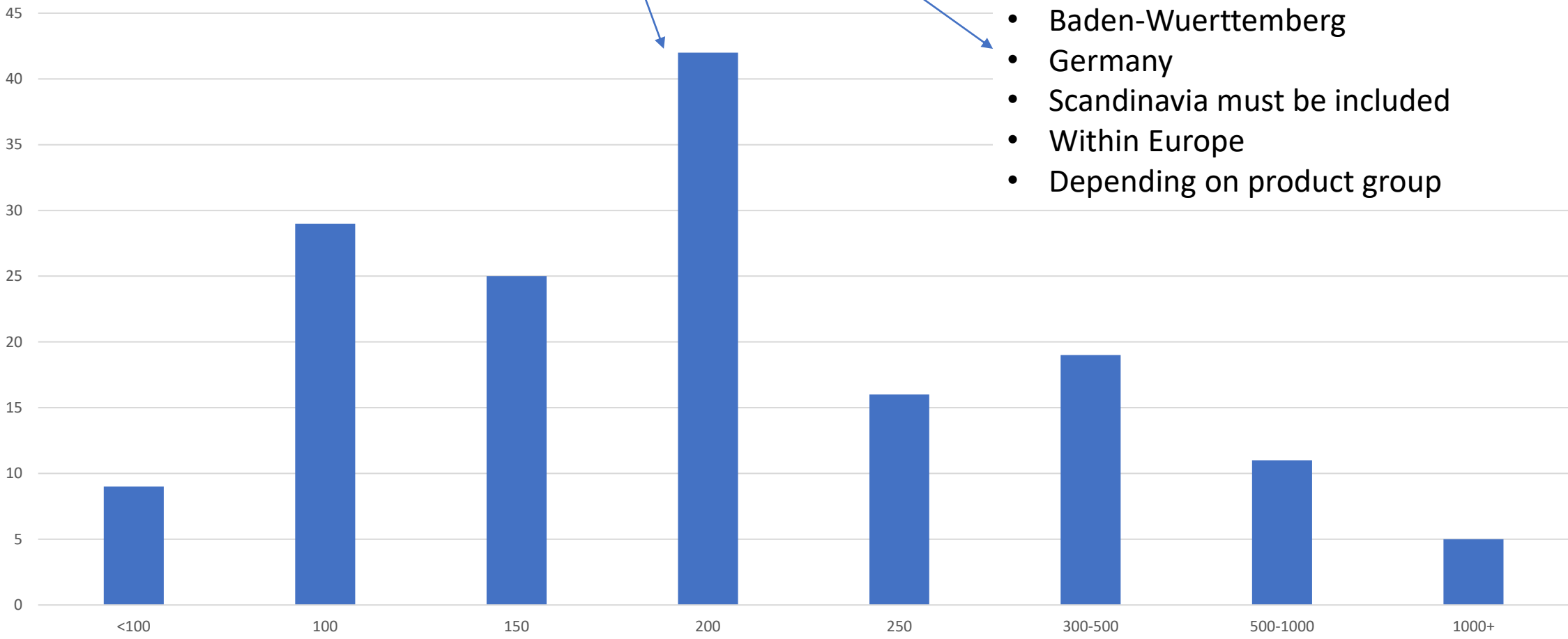
Q25: Which "specified" material category claims would be of interest to your customers? (Multiple answers possible)

Answered: 185 Skipped: 60



Q26: How do you define "regionality in wood purchasing"? --> Average wood purchasing radius of max. km?

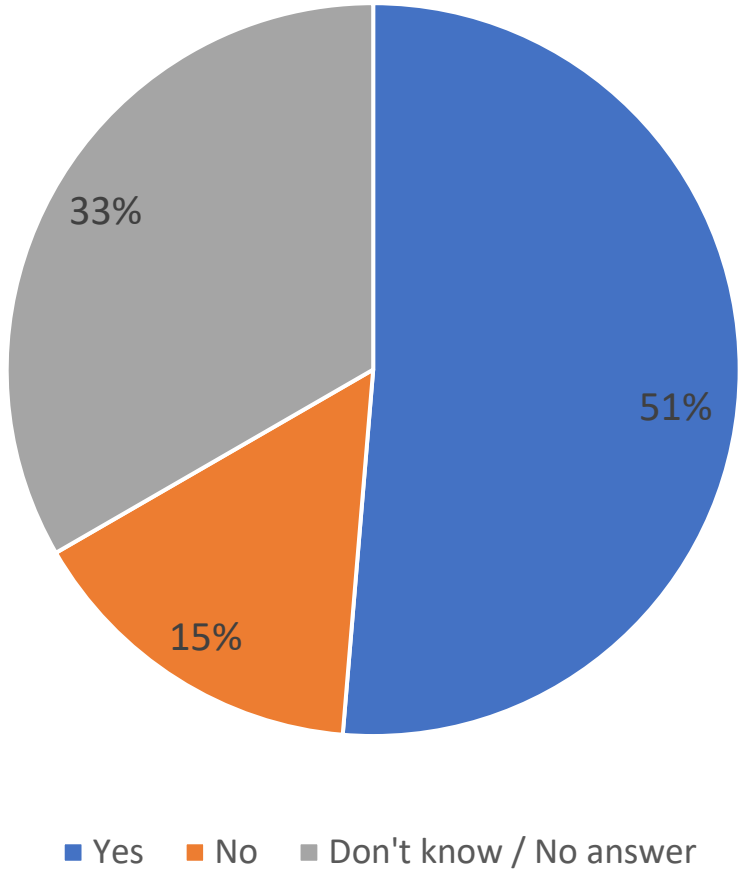
Answered: 185 Skipped: 60



- Baden-Wuerttemberg
- Germany
- Scandinavia must be included
- Within Europe
- Depending on product group

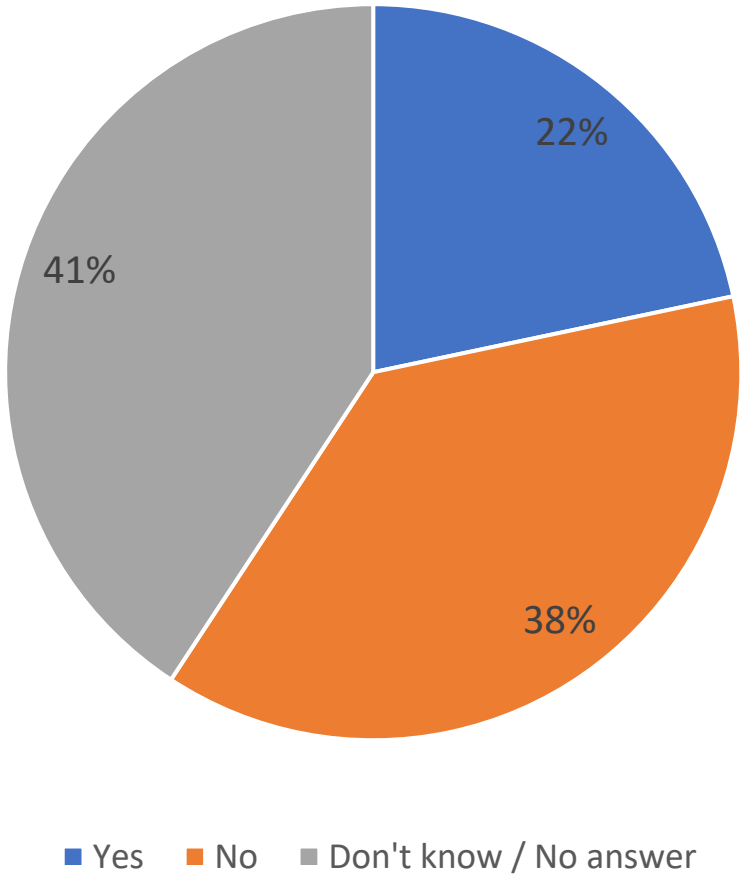
Q27: Would you welcome an industry-wide standardisation and harmonisation of "specified" material category statements?

Answered: 185 Skipped: 60



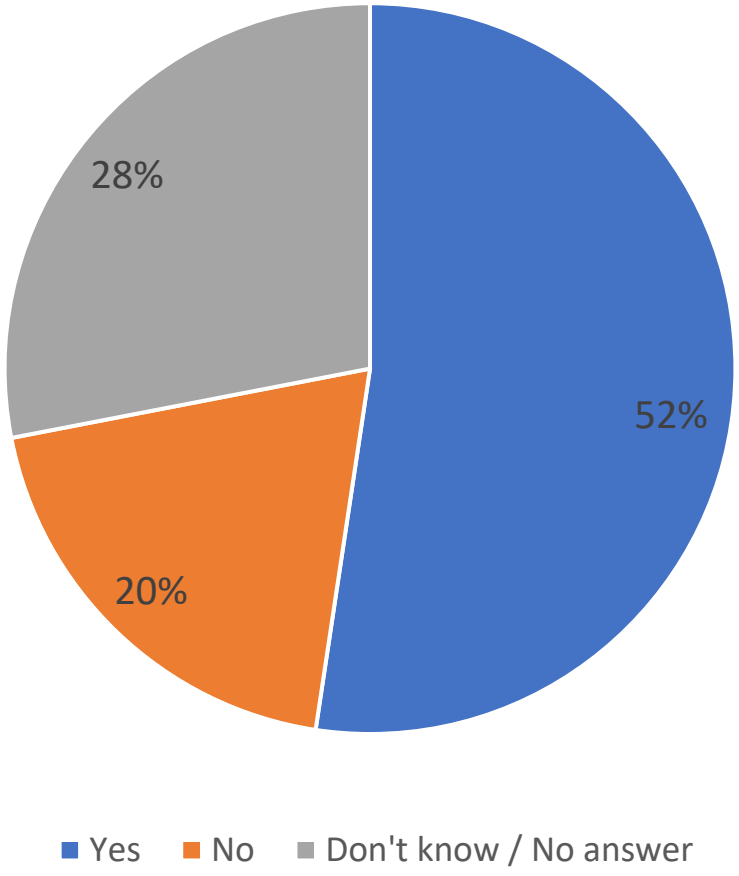
Q28: Do you want to stand out from the competition with your company-specific material category statement, which is why you would reject such an industry-wide harmonization?

