

	SGS QUALIFOR (Associated Documents)	Doc. Number:	AD 54-F-06
		Doc. Version date:	17 April 2009
		Page:	1 of 9

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 were 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 that 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).

PUBLIC INFORMATION**A APPROVAL**

Approving Certification Body:	SGS South Africa (Pty) Ltd - Qualifor Programme PO Box 82582 Southdale South Africa 2135 E-mail Address: Foretry@sgs.com
Date of Risk Assessment	24 November 2009
Comments:	Approved
Date Approved:	27 November 2009

B ORIGIN OF TIMBER

Country:	South Africa		
District	Mpumalanga, Natal,		
Risk Assessment Level (indicate the risk for the different levels)	Country	District	FMU
	Unspecified Risk	Low Risk	Low Risk

C. RESULT OF RISK ASSESSMENT

Type of source e.g. natural forest or plantations and general description of the supplier	Plantations
Results (Low or Unspecified Risk and motivation:	Low Risk – Although some areas have been rated as unspecified risk at national level by external organisations, justifications have been made to achieve the Low Risk rating at district level. See details below.

SPECIFIC REQUIREMENTS FOR EACH FSC CONTROLLED WOOD CATEGORY

(For each of the finding you must motivate why it is determined as Unspecified or low. The sources of information used must be listed.)

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:

NOTE: FSC-STD-40-005 V2-1 requires a precautionary approach by companies when assessing risk. This means that if there is lack of information on corruption for the forestry sector, a country/district shall be defined as 'unspecified' risk for the referenced indicator and therefore for the whole Controlled Wood category

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	FSC National Initiatives (contacts from www.fsc.org); http://www.Transparency.org The Royal Institute of International Affairs (www.illegal-logging.org); Environmental Investigation Agency (www.eia-international.org);	No illegal logging takes place. York buys the timber directly from the legal owner of the property. Since York controls the transport, there is no danger of this timber getting mixed with illegal logs.	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.	Global Witness: (www.globalwitness.org); Telapak (for Indonesia - www.telapak.org); UK Government's Department for International Development (DFID) EU FLEGT process: http://ec.europa.eu/comm/development/body/the_me/forest/initiative/index_en.htm Transparency international index (www.transparency.org) Corruption perceptions WWF (www.panda.org); ELDIS (www.eldis.org) regional and country	York has a robust framework is in place to control any outside purchases. Purchase agreements are in place prior to any log supply and all suppliers either have planting permits or plantations that were planted before 1972. York mills follow a COC system that identifies sources of timber. York regulates all movement of timber, and "private" people cannot just arrive at the mills and sell logs – since all transporters and harvesting sites are known, and monitored for timber production – including sites on controlled wood	Low Risk	

	profiles www.cites.org NGOs and involved stakeholders	sources property. Furthermore dedicated York people are in place that are the only people dealing with the controlled wood sources and with 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.	There have been some instances in the past of Eucalyptus harvesting. This is however not timber flowing into our system, but rather out of our system. York Forestry only purchases timber from legal landowners/growers and not from 3 rd party timber traders. As mentioned in the point above – there is no framework for “private” timber sellers to access points of sale at York mills. The legal route is always followed to start criminal proceedings against such operations.	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 5, 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	Result	
			Unspecified	Low
		(FSC-ADV-40-016 v2 - Sources of information used to assess the indicators		

		must be listed)	risk
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 (www.un.org/esa/africa/JNNNews_Africa/timber.htm) Global Witness www.globalwitness.org	No known export bans for South Africa Low Risk
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) www.naturalresources.org/minerals/CD/docs/other/N0262179.pdf Conflict Timber: Dimensions of the Problem in Asia and Africa. Volume I. Synthesis report. June 2003, available at: www.usaid.gov/hum_response/oti/pubs/vol1synth.pdf	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 www.fsc.org ILO country offices	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 Labour Department. Although the ILO Global Child labour trends 2000 to 2004 report states that child labour is evident in South Africa, this is not in the hazardous work category in which forestry falls. In light of this, we have classified the risk as low. 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 www.fsc.org 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. Low Risk

2.1.5 There is no evidence of violation of the ILO Convention 169 on Indigenous and Tribal Peoples taking place in the forest areas in the district concerned.	FSC National Initiatives and Regional Offices contacts www.fsc.org ILO country offices	No evidence of this is available.	Low Risk
--	--	-----------------------------------	----------

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 HCVPs: www.fsc.org</p> <p>Eco-region definition and information: http://www.worldwildlife.org/science/ecoregions.cfm</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-</p>	<p>Commercial Forestry in SA is mainly from plantations. There is no established trade in natural forest timber products from the areas York source their controlled wood. The planting permits prohibit planting of plantations in sensitive areas. Satellite monitoring can be done by government to monitor this – and this is done through consultants.</p>	Unspecified risk	Low
			Low Risk	

	<p>region is assessed with a Conservation Status other than “critical/endangered.”</p> <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 km².</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 (www.intactforests.org)</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 https://www.biodiv.org/world/parties.asp 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 https://www.biodiv.org/reports/list.aspx?type=for</p>	<p>Yes, legislation is in place to protect these species – refer to planting permits</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	FAO GOFC-GOLD Global Observation of Forest and Land Cover Dynamics	Planting permits govern this – private land owners are not allowed to unilaterally	Low Risk	

<p>other naturally wooded ecosystems such as savannahs taking place in the eco-region in question</p>	<p>FAO Global Forest Resources Assessment Conservation International Regional Analysis Program University of Maryland Department of Geography UNEP/GRID – Division of Early Warning and Assessment SERVIR – Regional Monitoring and Visualization System for Mesoamerica Congo Basin Forest Partnership and CARPE CEC Joint Research Centre INPE-PRODES – Brazil’s National Institute for Space Research 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. National data sources FSC National Initiatives and Regional Offices contacts www.fsc.org</p>	<p>convert unplanted areas to plantations. There are numerous examples in the past where planting regulations have been strictly enforced.</p>	
---	--	--	--

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
<p>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</p>	<p>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</p>	<p>No GMO commercial plantations in the country – also none in use by the current controlled wood sources. There is no evidence at all that any such trees are being commercially grown in the country and might</p>	<p>Low Risk</p>	

<p>with:</p> <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>online:</p> <p>http://www.fao.org/docrep/008/ae574e/AE574E00.HTM</p> <p>National and regional data sources</p>	<p>find their way into our supply chain.</p>	
--	---	--	--

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 company	e.g. Google	On an internet search using Google and Yahoo, no controversial evidence could be found regarding any of the suppliers listed in "2. Supplier Details" above.	Low Risk	

End of report