

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 V1-1 - 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. The document must be completed in one of the two official language of FSC (English or Spanish).

RESTRICTED INFORMATION

1. COMPANY DETAIL

Company name		Cersosimo Lumber Company
Certificate number:		SGS-COC-
Controlled wood Certificate number		SGS-CW-
Country:		The USA
Company address		<u>Physical Address:</u> 1103 Vernon St. Brattleboro VT.
Contact detail:	Contact person:	Jim Hagan
	Telephone:	1-802-254-4508
	Fax:	
	e-mail Address	jhagagn@cersosimo.com
Assessment done by:		
Relation to the company:		Safety & Environmental Compliance Officer
Date:		01/02/09
Signature		

2. SUPPLIERS DETAIL

Company Name:	See suppliers list provided.
Country:	All suppliers in the USA
District:	See suppliers list provided, all addresses listed.

Note: if more than one supplier is used please copy the table above for each supplier.

3. LIST OF COUNTRIES AND DISTRICTS OF ORIGIN

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

Product	Species	District	Country
Logs also know as Gate Wood or Stumpage.	Bass wood – 341 Tilia spp. Beech – 150 Fagus sylvatica L. Eastern White Pine – 8b Pinus strobus L. Hickory – 67 Carya spp. Maple – 2a Acer campestre L. Black Oak - ? Quercus Negro Red Oak – 292 Quercus cerris L White Oak – 293 Quercus White Ash – 152c Fraxinus americana	Each of these species has been harvested in many of the 7 north eastern states that Cersosimo Lumber purchases or harvests logs from. These states are as follows. Conn, Mass, ME, NH, NY, RI, VT.	All species are harvested in the north eastern USA.

4. 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
Cersosimo Woodland Div. USA:	CWD does not change the product but delivers logs (also known as gate wood or stumpage) for sale to the Cersosimo Lumber Co.	All logs harvested by CWD and purchased by CLC are harvested in the north eastern USA from the following states: Conn, Mass, ME, NH, NY, RI, and VT.	CLC receives only FSC Controlled or Certified wood by implementing and passing the <u>Company Evaluation of Controlled Wood Std 40-005_V2</u> issued by SGS.
Sub-contractors (see suppliers list provided) USA	Sub-contractors do not change the product but deliver logs (also known as gate wood or stumpage) for sale to the Cersosimo Lumber Co.	All logs harvested by sub-contractors are harvested in the north eastern USA from the following states: Conn, Mass, ME, NH, NY, RI and VT.	CLC receives only FSC Controlled or Certified wood by implementing and passing the <u>Company Evaluation of Controlled Wood Std 40-005_V2</u> issued by SGS.

SGS Qualifor auditor:	
Comments:	Approved or Not approved
Date:	
Signature	

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	
Comments:	Approved or Not approved
Date Approved:	

B ORIGIN OF TIMBER

Country:	USA		
District	<p>Cersosimo Woodlands Division has many suppliers of logs, (see suppliers list in the bullet point #2 present w/ this book) all of which harvest logs from the following districts only ; Conn, Mass, ME, NH, NY, RI and VT.</p> <p>Per the FSC Risk assessment requirements the Cersosimo Lumber Company has acquired a risk assessment report researched and authored by the American Hardwood Export Council on July 07, 2008. This report is present w/ this document and can also be accessed at http://www.ahec-europe.org/</p> <p>Per the AHEC report present w/ this report (see AHEC Report) on page 157 the districts Conn, Mass, ME, NH, NY, RI and VT have been deemed low risk.</p>		
Risk Assessment Level (indicate the risk for the different levels)	Country	District	FMU
	Low 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	<p>Forest type: All 7 districts (states) that CLC harvests or purchases logs from are considered natural forests.</p> <p>The suppliers: Are all sub-contracted logging companies.</p> <p>Description of the suppliers: Small to medium in size.</p>
Results (Low or Unspecified Risk and motivation:	Per the American Hardwood Export Counsel report "Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports" the 7 districts (states) that the Cersosimo Woodlands Division harvests or purchases logs from has been deemed low risk (see table on page 157 of AHEC report present w/ this report).