Answered: 185 Skipped: 60



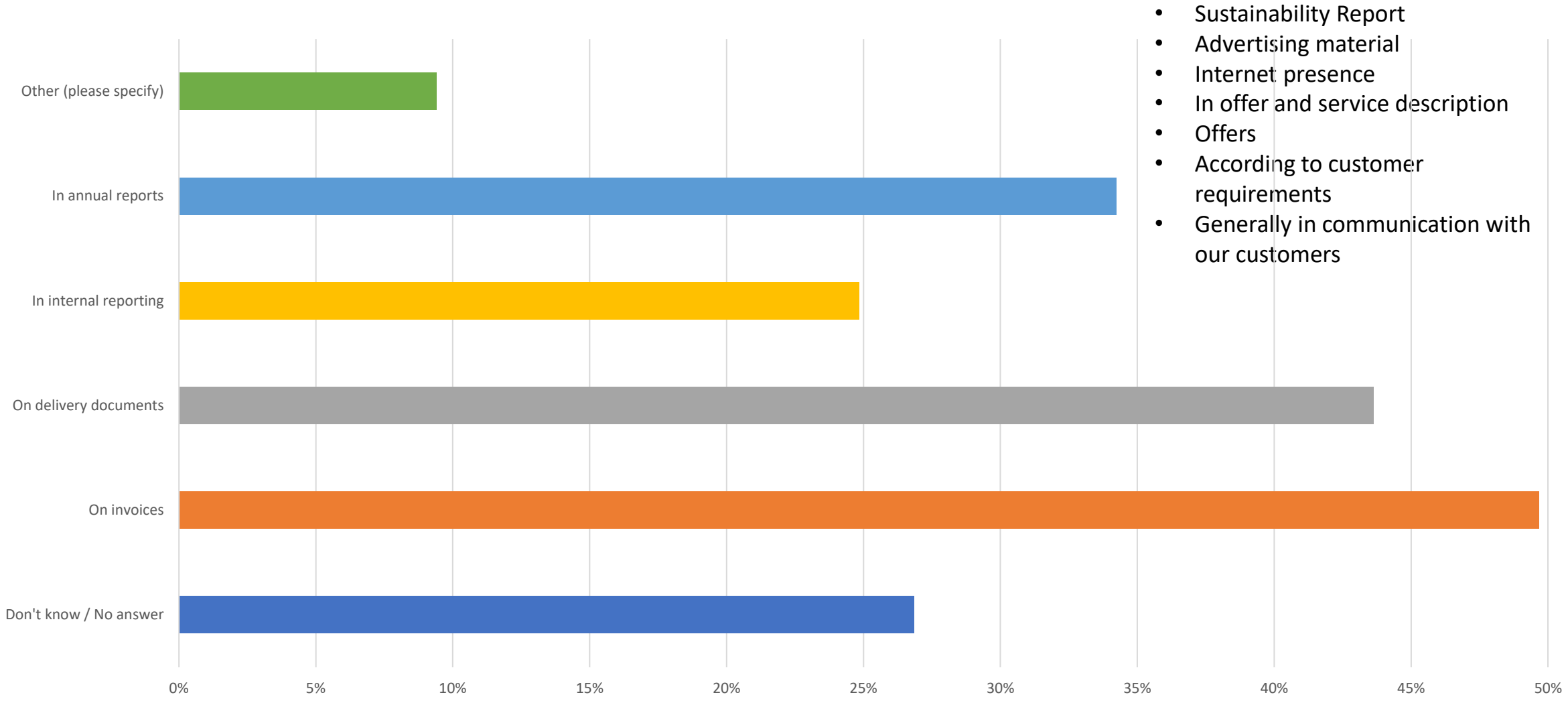
Q29: Would you make use of the possibility to summarily show shares of different certification systems (e.g. FSC® and PEFC) in the "certified" material category statement?

Answered: 185 Skipped: 60



Q30: If yes, where would you report such a summary "certified" material category statement? (Multiple answers possible)

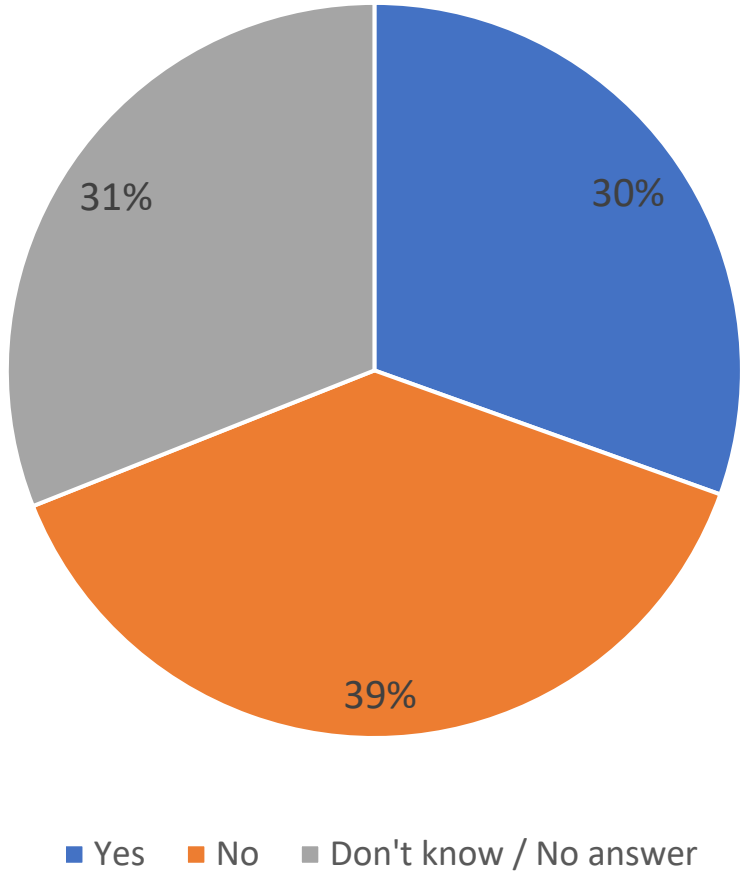
Answered: 185 Skipped: 60



- Sustainability Report
- Advertising material
- Internet presence
- In offer and service description
- Offers
- According to customer requirements
- Generally in communication with our customers

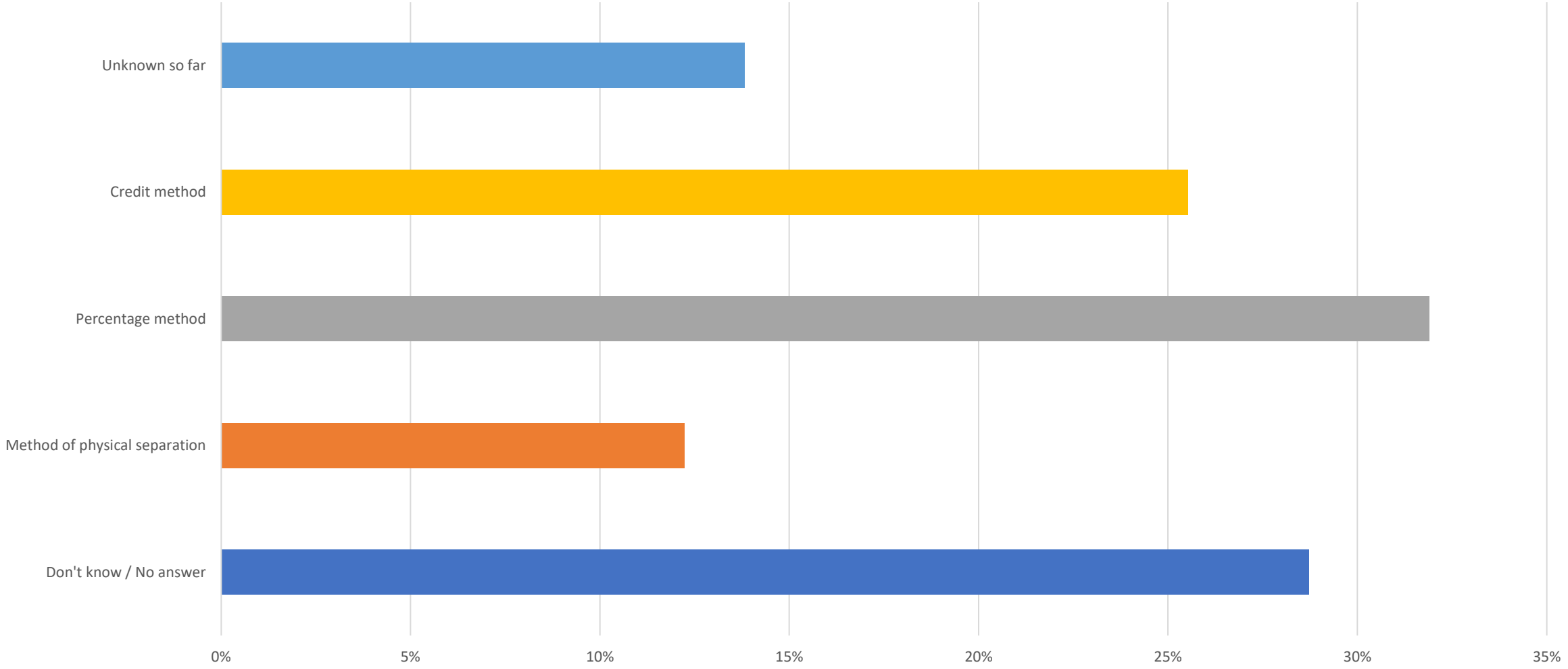
Q31: Is the "recycled" material category statement to show the percentage of recycled material in your products of interest to your customers and would you use it?

