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		Approved by:	<b>Gerrit Marais</b>

## CONTROLLED WOOD RISK ASSESSMENT REPORT

### INTRODUCTION

This document must be used with the RD 15-01 - Guideline - Approach and criteria for assessing risk when uncertified controlled wood is used in FSC certified products and FSC-ADV-40-016 V2 - Implementation of FSC Controlled Wood requirements in FSC STD-40-005 V2-1 and FSC-STD-20-011 V1-1.

This template is a guideline to do the risk assessment and must not be seen to include all information. Any other sources of information may be added to ensure that all detail was analysed.

This assessment must be done on origin of uncertified wood that will be used in FSC products as controlled wood.

If it is determined that the material is classified as being from a source that is classified as unspecified risk, the requirements of the RD16 – Guideline – Requirements for company verification program must be followed. This will be audited annually.

**Note:** This document details all the elements that are required to do the risk assessment. However, the document is divided into a “Restricted Information” section and a “Public Information” section. Only the information recorded in the “Public” section will be available on the FSC website. The information in the “Restricted” section will be covered by the SGS rules of confidentiality and will not be disclosed.

The Risk Assessment requires a precautionary approach. Any area worldwide is therefore considered “unspecified risk” until “low risk” can be determined in line with the risk assessment set out hereunder (refer Section 1.1 of FSC-STD-40-005)

The following is important:

1. The Risk Assessment shall begin at the broadest relevant scale. If conditions at a given scale are not sufficiently homogeneous to establish low risk, the scale shall be further decreased. The Risk Assessment shall be continued at decreasing scales until conditions are sufficiently homogeneous.
2. Risk designation may be possible at a national level under certain homogenous conditions, whereas under more heterogeneous conditions, risk designation may only be possible at a district or local level and/or at the level of subsets of eco-regions.
3. If more than one supplier is from the same low risk country only one risk assessment need to be completed for the specific country.
4. Companies are expected to review their risk assessments at least once per year to verify the continued correctness of their risk designations for each indicator of the five FSC Controlled Wood categories. This should be conducted before the annual surveillance by the certification body in which the certification body is expected to verify the revision process. When significant changes to the risk profile become evident (i.e. changes in the law, breakdown in rule of law through civil unrest, etc) the company shall review its risk assessment
5. The document must be completed in one of the two official language of FSC (English or Spanish).

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## RESTRICTED INFORMATION

### 1. COMPANY DETAIL

<b>Company name</b>		York Timbers
<b>Project number:</b>		12744-ZA
<b>Certificate number:</b>		SGS-COC-008395
<b>Controlled wood Certificate number</b>		SGS-CW-008395
<b>Country:</b>		South Africa
<b>Company address</b>		<b>Physical Address:</b> 1 Milkwood street Sabie 1260 Mpumalanga South Africa
<b>Contact detail:</b>	<b>Contact person:</b>	Dave Malloch-Brown
	<b>Telephone:</b>	+27 13 7649237
	<b>Fax:</b>	+27 13 7643555
	<b>e-mail Address</b>	dmallochbrown@york.co.za
<b>Assessment done by:</b>		D. Malloch-Brown
<b>Relation to the company:</b>		Forestry Technical Manager
<b>Date:</b>		November 2014
<b>Signature</b>		<i>Dave Malloch-Brown</i>

### 2. APPROVAL BY SGS

<b>SGS auditor:</b>	F. Henman-Weir
<b>Comments:</b>	Approved
<b>Date:</b>	2 December 2014

### 3. SUPPLIER'S DETAIL

<b>Company Name:</b>	Danie Uys
<b>Country:</b>	South Africa
<b>District:</b>	Dorstbult, Carolina/Badplaas area, Mpumalanga
<b>Company Name:</b>	Misty Mountain
<b>Country:</b>	South Africa

<b>District:</b>	Long Tom Pass, Sabie area, Mpumalanga.
<b>Company Name:</b>	Themeda Hills
<b>Country:</b>	South Africa
<b>District:</b>	Robber's Pass, Pilgrim's Rest, Mpumalanga

#### 4. LIST OF DISTRICTS OF ORIGIN

List the districts of origin of timber supplied within the company's FSC Controlled Wood Program.

Product	Species	District
Pine logs	Pinus taeda - Loblolly Pine Pinus elliottii - Slash Pine Pinus patula - Mexican Pine	Mpumalanga

#### 5. SUPPLY CHAIN

Manufacturers or traders that wish to control their timber sources within their own verification program shall demonstrate to the satisfaction of their certification body that its supply chain is identifiable and traceable down to the district (forest) level.