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	Result	
			Unspecified risk	Low
<p>1.1.1 Evidence of enforcement of logging related laws in the district</p> <p>1.1.2</p>	<p>See American Hardwood Export Council report named "Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports".</p>	<p>See pgs 58 to 76 of AHEC report for several examples of laws which are enforced pertaining to illegally harvested wood.</p> <p>Also on pgs 130, 131 and 132 of the AHEC report using evidence gathered by the World Bank the USA is recognized for effective governance and regulatory quality</p>		Low
<p>1.1.3 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>	<p>See pages 52 to 55 of AHEC report to which covers all FSC requirements pertaining to granting licensing and certification</p> <p>On pages 130 to 132 of AHEC report using evidence gathered by the World Bank the USA is recognized for effective governance and regulatory quality. AHEC's conclusion has deemed the 7 districts that CLC harvests and purchases log from to be "Low Risk".</p>	<p>See pg 57, 5a, of AHEC report to see evidence of Registered, Certified or Licensed required in which districts. 6 of the 7 districts that Cersosimo Woodlands Division harvests lumber from are required to be Register, Certified or Licensed</p>		Low
<p>1.1.4 There is little or no evidence or reporting of illegal harvesting in the district of origin.</p>	<p>See American Hardwood Export Council report named "Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports".</p>	<p>See pg 131 of AHEC report per evidence compiled by the World Bank indicates the USA is not identified w/ issues related to illegal harvesting in any of the sourced of information referenced in FSC STD 40-005</p>		Low

1.1.5 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	See American Hardwood Export Council report named "Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports".	See pg 54 & 55 of AHEC report, conclusion reports that the registration, licensing and certification programs in the USA are effective and have issued a "Low Risk" designation.	Low
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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 risk	Low
2.1.1 There is no UN Security Council ban on timber exports from the country concerned;	See American Hardwood Export Council report named "Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports".	See pg 133 of AHEC report, section 12.4.1 paragraph 1 which states "Within the study area (US) there is no UN Security Council ban on timber exports". Also on pg 133 go to bullet point 12.4.2, bullet point 1 for additional information.		Low
2.1.2 The country or district is not designated a source of conflict timber (E.g. USAID Type 1 conflict timber);	See American Hardwood Export Council report named "Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports".	See pg 133 of AHEC report, section 12.4.1 paragraph 1 which states "The areas (US) are not designated as a source of conflict timber". Also on pg 134 go to bullet point 12.4.2, bullet point 2 for additional information.		Low
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	See American Hardwood Export Council report named "Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports".	See pg 133 of AHEC report, section 12.4.1 paragraph 1 which states "Forest employment in the US is regulated under federal & state laws & codes which prohibit child labour and are consistent w/ ILO Fundamental Principle & Rights at work". Also on pg 133 go to section 12.4.2, bullet point 1 for additional information.		Low

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;	See American Hardwood Export Counsel report named "Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports".	See pg 133 of AHEC report, section 12.4.1 paragraph 3 which states "There are different mechanisms or processes that allow Native American tribes or any private citizens to deal w/ disagreement & conflict related to decisions affects natural resources & forests that are considered equitable". Also on pg 134 go to bullet point 12.4.2, bullet point 2 for additional information.	Low
2.1.5 There is evidence of no violation of the ILO Convention 169 on Indigenous and Tribal Peoples taking place in the forest areas in the district concerned.	See American Hardwood Export Counsel report named "Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports".	See pg 133 of AHEC report, section 12.4.1 paragraph 1 which states "Forest employment in the US is regulated under federal & state laws & codes which prohibit child labour and are consistent w/ ILO Fundamental Principle & Rights at work". Also on pg 133 go to section 12.4.2, bullet point 1 for additional information.	Low

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	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;	Both the Cersosimo Woodlands Division & the Cersosimo Lumber Company understand the importance of not harvesting lumber from HCV forests and has never harvested or purchased logs from such areas. Cersosimo Woodlands Division has systems in place to prevent such harvesting or purchasing activities to take place.	N/A		Low

3.1.2 A strong system of protection (effective protected areas and legislation) is in place that ensures survival of the HCVs in the eco-region:	See American Hardwood Export Counsel report named "Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports".	See pg 139 of AHEC report, section 13.2 paragraph 1 which states "The US has very clear delineation of protected forests at both the federal & state levels, see the 1964 Wilderness Act".	Low
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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	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 savannahs taking place in the eco-region in question	Neither the Cersosimo Woodlands Division nor the Cersosimo Lumber Company have harvested or purchased logs from forests or wooded ecosystems to plantations or non-forest uses, nor will they in the future.	N/A	Low	

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	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	Neither the Cersosimo Woodlands Division nor the Cersosimo Lumber Company have harvested or purchased logs from genetically modified forests nor will they in the future.	N/A	Low	

<p>following indicators is complied 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>Neither the Cersosimo Woodlands Division nor the Cersosimo Lumber Company have harvested or purchased logs from genetically modified forests nor will they in the future.</p>	<p>N/A</p>	<p>Low</p>
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6 GENERAL

Requirements	Examples of sources of information	Finding & Evidence	Result	
			Unspecified risk	Low
<p>General search on the company</p>	<p>To access general information on both the Cersosimo Woodlands Division or the Cersosimo Lumber Company go to http://www.cersosimo.com/</p>	<p>All FSC data such as the Company Policy, Complaint Mechanism or any other FSC related information will be publicised on the Cersosimo Company web site once Cersosimo receives its FSC ID number.</p>	<p>Low</p>	

End of report