Answered: 185 Skipped: 60



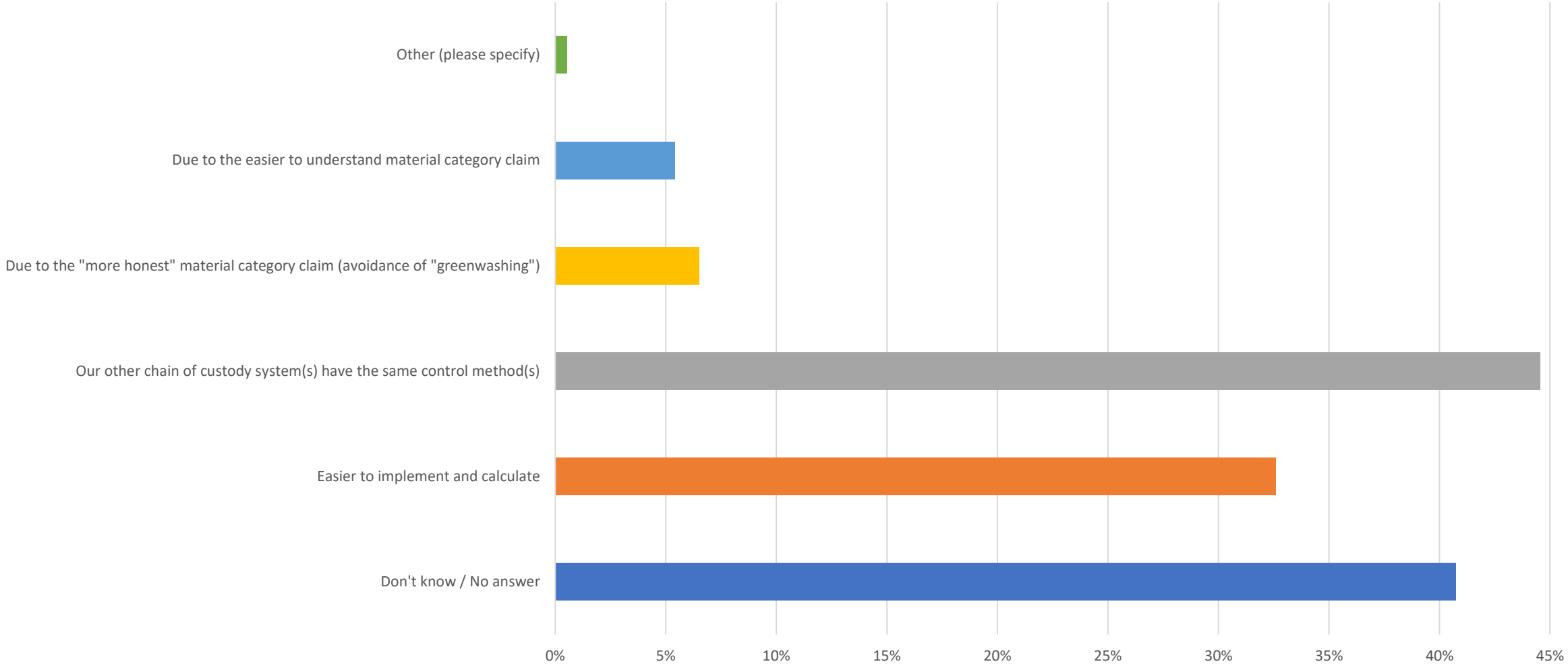
Q32: Which control method(s) would you use for your material category statements when implementing ISO 38200?

Answered: 185 Skipped: 60



Q33: For what reason would you use this (these) control method(s) you have chosen? (Multiple answers possible)

Answered: 185 Skipped: 60

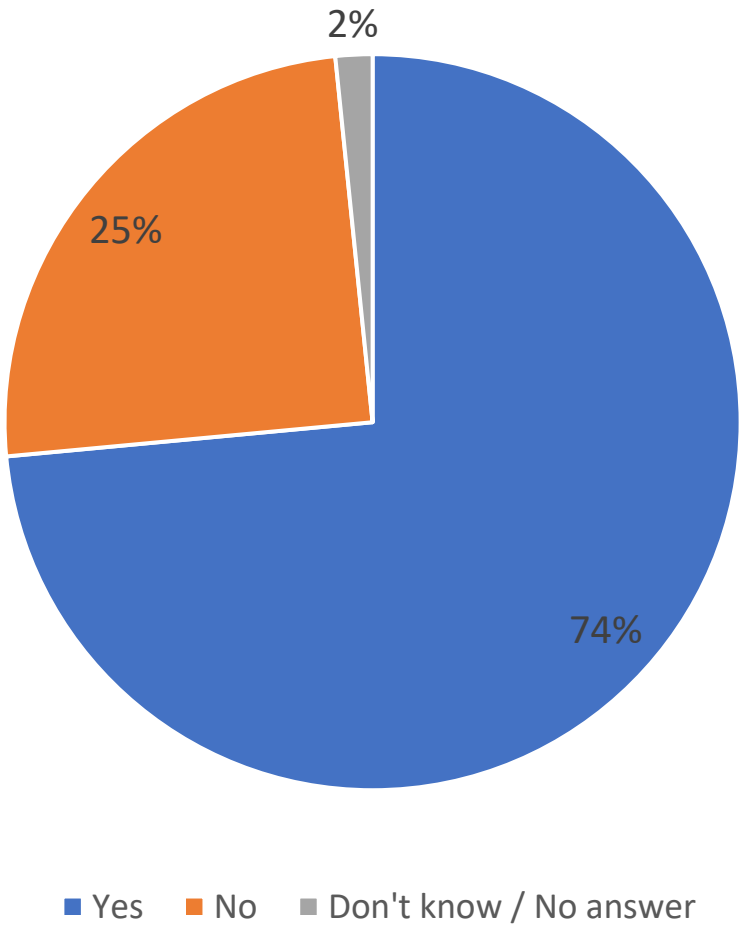


Questions and answers about

Traceability

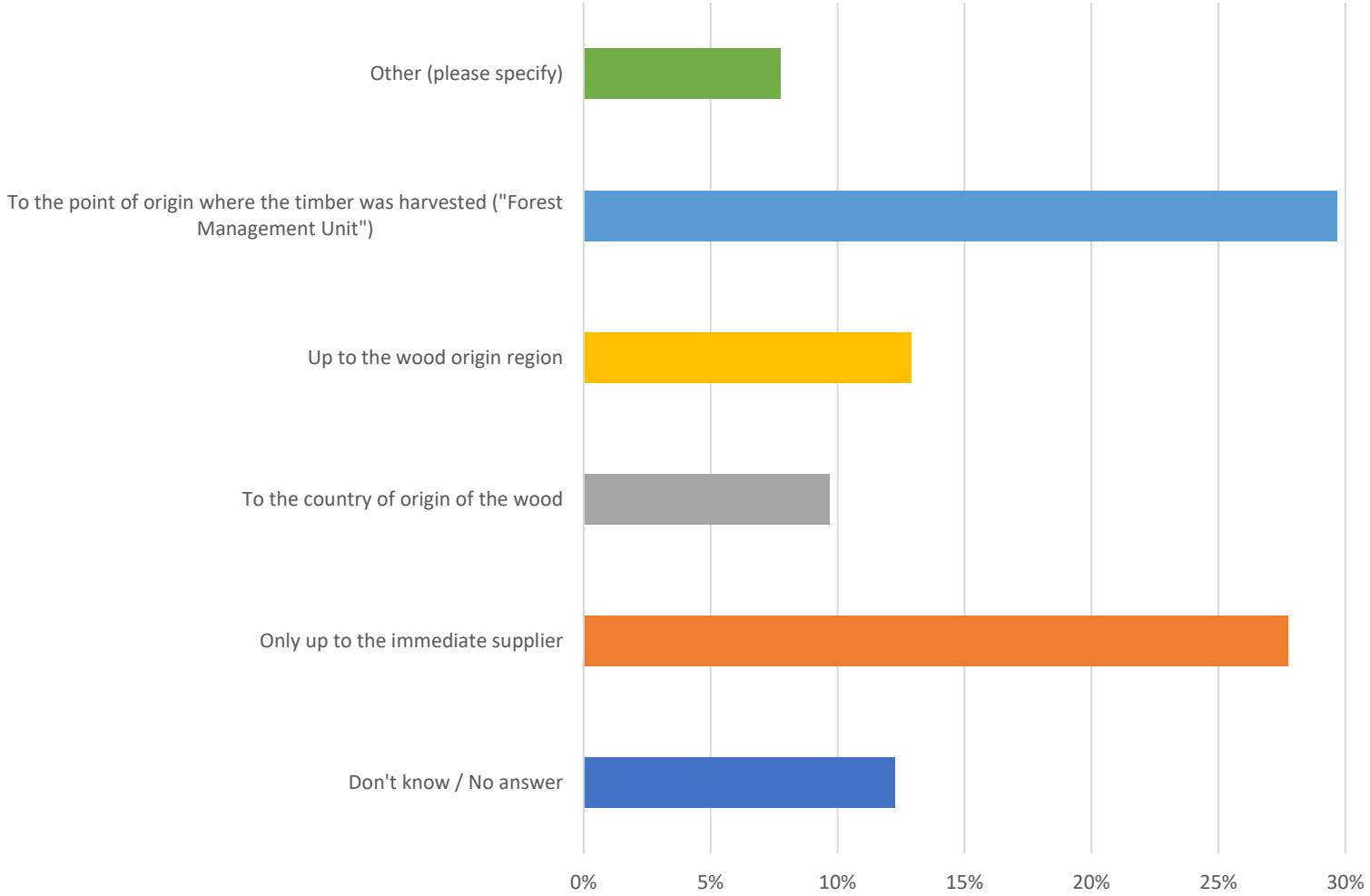
Q34: Does your organisation already have traceability in the supply chain?

Answered: 185 Skipped: 60



Q35: If so, "back to how far"?