Company	Process	Input and origin	Controlled system verified
Danie Uys	Timber grower. Sale of round logs	Round logs in the province of Mpumalanga South Africa.	Supply agreement with the timber grower to supply timber directly from the FMU to the York mill. No other handling of the timber.  The supplier is a legally registered company in South Africa. York Timber employees visit the site of the trees and only approved harvesting contractors that meet York Timbers H & S and best operating practices are used.
Misty Mountain	Timber grower. Sale of round logs	Round logs in the province of Mpumalanga South Africa.	Supply agreement with the timber grower to supply timber directly from the FMU to the York mill. No other handling of the timber.  The supplier is a legally registered company in South Africa. York Timber employees visit the site of the trees and only approved harvesting contractors

			that meet York Timbers H & S and best operating practices are used.
Themeda Hills	Timber grower. Sale of round logs	Round logs in the province of Mpumalanga South Africa.	<p>Supply agreement with the timber grower to supply timber directly from the FMU to the York mill. No other handling of the timber.</p> <p>The supplier is a legally registered company in South Africa. York Timber employees visit the site of the trees and only approved harvesting contractors that meet York Timbers H &amp; S and best operating practices are used.</p>



## FSC CONTROLLED WOOD RISK ASSESSMENT

### PUBLIC INFORMATION

#### A COMPANY DETAIL

<b>Company name</b>	York Timbers
<b>Project number:</b>	12744-ZA
<b>Certificate number:</b>	SGS-COC-008395
<b>Controlled wood Certificate number</b>	SGS-CW-008395
<b>Country:</b>	South Africa

#### B APPROVAL

<b>Approving Certification Body:</b>	<b>SGS South Africa (Pty) Ltd - Qualifor Programme</b> PO Box 82582 Southdale South Africa 2135  E-mail Address: Forestry@sgs.com
<b>Date of Risk Assessment</b>	November 2014
<b>Comments:</b>	Approved or not approved
<b>Date Approved:</b>	

#### C ORIGIN OF TIMBER

<b>Country:</b>	South Africa		
<b>District</b>	Mpumalanga		
<b>Risk Assessment Level</b> (indicate the risk for the different levels)	<b>Country</b>	<b>District</b>	<b>FMU</b>
	Unspecified Risk	Low Risk	Low Risk

#### D RESULT OF RISK ASSESSMENT

<b>Type of source e.g. natural forest or plantations and general description of the supplier</b>	The timber suppliers all have commercial exotic plantation forestry and all are legally registered companies.
<b>Results (Low or Unspecified Risk and motivation:</b>	Although the country is unspecified risk, the district of Mpumalanga and the FMU are low risk.

## SPECIFIC REQUIREMENTS FOR EACH FSC CONTROLLED WOOD CATEGORY

### 1. ILLEGALLY HARVESTED WOOD

- 1.1 The district of origin may be considered low risk in relation to illegal harvesting when all the following indicators related to forest governance are present:

Requirements	Examples of sources of information	Finding & Evidence (FSC-ADV-40-016 v2 - Sources of information used to assess the indicators must be listed)	Result	
			Unspecified risk	Low
1.1.1 Evidence of enforcement of logging related laws in the district	<p>FSC National Initiatives (contacts from <a href="http://www.fsc.org">www.fsc.org</a>);  <a href="http://www.Transparency.org">http://www.Transparency.org</a></p> <p>The Royal Institute of International Affairs (<a href="http://www.illegal-logging.org">www.illegal-logging.org</a>);</p> <p>Environmental Investigation Agency (<a href="http://www.eia-international.org">www.eia-international.org</a>);</p> <p>Global Witness: (<a href="http://www.globalwitness.org">www.globalwitness.org</a>);</p>	<p>No illegal logging takes place within York's supply chain. York buys the timber directly from the legal owner of the property. York undertakes the harvesting and transport of the logs on the supply FMU. The logs are transported direct from the FMU to the relevant York sawmill. Since York has good control over the harvesting and transport, there is no danger of this timber getting mixed with illegally harvested logs.</p>	Low Risk	
1.1.2 There is evidence in the district demonstrating the legality of harvests and wood purchases that includes robust and effective systems for granting licenses and harvest permits.	<p>Telapak (for Indonesia - <a href="http://www.telapak.org">www.telapak.org</a>);</p> <p>UK Government's Department for International Development (DFID)</p> <p>EU FLEGT process:  <a href="http://ec.europa.eu/comm/development/body/the_me/forest/initiative/index_en.htm">http://ec.europa.eu/comm/development/body/the_me/forest/initiative/index_en.htm</a></p> <p>Transparency international index (<a href="http://www.transparency.org">www.transparency.org</a>) Corruption perceptions</p> <p>WWF (<a href="http://www.panda.org">www.panda.org</a>);</p> <p>ELDIS (<a href="http://www.eldis.org">www.eldis.org</a>) regional and country profiles  <a href="http://www.cites.org">www.cites.org</a></p> <p>NGOs and involved stakeholders</p>	<p>York has a robust framework is in place to control any outside purchases. Purchase agreements are in place prior for any log supply and all suppliers either have planting permits for plantations that were planted before 1972, or Water Use licences for plantations established after that. York mills follow a COC system that identifies sources of timber.</p> <p>Water licenses replaced the planting permit as a result of the National Water Act 1988. The process is delayed in that the organisations water usage is registered and invoiced by the Department even though licenses have not yet been issued.</p>	Low Risk	

