Woodland Pulp LLC

WOODLAND PULP LLC
COMPANY RISK ASSESSMENT REPORT

SEPTEMBER 2019

Version 1.4

Woodland Pulp LLC

Wood suppliers from: New Brunswick (NB), Nova Scotia (NS), Prince Edward Island (PEI), Quebec – CANADA
Maine (ME), New Hampshire (NH) – USA

Illegally harvested wood
The supply area may be considered low risk in relation to illegal harvesting when all the following indicators related to forest governance are met.

Risk assessment indicators	Sources of information	Brief Justification	Risk Designation
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.	Transparency International Corruption Perception Index (CPI) www.transparency.org World Bank – Worldwide Governance Indicators http://info.worldbank.org/governance/wgi/index.aspx#reports	Refer to the Centralized National Risk Assessment for Canada 2015. **CAN**: According to the Transparency International Corruption Perception Index, Canada got an excellent Corruption Perception Index **2018 with a score of 81 - 9th rank.** According to the latest Worldwide Governance Indicators (2016), Canada shows an excellent Control of Corruption (**95.19%**). **USA**: According to the Transparency International Corruption Perception Index, United States got a good Corruption Perception Index **2018 with a score of 71 - 22th rank.** According to the latest Worldwide Governance Indicators (2016), United States shows a very good Control of Corruption indicator (**89.90%**). No evidence could be located reporting corruption related to the granting or issuing of harvesting permits and other areas of law enforcement related to harvesting and wood trade in Canada and USA. Both countries have a **CPI ABOVE 50**.	Low Risk

CITES	CITES permits (the Convention on International Trade in Endangered Species of Wild Fauna and Flora, also known as the Washington Convention). **The company does not trade species listed in CITES.**

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Wood harvested in violation of traditional and human rights The supply area may be considered low risk in relation to the violation of traditional and human rights when all the following indicators are met:			
Risk assessment indicators	**Sources of information**	**Brief Justification**	**Risk Designation**
There is no UN Security Council ban on timber exports from the country concerned.	(https://ic.fsc.org/en/document-center/id/114) Global Forest Registry (GFR) http://www.globalforestregistry.org/map (for both Canada and US) Global Witness https://www.globalwitness.org/en/	**Canada** has no UN Security Council export ban on timber (Global Witness). The **United States** has no UN Security Council export ban on timber (Global Witness). There is no evidence of UN bans on forests products from Canada or the United States.	Low Risk
The country or supply area is not designated a source of conflict timber (e.g. USAID Type 1 conflict timber).	http://map.usaid.gov/ (https://ic.fsc.org/en/document-center/id/114) Global Forest Registry (GFR) http://www.globalforestregistry.org/map (for both Canada and US) USAID – Natural Resources Management and Development Portal https://rmportal.net/library/content/conflict	**Canada** is not associated with or designated as source of conflict timber according to latest available research (USAID - GFR). The **United States** is not associated with or designated as source of conflict timber according to latest available research (USAID - GFR). Canada and USA are not considered as sources of conflict timber.	Low Risk

Wood harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest uses

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

Risk assessment indicators	Sources of information	Brief Justification	Risk Designation
There is no net loss or no significant rate of loss (> 0.5% per year) of natural forests and other naturally wooded ecosystems such as savannahs taking place in the eco-region in question.	FAO Global Forest Resources Assessment, 2015 http://www.fao.org/3/a-i4808e.pdf Natural Resources Canada (NRCan) http://www.nrcan.gc.ca/forests Society of American Foresters (SAF) https://www.eforester.org	**CAN**: The FAO report 0% of annual change rate regarding the extent of forest for the 2010-2015 period. Conversion is not considered a problem in Canada. Approximately 94 percent of forestland in Canada is publicly owned. Annual harvests have consistently been lower than volume available for harvest for at least the past ten years (NRCan). The Forests Act in the different provinces mandates reforestation (by replanting or through natural regeneration) after wood has been harvested, ensuring that harvested areas are successfully regenerated and remain as forests. Canadian forests surface area is stable at approximately 348 million hectares. NRCan stated that less than 0.02 % of Canada's forest is converted to other land uses each year, placing Canada among the world's lowest deforested nation. **USA**:	Low risk

	State of America's Forest, 2007 American Hardwood Export Council (AHEC) http://www.ahec-europe.org/ Global Forest Registry http://www.globalforestregistry.org/map Department of Agriculture, Conservation and Forestry – Maine Forest Service (Rules and Regulations) http://www.maine.gov/dacf/mfs/rules_and_regulations.html	The FAO report 0.1% of annual change rate regarding the extent of forest for the 2010-2015 period. Depending on the state analyzed, there is significant differences in change rate of the forest. As outlined by Global Forest Registry, AHEC and FSC US suggest that there are two ecoregions where conversion is endangering forests and where loss of forest cover is greater than 0.5% annually – and should be classified as 'unspecified risk': In the Everglades and in the Pacific Lowlands Mixed Forests. All other areas of the USA can be classified as low risk in relation to conversion as net loss of natural forests is not occurring in a significant (> 0.5% per year). SAF (2007) report that the number of acres of forestland in the USA has remained essentially the same during the past century. 57 percent of forest land is owned by private interests, 43 percent is publicly owned. The two types of ownership (private and public) need to follow strict laws and regulation regarding reforestation and other aspect related to harvesting.	

Wood from forests in which genetically modified trees are planted

The supply area may be considered low risk in relation to wood from genetically modified trees when one of the following indicators is met:

Risk assessment indicators	Sources of information	Brief Justification	Risk Designation
There is no commercial use of genetically modified trees of the species being sourced; or	FAO – Preliminary review of biotechnology in forestry,	**CAN**: According to the latest FAO data, there is no commercial use of genetically modified trees in Canada, only field trials.	Low risk

	including genetic modification, 2004 http://www.fao.org/docrep/008/ae574e/AE574E04.htm#P194_19781 Natural Resources Canada (NRCan) https://cfs.nrcan.gc.ca/projects/38 Canadian Food Inspection Agency (CFIA) http://www.inspection.gc.ca/active/eng/plaveg/bio/pntvcne.asp USDA – Animal and Plant Health Inspection Service (APHIS) https://www.aphis.usda.gov/aphis/ourfocus/biotechnology	NRCan website states that genetically modified (GM) trees were only used for research purposes. CFIA database of approved Plants with Novel Traits (PNTs), which have been approved for release in Canada, does not list any GM trees. **USA**: According to the latest FAO data, there is no commercial use of genetically modified trees in the United States, only field trials. USDA – APHIS website does not list any GM trees which have achieved the deregulated status necessary to be used commercially.	
It is forbidden to use genetically modified trees commercially in the country concerned.		**CAN:** There is no ban against GMO in Canada. However, there is a very strict scientific protocol that needs to be conducted before a permit for commercialization can be given by the Canadian Food Inspection Agency. **USA:** Currently there is no use of GMO trees for commercial use, but the US might be close to approve the use of such. If this happens it will not be possible to identify the use of that GMO to a certain MU, which is why	Low risk

		there might be specified risk in the future. But as the situation is now in the US there are no commercial GMO timber trees.	