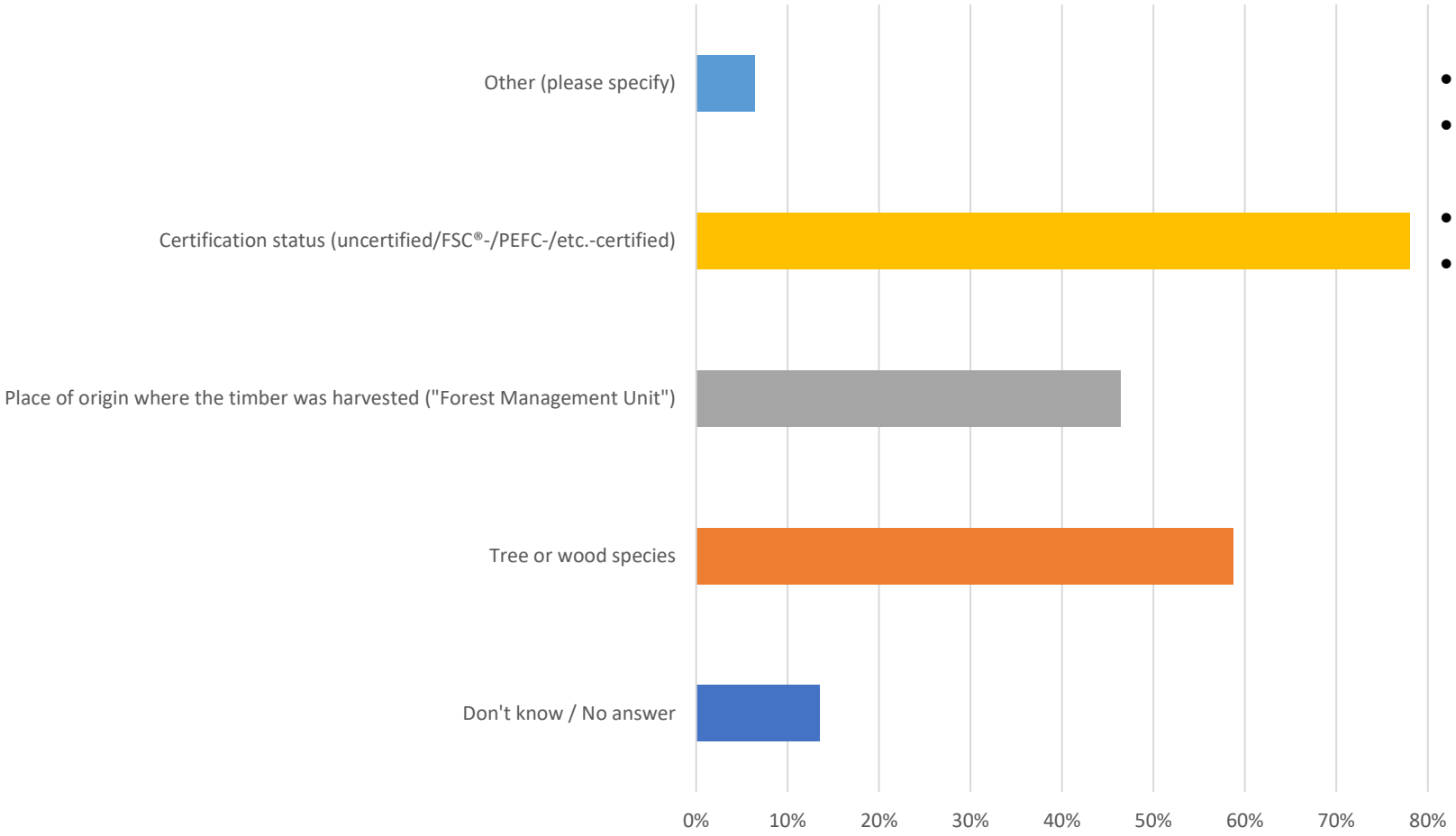
Answered: 185 Skipped: 60



- Timber from outside the EU up to the felling region (according to EUTR), timber from the EU only up to the upstream supplier.
- Depending on risk assessment and partly country-specific differences
- Up to the point of low risk
- Up to the "Supply Area" and "Supply Unit".
- If legally relevant or required by the customer, tracking takes place
- Minimum around wood origin; risk-dependent up to FMU
- Traceability is mostly up to the country of origin of the wood, where necessary also up to the place of origin of the wood.

Q36: If yes, what data is collected?

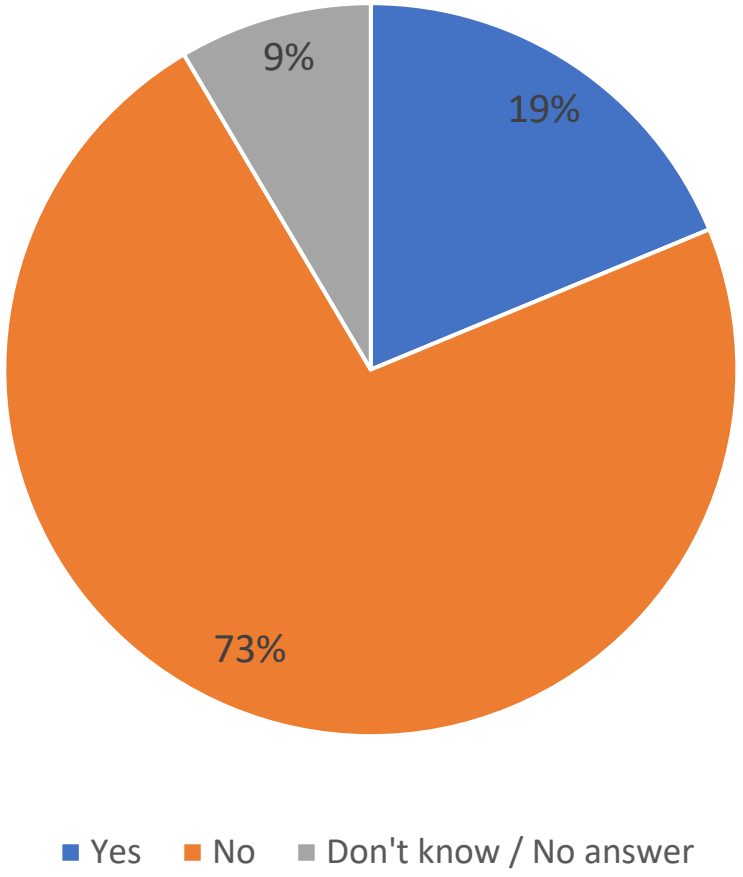
Answered: 185 Skipped: 60



- Batch number
- GPS cloud-based wood origin tracking + database
- Wood country of origin
- Risk assessments and risk mitigation measures at supplier and supply level
- Low risk according to FSC CW
- ... for high-risk timber origin countries, we record the supply chain (...) completely; for non-EU timber origins (...) proof of legality

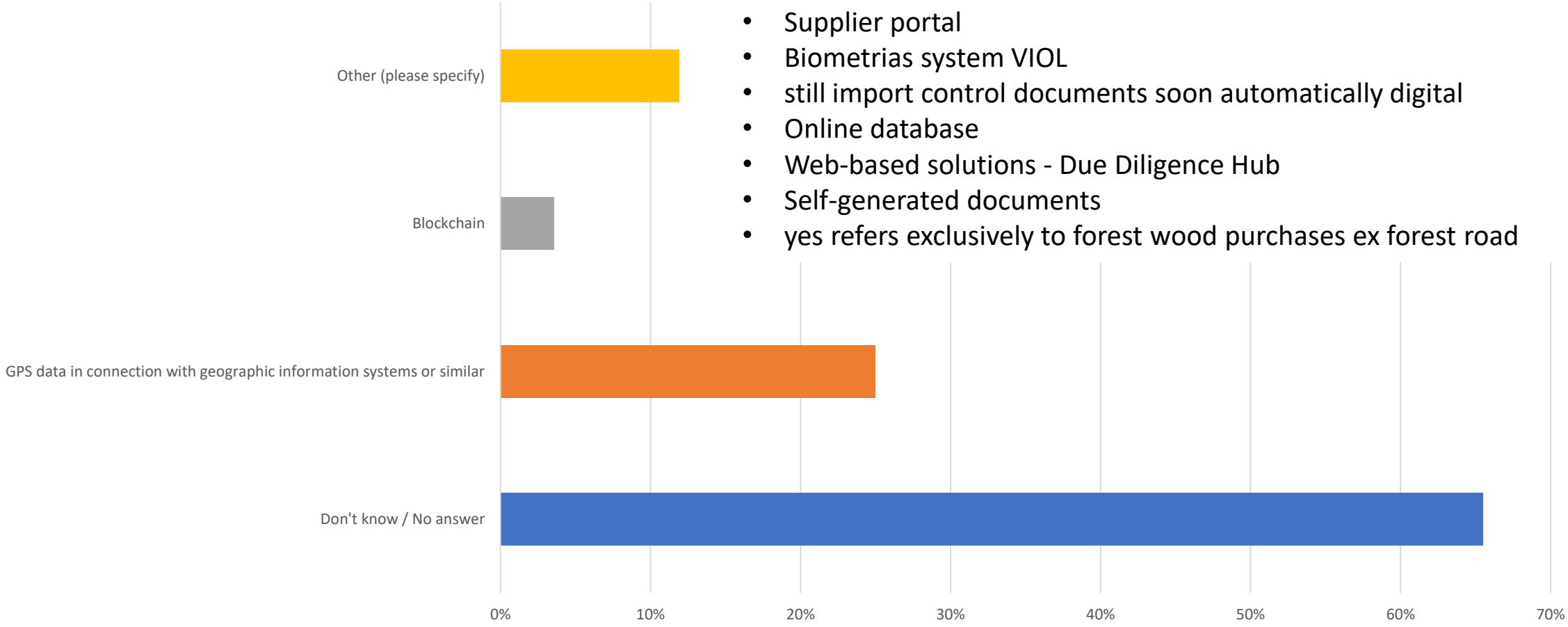
Q37: Is traceability in the supply chain already standardised electronically in your organisation (i.e. not via paper documents, e-mails)?

Answered: 185 Skipped: 60



Q38: If yes, what electronic tools do you use for this?