		Furthermore dedicated York staff is appointed in the Logistics dept. who deal with the controlled wood sources and the logistical flow of timber from our sources.	
1.1.3	There is little or no evidence or reporting of illegal harvesting in the district of origin.	York Forestry only purchases timber from legal landowners/growers and not from 3rd party timber traders.	Low Risk
1.1.4	There is a low perception of corruption related to the granting or issuing of harvesting permits and other areas of law enforcement related to harvesting and wood trade	Although the Transparency International CPI for South Africa is below 50, there is no evidence of corruption in our timber supplies. All trade in timber products into our plants and operations are conducted by company employees and not through third party timber traders. All purchases are made from private growers/landowners who trade from registered companies and have all the necessary licenses and permits. Due to the systems in place, see 1.1.2 above, we determine the risk to be low.	Low Risk

## 2 WOOD HARVESTED IN VIOLATION OF TRADITIONAL OR CIVIL RIGHTS

2.1 The district of origin may be considered low risk in relation to the violation of traditional, civil and collective rights when all the following indicators are present:

Requirements	Examples of sources of information	Finding & Evidence (FSC-ADV-40-016 v2 - Sources of information used to assess the indicators must be listed)	Result	
			Unspecified risk	Low
2.1.1 There is no UN Security Council ban on timber exports from the country concerned;	E.g. This has applied to Liberia, as of July 2003 ( <a href="http://www.un.org/esa/africa/UNNews_Africa/timber.htm">www.un.org/esa/africa/UNNews_Africa/timber.htm</a> ) Global Witness <a href="http://www.globalwitness.org">www.globalwitness.org</a>	No known export bans for South Africa Sources used: www.un.org www.globalwitness.org	Low Risk	

		www.illegal-logging.info www.eldis.org	
2.1.2 The country or district is not designated a source of conflict timber (E.g. USAID Type 1 conflict timber);	The final report of the expert panel on illegal exploitation of natural resources and other forms of wealth in Democratic Republic of Congo, 2002, Annexes I and III (S/2002/1146) <a href="http://www.naturalresources.org/minerals/CD/docs/other/N0262179.pdf">www.naturalresources.org/minerals/CD/docs/other/N0262179.pdf</a>  Conflict Timber: Dimensions of the Problem in Asia and Africa. Volume I. Synthesis report. June 2003, available at: <a href="http://www.usaid.gov/hum_response/oti/pubs/vol1synth.pdf">www.usaid.gov/hum_response/oti/pubs/vol1synth.pdf</a>	South Africa is not a source of conflict timber.	Low Risk
2.1.3 There is no evidence of child labour or violation of ILO Fundamental Principles and Rights at work taking place in forest areas in the district concerned	FSC National Initiatives and Regional Offices contacts <a href="http://www.fsc.org">www.fsc.org</a>  ILO country offices	The timber to be supplied by the FMU will be harvested and transported by York's own operations. All contractors must adhere to the organisation's H & S policy and BoP. No violations are known or have been reported against any of the suppliers listed in "2. Supplier Details" in the restricted information section above. Labour Law in South Africa is enforced by the Dept. of Labour. York only deals with registered legal companies throughout its business. Adherence to all applicable SA legislation forms part of the York contract agreement with contractors.	Low Risk
2.1.4 There are recognized and equitable processes in place to resolve conflicts of substantial magnitude pertaining to traditional rights including use rights, cultural interests or traditional cultural identity in the district concerned;	FSC National Initiatives and Regional Offices contacts <a href="http://www.fsc.org">www.fsc.org</a>  Indigenous Peoples Organizations  Local community associations in the district  Risk register  National Sources (e.g. records of land claims negotiation concluded or in progress, summaries of court decisions)	There is a legal framework for land claims, and other conflicts of traditional rights that can be considered to deal with these issues. This is a commercial timber plantation established by the owner.	Low Risk
2.1.5 There is no evidence of violation of the ILO Convention	FSC National Initiatives and Regional Offices	No evidence of this is available. The forest area is a commercial plantation that was	Low Risk