Answered: 185 Skipped: 60



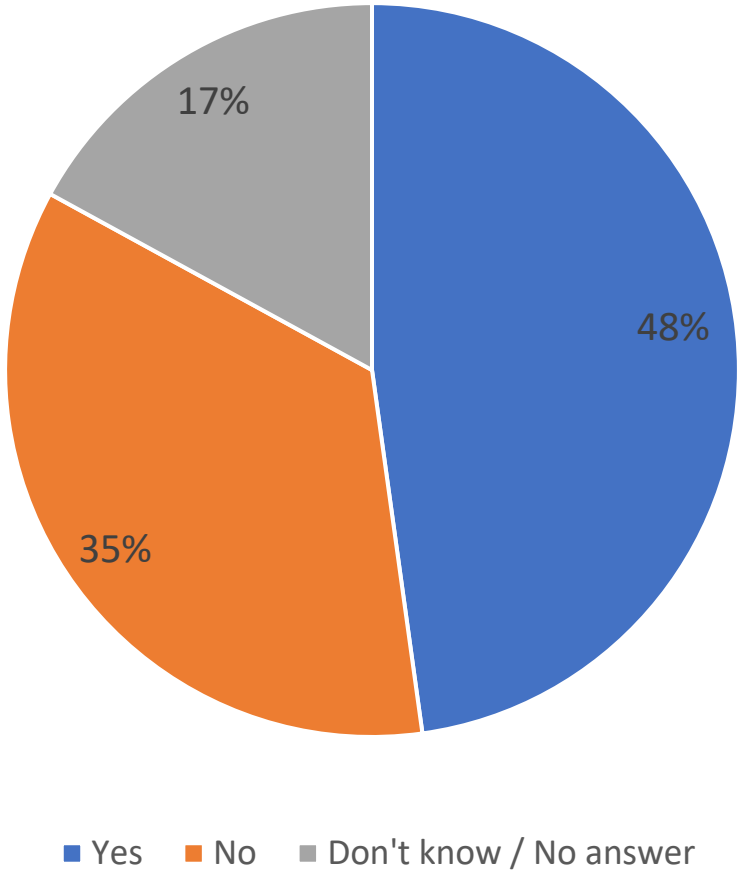
- Supplier portal
- Biometrias system VIOL
- still import control documents soon automatically digital
- Online database
- Web-based solutions - Due Diligence Hub
- Self-generated documents
- yes refers exclusively to forest wood purchases ex forest road

Questions and answers about

Blockchain

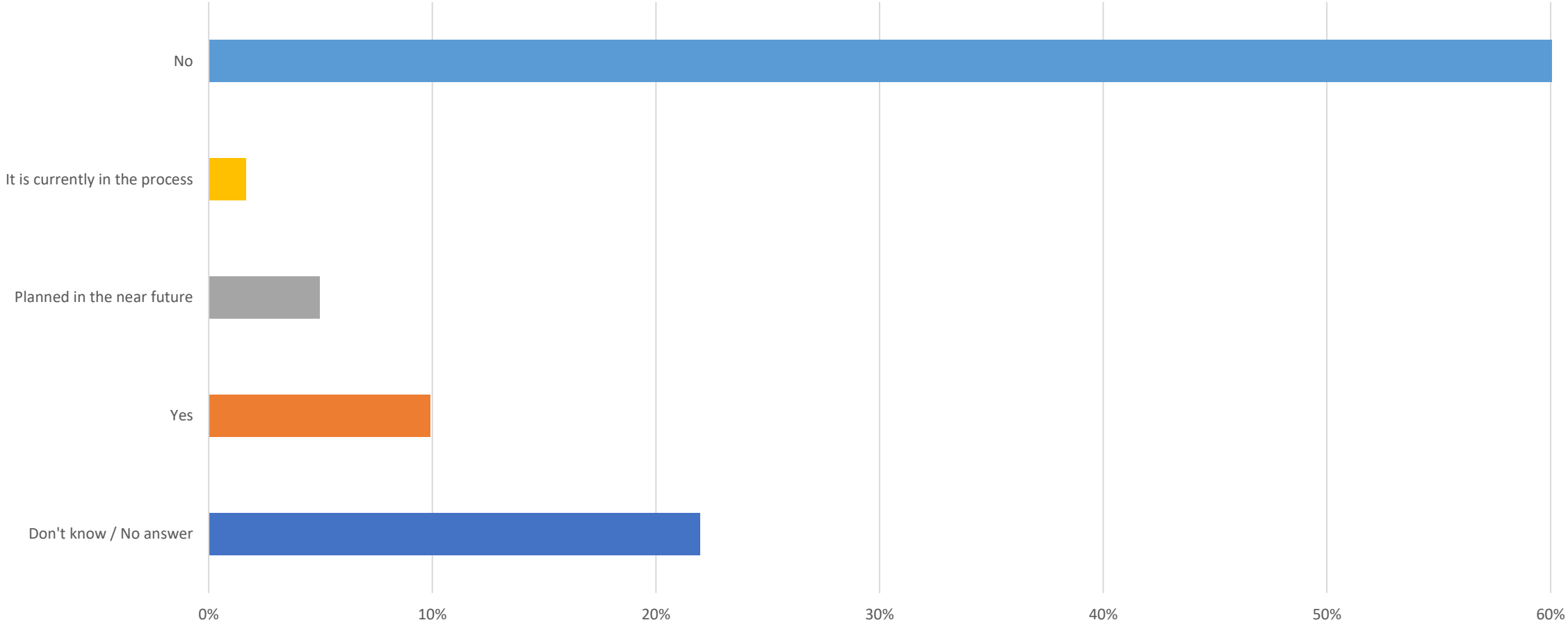
Q39: Do you know what is meant by "blockchain" technology?

Answered: 182 Skipped: 63



Q40: Has your organisation ever engaged with "blockchain" technology or does it plan to do so?

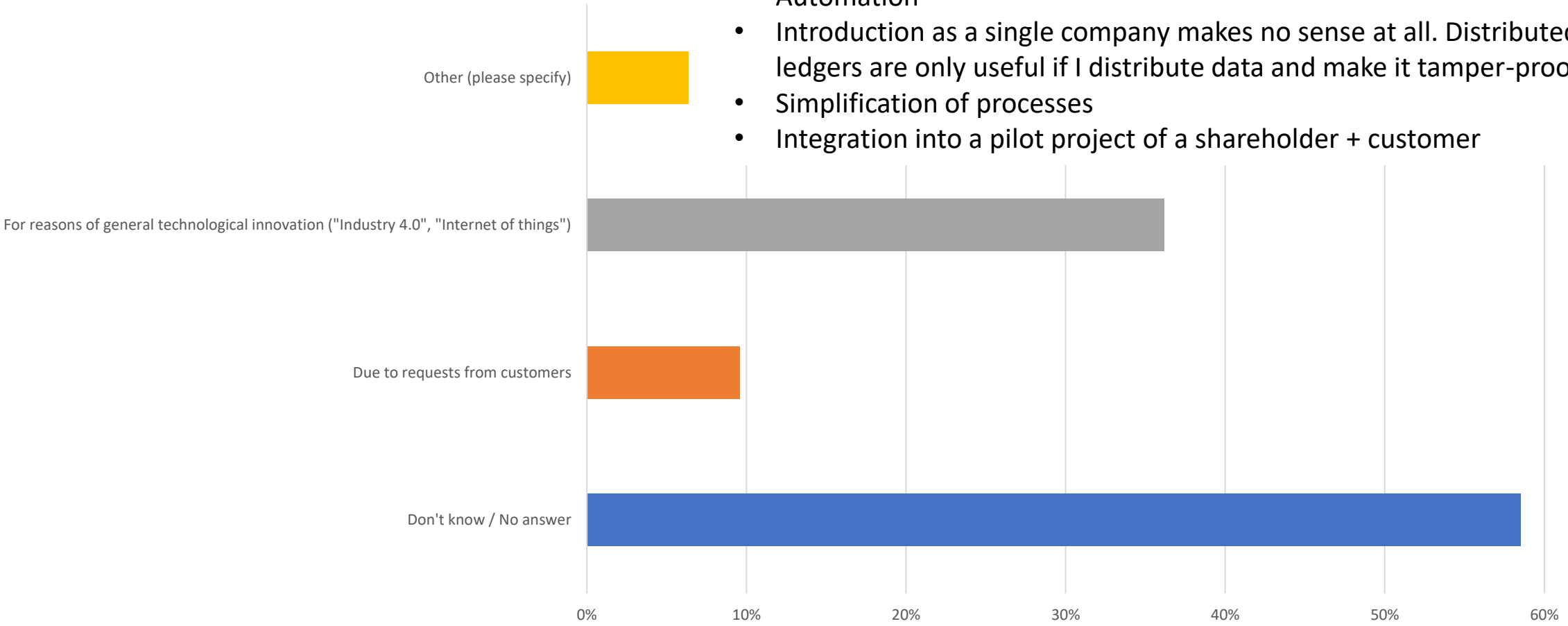
Answered: 182 Skipped: 63



Q41: If yes, for what reason? (Multiple answers possible)

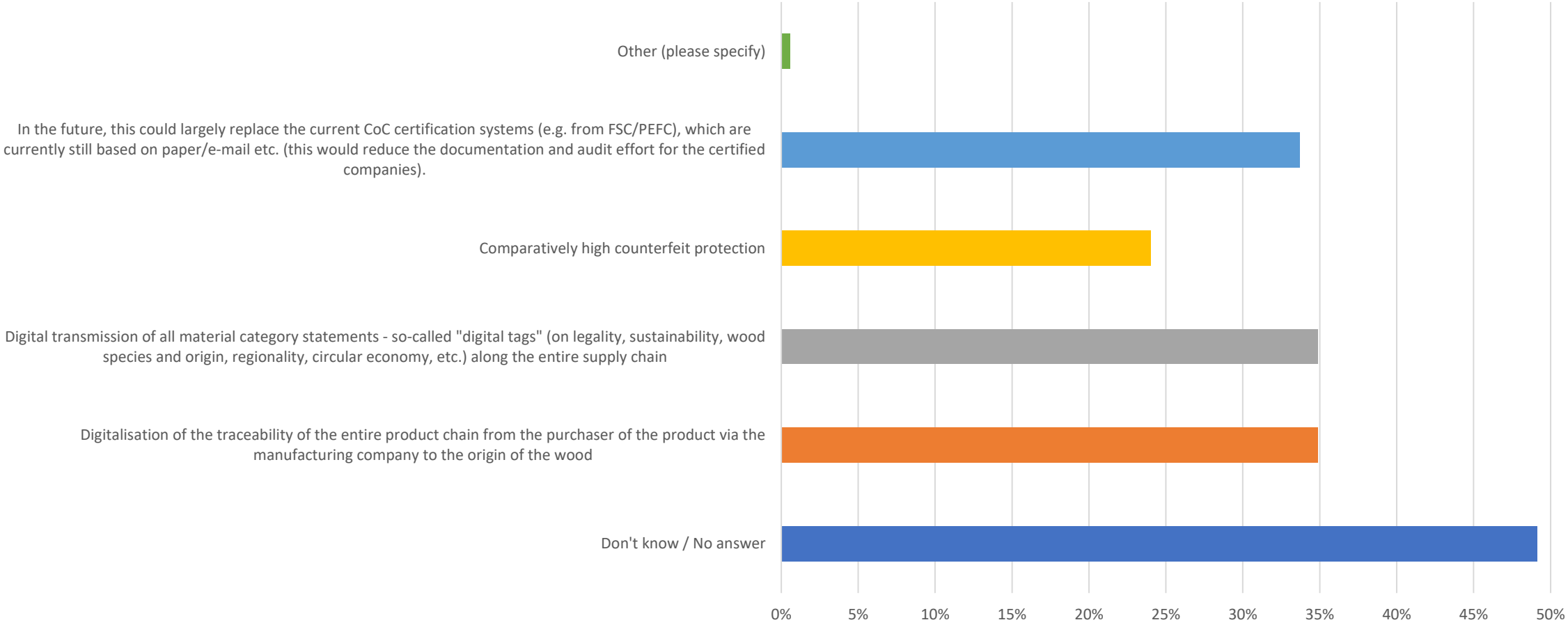
Answered: 94 Skipped: 151

- Development of alternatives to FSC & PEFC
- Data security
- Automation
- Introduction as a single company makes no sense at all. Distributed ledgers are only useful if I distribute data and make it tamper-proof.
- Simplification of processes
- Integration into a pilot project of a shareholder + customer



Q42: What strengths and opportunities do you see in the use of a blockchain? (Multiple answers possible)

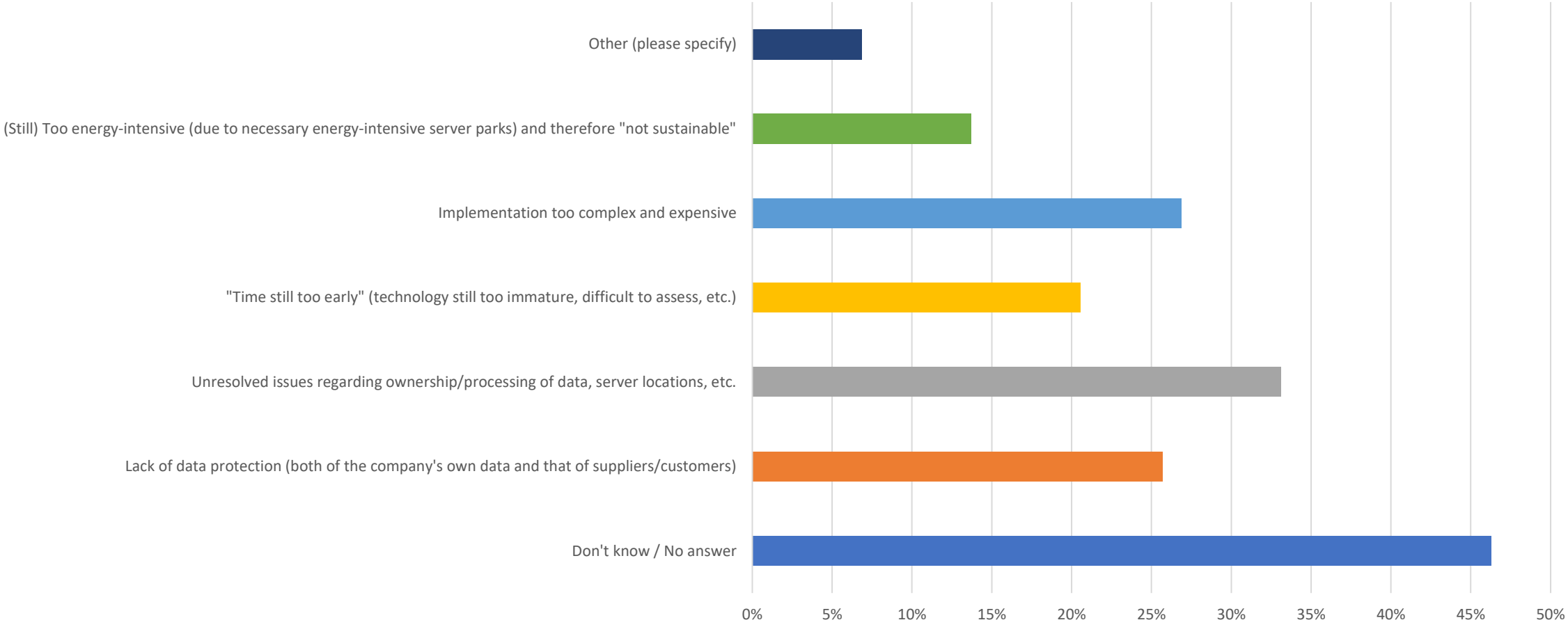
Answered: 175 Skipped: 70



Q43: What weaknesses and risks do you see in the use of a blockchain?

(Multiple answers possible)

Answered: 175 Skipped: 70



Q43: What weaknesses and risks do you see in the use of a blockchain?
(Multiple answers possible) – (Other – Quotations)

- "Willingness to use not present among **suppliers**"
- "Additional effort, especially for small and micro **suppliers** in chain of custody"
- "Unclear whether **suppliers** are willing to do this, especially in developing countries/countries with high corruption/illegal logging."
- "Few partners use blockchain"
- "The big ones can (afford it), the small ones fall by the wayside, like e.g. bakers or butchers before."
- **"Supplier protection** *(Comment by Magnus Deinzer: I guess as to their **data privacy**?)"*
- "Again: please deal with the topic before asking for something like this. The blockchain can be encrypted, so **data protection** is no longer an issue. What is missing is a cross-company entity (hello, association) that develops something like this. FSC is already on it."

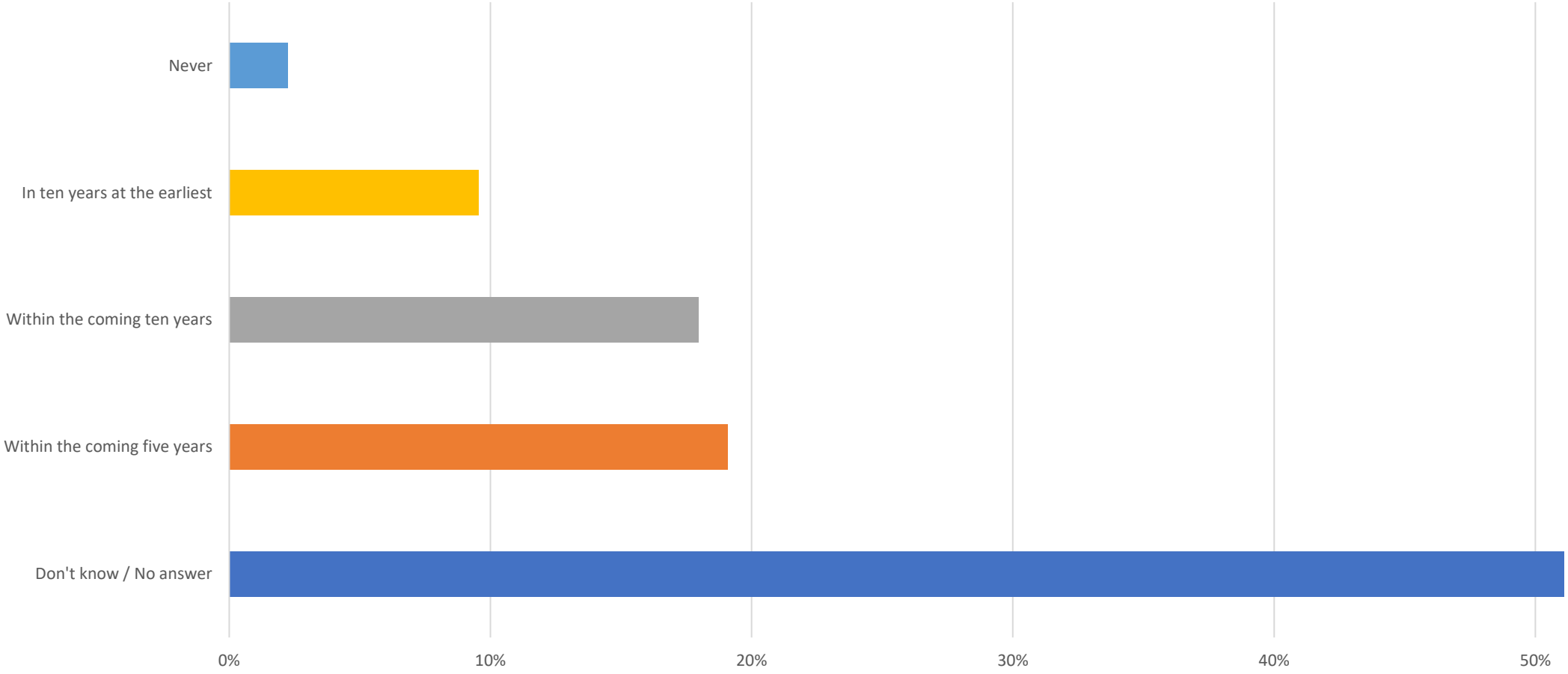
Q43: What weaknesses and risks do you see in the use of a blockchain?
(Multiple answers possible) – (Other – Quotations)

- "Quality of BC depends on the source/output data"
- "Input data must be quality assured! "shit in shit out""
- "BC can provide very cost-efficient transaction control, but does not address risks of physical mixing/interchanging of material along the supply chain. When converting COC to blockchain, this aspect cannot be neglected."
- "Implementation appears complex because of the multitude of developers all appearing to develop their own systems. Unfortunately it is highly unlikely that PEFC and FSC would find common ground even in this area, and here it also boils down to the question of their business logic, which depends on the money earned with the CoC-certificates."
- "Time expenditure"
- "IT-supported traceability systems; however, I am not (yet) convinced whether **blockchain** is the right technology for this; still to be clarified: Individual company IT applications vs. 'industry solutions' in which entire supply chains are mapped; **the goal must be an interface connection to common merchandise management systems** (e.g. SAP)."