169 on Indigenous and Tribal Peoples taking place in the forest areas in the district concerned.	contacts <a href="http://www.fsc.org">www.fsc.org</a> ILO country offices	established on the farm by the owner.	
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### 3 WOOD HARVESTED FROM FOREST IN WHICH HIGH CONSERVATION VALUES ARE THREATENED BY MANAGEMENT ACTIVITIES

3.1 The district of origin may be considered low risk in relation to any threat to high conservation values if:

- a) indicator 3.1 is met; or
- b) indicator 3.2 eliminates (or greatly mitigates) the threat posed to the district of origin by non-compliance with 3.1

Requirements	Examples of sources of information	Finding & Evidence (FSC-ADV-40-016 v2 - Sources of information used to assess the indicators must be listed)	Result	
			Unspecified risk	Low
3.1.1 Forest management activities in the relevant level (eco-region, sub-eco-region, local) do not threaten eco-regionally significant high conservation values;	<p>FSC documentation on HCVFs: <a href="http://www.fsc.org">www.fsc.org</a></p> <p>Eco-region definition and information: <a href="http://www.worldwildlife.org/science/ecoregions.cfm">http://www.worldwildlife.org/science/ecoregions.cfm</a></p> <p>Those regions identified by Conservation International as a Biodiversity Hotspot</p> <p>(or) Those ecosystems and communities that are explicitly identified by Conservation International as a key component of a <i>Biodiversity Hotspot</i></p> <p>Those forest, woodland, or mangrove eco-regions identified by World Wildlife Fund as a <i>Global 200 Eco-region</i> and assessed by WWF as having a conservation status of <i>endangered</i> or <i>critical</i>. If the Global 200 Eco-region comprises more than a single terrestrial eco-region, an eco-region within the Global 200 Eco-region can be considered low risk if the sub-eco-region is assessed with a Conservation Status other than “<i>critical/endangered</i>.”</p>	<p>The harvesting on the FMU is from a commercial timber plantation. There is no HCV or Biodiversity hotspot within this plantation. There is no established trade in natural forest timber products the area that York is sourcing this controlled wood from. The planting permits prohibit planting of plantations in sensitive areas. Satellite monitoring is done by government to monitor this practice through independent consultants. Currently, York only sources Pine and Eucalyptus timber from established timber plantations.</p> <p>South Africa is not listed on <a href="http://www.worldwildlife.org/science/ecoregions.cfm">http://www.worldwildlife.org/science/ecoregions.cfm</a></p> <p>There are no high biodiversity hotspots listed for Mpumalanga as per <a href="http://www.conservation.org/global/ci_south_africa/where-we-work/">http://www.conservation.org/global/ci_south_africa/where-we-work/</a></p>	Low Risk	

	<p>Those regions identified by the World Conservation Union (IUCN) as a <i>Centre of Plant Diversity</i></p> <p>Those regions identified by Conservation International as a <i>High Biodiversity Wilderness Area</i> that are forests and contain contiguous forest ecosystems greater than 500 km<sup>2</sup>.</p> <p>Those regions identified by the World Resources Institute as a <i>Frontier Forest</i></p> <p>Intact Forests Landscapes, as identified by Greenpeace (<a href="http://www.intactforests.org">www.intactforests.org</a>)</p>			
3.1.2	<p>A strong system of protection (effective protected areas and legislation) is in place that ensures survival of the HCVs in the eco-region;</p>	<p>FSC National Initiatives</p> <p>Signatory to the Convention on Biological Diversity  <a href="https://www.biodiv.org/world/parties.asp">https://www.biodiv.org/world/parties.asp</a> and demonstrable progress towards completing a network of protected areas, such as an overall positive analysis of the latest country thematic report on Forest Ecosystems  <a href="https://www.biodiv.org/reports/list.aspx?type=for">https://www.biodiv.org/reports/list.aspx?type=for</a></p>	<p>Yes, legislation is in place to protect these species – refer to planting permits. As stated above, commercial forests are not planted in HCV areas.</p>	Low Risk