Q44: When do you think blockchain will be used operationally in the future?

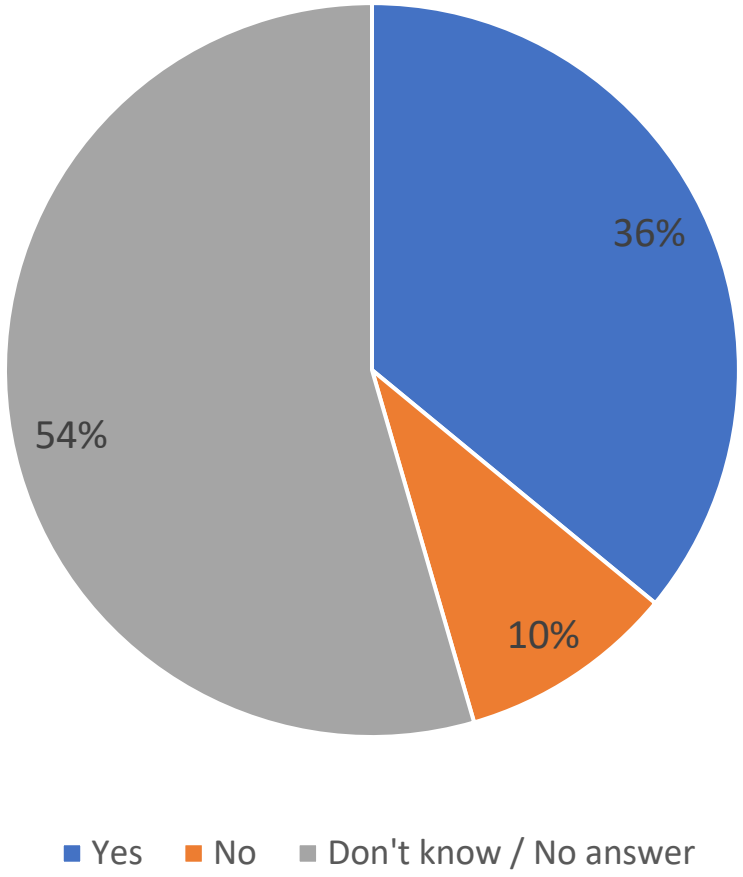
(Only single answer possible)

Answered: 178 Skipped: 67



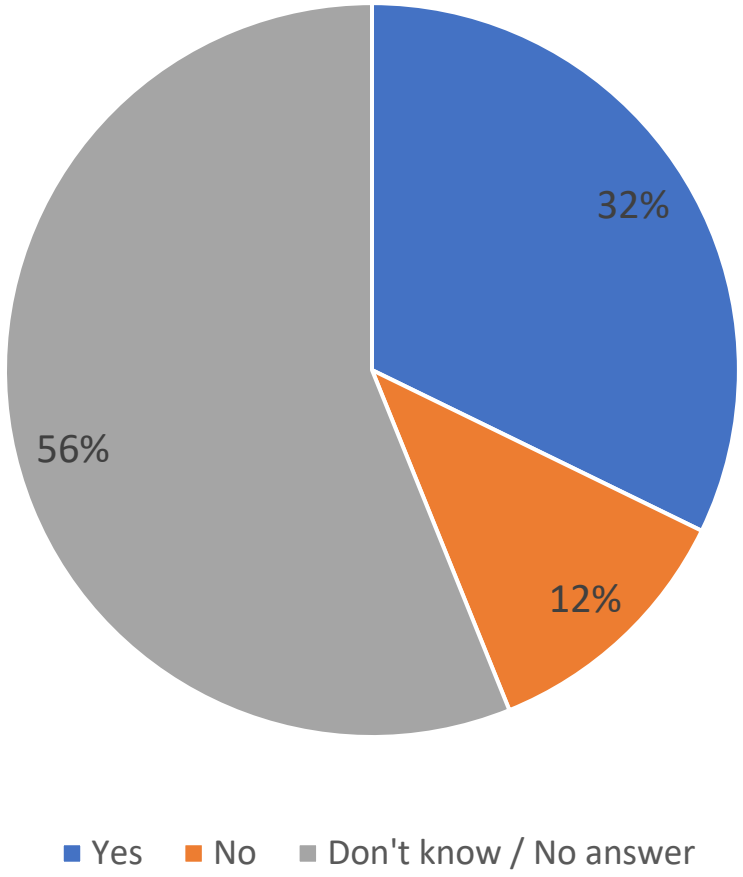
Q45: Do you think that blockchain technology can contribute (in the medium to long term) to mapping/achieving "deforestation-free supply chains"?

Answered: 178 Skipped: 67



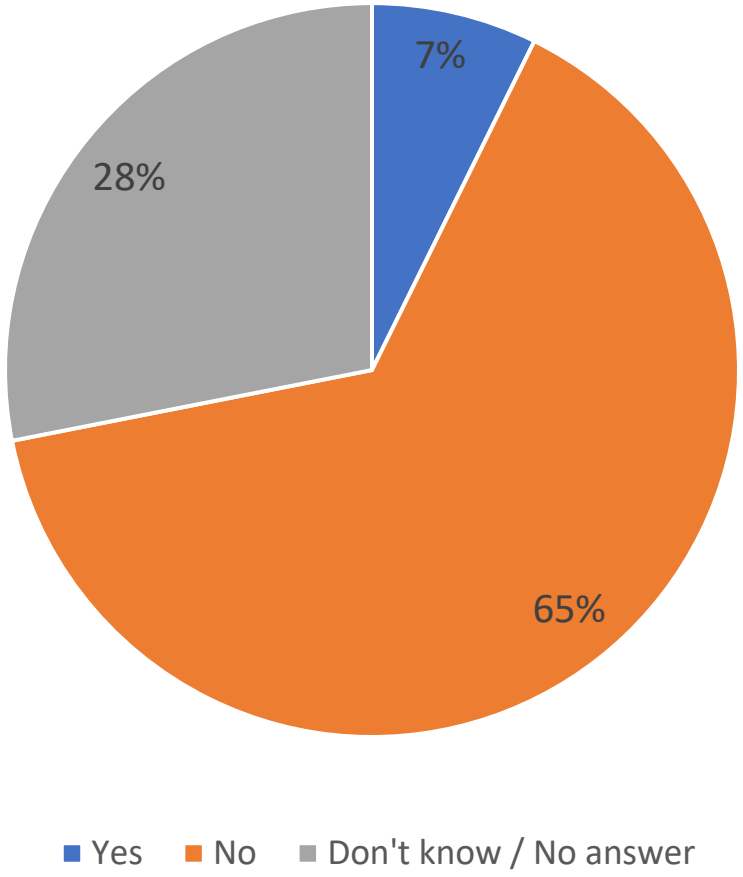
Q46: Would your organisation participate in an industry-wide blockchain solution (if financially, in terms of data protection and workload feasible)?

Answered: 178 Skipped: 67



Q47: Is your organisation already in contact with blockchain providers regarding a blockchain-based mapping of your supply and product chain?

Answered: 178 Skipped: 67



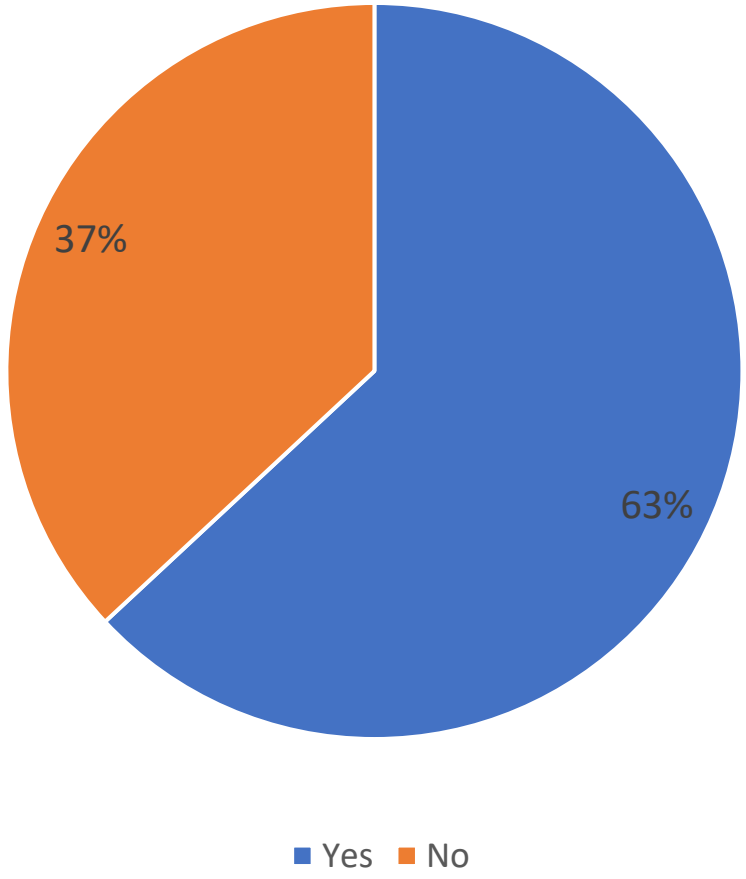
Questions and answers about

Interest in survey results

Q48: Are you interested in the results of this survey?

(If yes, please enter your contact details below)

Answered: 176 Skipped: 69



Analysis and summary of main survey results

Analysis and summary of main survey results (1)

- Organisations participating in the survey
  - **All types of organisations participating** (small, medium-size, big; exclusively big organisations from Brazil, also a lot of medium-size from Germany (“Mittelstand as backbone of German wood industry”), Austria in between (with a tendency to big organisations)
  - By far most organisations from Germany and Austria (obviously due to the fact that most organisations in THESE countries have been invited by a multitude of associations in Germany and Austria), some from Brazil, Finland, Sweden and other countries
    - → We should still think about including other countries via our contacts of our associations (e.g. Canada, USA, BeNeLux, Africa, Asia etc.)?
  - Positive: Big heterogeneity of responding organisations as to their business areas and raw material inputs
- ”Deforestation-free supply chains”
  - **43% of the respondents are aware of the discussion about ”Deforestation-free supply chains”.**
  - **60% believe that the issue of "deforestation-free supply chains" will play a role for their customers in future** (13% “maybe later”).
- ISO/CoC Management systems (already in use)
  - As expected: Mainly Quality/Environment/Energy/Safety and FSC/PEFC

Analysis and summary of main survey results (2)

- ISO 38200 **already in use** / planned
  - 8% of organisations have ISO 38200 already in use or are in preparation (mainly big organisations; mainly from wood sourcing, paper/pulp/board, sawmilling, particle-board industry, furniture, timber-construction, biomass sourcing, integrated groups with own forests/plantations, but also from wooden packaging and carpenters/roofers and interior fitting).
  - **Main drivers for having ISO 38200 already implemented or for planning to do so: Customer demand**, but also to be in legal compliance with wood sourcing legislation
  - **Main strengths of ISO 38200: Possibility to show statements other than only on certified forest management (FSC/PEFC), to summarise FSC/PEFC shares and to use "specified" claims**
  - **Main weaknesses: ISO 38200 (still) used by too few organisations, lack of demand from customers, lack of accredited certification bodies**
  - **Still missing standard components: Guidance for implantation of ISO 38200 and for usage of "specified" claims, on-product labelling, multi-site/group certification, mapping of material category claims in a blockchain, product groups, cross-site credit accounts, outsourcing**

Analysis and summary of main survey results (3)

- ISO 38200 **not (yet) in use** / planned
  - Valid for all organisation sizes (not only in small and medium-sized organisations)
  - Main reasons: No demand from customers, no need/added value, other CoC systems already in place, lack of knowledge
  - 19% of organisations interested in implementing ISO 38200, 50% “maybe later”
  - **Main strengths of ISO 38200: Possibility to show statements other than only on certified forest management (FSC/PEFC), to use “specified” claims and to summarise FSC/PEFC shares**
  - **Main weaknesses: Lack of demand from customers, lack of recognition/support from environmental groups/ENGOs, no added value for the organisation**
  - **Reasons to go for ISO 38200: Important customer(s) ask(s)**, legal requirements can be met (e.g. legal regulations on “deforestation-free supply chains”, proof of timber origin etc.)
  - Still **missing** standard components: **Guidance for implantation of ISO 38200 and for usage of “specified” claims, on-product labelling, multi-site/group certification, product groups, outsourcing, on-product labelling, cross-site credit accounts**
  - Still **missing** for an implantation of ISO 38200: **Guidance** document, training (introduction to the topic, **operational implementation, “specified” claims**), exchange with other interested companies

Analysis and summary of survey results (4)

- Material category claims and CoC methods
  - Most **interesting ”specified” claims**: **“Product from sustainable forestry”**, “Countries of origin of wood”, **“Regional wood purchasing”** (within 200 km), “Product carbon footprint XY”, **“Deforestation-free product”**, “Product recyclable”
  - **Industry-wide standardisation and harmonisation of "specified" claims** mostly requested (not that much “company-specific specified claims”)
  - **52% of organisations would summarise FSC/PEFC shares in a “certified” claim** and state it on invoices/delivery documents.
  - Most organisations would use percentage and credit method (because they use the same for their other CoC systems).

Analysis and summary of main survey results (5)

- Traceability
  - 74% of the organisations do conduct traceability in the supply chain, either only to the immediate supplier or to the country or region of origin or even back to the Forest Management Unit (FMU).
  - Types and detail levels of data collected vary a lot (from only countries of harvest to up to GPS data), depending for what purpose the traceability is conducted (EUTR, FSC/PEFC Controlled Wood/Sources etc.).
  - Collection of traceability data is mostly (73%) not yet "electronically standardised" (so not based on paper documents, sent by mails etc.). Many organisations use a high variety of different "digital traceability and sourcing tools" (web-based solutions, online databases, supplier portals etc.).
- Blockchain
  - (Only) 48% of the organisations do know what is meant by "blockchain" technology, big majority has never been engaged with blockchain (vs. 17% who have).
  - Those organisations already engaged in blockchain mainly see it as one possible tool in future to further digitise the tamper-proof data flow of traceabililty and certification data and to automate 3rd-party data verification and internal/external auditing.
  - Main weaknesses and risks are seen in unresolved questions regarding data ownership/processing, implementation still too complex/expensive, concerns as to data privacy (both of own but also of supplier data)
  - One main bottleneck seen in (missing) willingness of suppliers to cooperate (arguably due to concerns as to data privacy)

Further development of ISO 38200

in ISO/Technical Committee 287 WG 1

Further development of ISO 38200 in ISO/TC 287 WG 1

- ISO/Technical Committee 287 will further develop ISO 38200 in WG 1.
- Potential focus areas
- Plenary session in week 48-2021 with discussion about next steps in ISO 38200
- DIN representatives (Dr. Laura Dehne, Prof. Michael Köhl, Marcus Kirschner, Magnus Deinzer) will join plenary session and give input into discussion.
- **We need experts for WG 1**.

TECHNICAL COMMITTEES

ISO/TC 287

Sustainable processes for wood and wood-based products

ISO/TC 287: 3 Working Groups

Chain of Custody

Proposed context:

Improve the work on chain of custody, considering matters such as:

- Multiple sites;
- Outsourcing;
- Shared credit;
- Product categories;
- Due diligence.

→ to decide if these topics should be implemented/improved in ISO 38200 or in a new standard.

Other potential work items:

- Implementation guide for ISO 38200
- **Framework for declarations on wood and wood-based products characteristics.**

"specified" claims?

Timber tracking and measurement

Proposed context:

Address the use of innovations, new technologies and approaches to help addressing issues related with the TC's scope, such as:

- **Block chain;**
- **Measurement of industry input material (weight, volume, moisture content);**
- **DNA/ barcoding, isotope analyses;**
- **Standing carbon stock measurement methods.**

Sustainability Aspects

Proposed context:

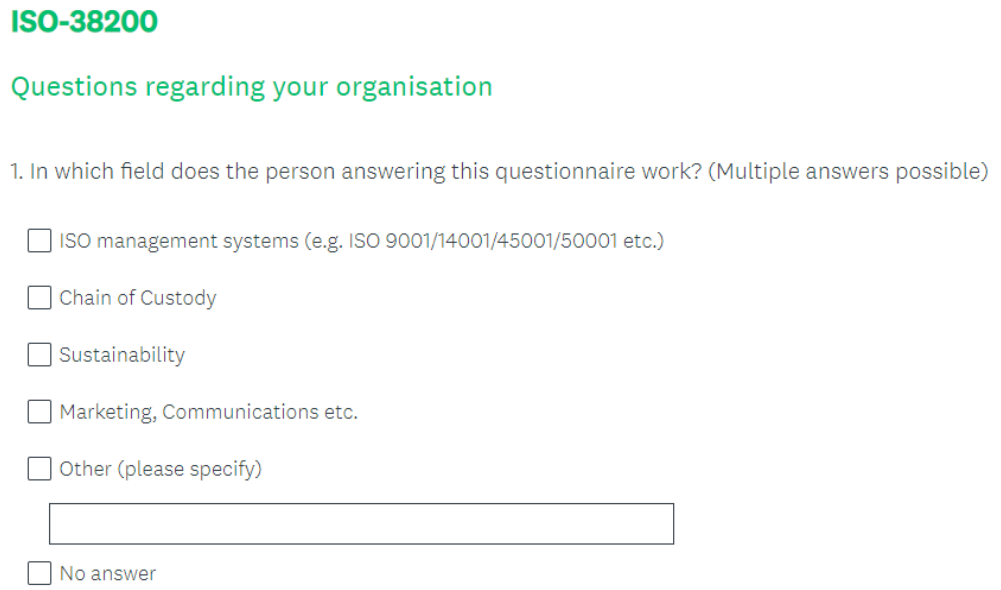
A lot of the focus for the industry so far has been on forest management, but there is a need to address sustainability from a broader perspective, including the entire value chain. One of the benefits of this wider perspective should be to help position the forest sector at the forefront of sustainable industries, by addressing topics such as:

- UN 2030 Agenda for Sustainable Development Goals – applications for the forest industry;
- Life cycle assessment (LCA);
- Carbon balance/carbon footprint;
- Recyclability;
- Renewability;
- **Biodegradability;**
- **Compostability;**
- **Standing carbon stock calculation;**
- **Sustainable intensification.**

Our online survey is still “open“ for anyone interested.

Please feel invited to still participate. The links are:

- For the version in **German** language:
  https://de.research.net/r/questionnaire_ISO38200
- For the version in **English** language:
  https://de.research.net/r/questionnaire_ISO38200?lang=en
- For the version in **Portuguese** language:
  https://de.research.net/r/questionnaire_ISO38200?lang=pt



Participating in this survey will help you to better understand ISO 38200.

In case of questions, please contact:

- finn.moormann@uni-hamburg.de for technical questions
- magnus.deinzer@storaenso.com for content-related questions

HDH
HAUPTVERBAND DER DEUTSCHEN HOLZINDUSTRIE

Thank you for your attention

and also to those participating in our survey

and to those who will still participate

magnus.deinzer@storaenso.com