#### 4 WOOD HARVESTED FROM AREAS BEING CONVERTED FROM FORESTS AND OTHER WOODED ECOSYSTEMS TO PLANTATIONS OR NON-FOREST USES

- 4.1. The district of origin may be considered low risk in relation to conversion of forest to plantations or non-forest uses when the following indicator is present:

[Note: the change from plantations to other land uses is not considered as conversion].

Requirements	Examples of sources of information	Finding & Evidence (FSC-ADV-40-016 v2 - Sources of information used to assess the indicators must be listed)	Result	
			Unspecified risk	Low
4.1.1 There is no net loss AND no significant rate of loss (> 0.5% per year) of natural forests and other naturally wooded ecosystems such as	<p>FAO GOFC-GOLD Global Observation of Forest and Land Cover Dynamics</p> <p>FAO Global Forest Resources Assessment</p>	<p>Planting permits govern this – private land owners are not allowed to unilaterally convert unplanted areas to plantations. There are numerous examples in the past</p>	Low Risk	

savannahs taking place in the eco-region in question	<p>Conservation International Regional Analysis Program</p> <p>University of Maryland Department of Geography</p> <p>UNEP/GRID – Division of Early Warning and Assessment</p> <p>SERVIR – Regional Monitoring and Visualization System for Mesoamerica</p> <p>Congo Basin Forest Partnership and CARPE</p> <p>CEC Joint Research Centre</p> <p>INPE-PRODES – Brazil's National Institute for Space Research</p> <p>Hansen, M., DeFries, R., Townshend, J.R., Carroll, M., Dimiceli, C., Sohlberg, R. 2003. 500 m MODIS Vegetation Continuous Fields. College Park, Maryland: The Global Land Cover Facility.</p> <p>National data sources</p> <p>FSC National Initiatives and Regional Offices contacts <a href="http://www.fsc.org">www.fsc.org</a></p>	<p>where planting regulations have been strictly enforced. Any loss of open areas is generally due to expansion of urban areas and not due to expanding plantations. Loss can also be attributed to fires but, in the open areas, this is allowed to re-grow and in the case of plantations, the area is replanted.</p> <p>Extension of or to plantations is monitored via satellite on a regular basis by the Department of Forestry and Fisheries.</p>	
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## 5 WOOD FROM FORESTS IN WHICH GENETICALLY MODIFIED TREES ARE PLANTED

### 5.1 Requirements related to wood from forests in which genetically modified trees are planted

Requirements	Examples of sources of information	Finding & Evidence (FSC-ADV-40-016 v2 - Sources of information used to assess the indicators must be listed)	Result	
			Unspecified risk	Low
5.1.1 The district of origin may be considered low risk in relation to wood from genetically modified trees when one of the following indicators is complied with:	FAO, 2004. Preliminary review of biotechnology in forestry, including genetic modification. Forest Genetic Resources Working Paper FGR/59E. Forest Resources Development Service, Forest Resources Division, Rome, Italy. Available online:	No GMO commercial plantations in the country – also none in use by the FMU. There is no evidence at all that any such trees are being commercially grown in the country that might find their way into our supply chain. The Genetically Modified	Low Risk	

<p>a) There is no commercial use of genetically modified trees of the species concerned taking place in the country or district concerned. OR</p> <p>b) Licenses are required for commercial use of genetically modified trees and there are no licenses for commercial use OR</p> <p>c) It is forbidden to use genetically modified trees commercially in the country concerned.</p>	<p><a href="http://www.fao.org/docrep/008/ae574e/AE574E00.HTM">http://www.fao.org/docrep/008/ae574e/AE574E00.HTM</a></p> <p>National and regional data sources</p>	<p>Organism Act (No.15 of 1997) of South Africa applies strict rules for any GMO testing.</p>	
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## 6 GENERAL

Requirements	Examples of sources of information	Finding & Evidence (FSC-ADV-40-016 v2 - Sources of information used to assess the indicators must be listed)	Result	
			Unspecified risk	Low
General search on the companies listed above	Google; Business Day Live	No adverse comments could be found regarding the supplier FMU, or its procurement practices.	Low Risk	

End of report