FSC Controlled Wood Risk Assessments for Fortress Specialty Cellulose

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Submitted to:

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Introduction

FSC Chain of Custody certified companies who are mixing FSC certified and non-FSC certified wood in their FSC product groups must demonstrate that the non-FSC certified wood has been controlled to avoid sources from "unacceptable" sources. The five Controlled Wood Categories (CWC) are: 1) illegally harvested wood, 2) wood harvested in violation of traditional or human rights, 3) wood harvested from forest in which high conservation values are threatened by management activities, 4) wood harvested from areas being converted from forests and other wooded ecosystems to plantation or non–forest uses, and 5) wood from forests in which genetically modified trees are planted.

This report assesses the risk, for each of Fortress Specialty Cellulose suppliers that wood from one of the five above mentioned categories would get mixed with wood from FSC certified wood. The assessment has been conducted in accordance with the requirements specified in FSC-STD-40-005 (version 3.1). Fortress initiated a process of controlled wood declaration with their suppliers in 2008. The suppliers provide the state of origin and in many cases the county, the municipality or the woodlot number where the logs are coming from. Considering the level of detailed information Fortress gathers from its suppliers and the information presented in this report, it is considered there is a low risk of uncontrolled wood supplying the manufacturer.

This report includes three parts, each corresponding to an action that the company shall implement to complete the risk assessment:

- 1) Keep record of wood suppliers;
- 2) Specify the country and district of origin;
- 3) Provide sources of information and brief justifications for the risk assessment results.

Part 1 - Record keeping of wood suppliers

Table 1 shows the list of all of Fortress wood suppliers included in the FSC Controlled Wood company verification program. All suppliers are contacted at least once a year.

Supplier's name	FMU / Area	FSC certified	Wood Supplier Group
Confidential information			Group
- See Gilles Couturier at			
Fortress Specialty			
Cellulose for more			
information			

Table 1. Wood suppliers included in the FSC Controlled Wood company verification program

Part 2 - Country and district of origin

The wood suppliers are divided in three groups based on the country and district of origin.

The group 1 (Québec) includes suppliers in the Outaouais, Laurentides, Lanaudière, Quebec and Abitibi-Témisamingue regions of Quebec.

The group 2 (Ontario) covers Ontario, more specifically the area north of Highway 401, East of Highway 11 and 12 and South of the Highway 17.

The group 3 (NE) includes three States in Eastern United Sates: New Hampshire, New York and Vermont.For each of these groups, a justification was developed and a risk designation assigned for each of the five CWC.

Part 3- Identify sources of information for assessing risk.

This section includes two tables, one for each of the two groups previously defined.

Table 3. Information sources, brief justification and risk designation of CWC 1 to 5 for Québec

Certificate holder:	Fortress Specialty Cellulose inc.	Certification Body (CB):	SAI Global
FSC CW certificate code:	SAI-COC-002170	Date of CB approval:	
Date of risk assessment:	May 2018	Address of CB:	20 Carlson Crt, Etobicoke, ON M9W 7K6
Certificate holder address:	451, Victoria, Thurso (Québec)		
Districts, including countrie	es covered with this Québec (Outaouais, La	urentides and Lanaudière)	

risk assessment : Ecoregions: NA406 (Eastern forest-boreal transition); NA407 (Eastern Great Lakes lowlands forests); NA602 (Central Canadian Shield forests); NA 0410 (New-England Acadian Forest); NA 0605 (Eastern Canadian forests)

		Forest Region : Quebec		
Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designat ion
1. 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:	 1.1 Evidence of enforcement of logging related laws in the supply area: a) The organization shall use the 'Minimum list of applicable laws, regulations and nationally ratified international treaties, conventions and agreements' for the identification of logging related laws in the supply area under evaluation. b) The organization may use existing national lists from approved FSC National Forest Stewardship Standards and other reputable sources in order to compile the list. Where the FSC Global Forest Registry contains an FSC approved list of applicable laws for a country, it is mandatory to use this list. 1.2 There is evidence in the supply area 	www.mrnf.gouv.qc.ca/forets/infractions/index.jsp http://www.mffp.gouv.qc.ca/forets/infractions/ind ex.jsp	Strong legislation and enforcement in place in Québec for demonstrating the legality of harvests and wood purchases; robust and effective systems for granting licenses and harvest permits exist on Crown lands. Limited number of infractions reported. An examination of infraction records on Quebec public lands (2014 and 2015,) reveal mainly a limited number of infractions, of minor magnitude. In order to be eligible to the private woodlot management program, woodlot owners must respect the zoning definitions of the regional forest protection and enhancement plan or of the regional municipality. Regional Agencies and Quebec Ministry of Natural Resources and Wildlife manage and monitor forest activities on private woodlots. The risk is therefore considered Low Risk. Strong legislation in place in Québec for	Low risk
	demonstrating the legality of harvests and wood purchases including, for example,	https://mffp.gouv.qc.ca/les-forets/permis-et-	demonstrating the legality of harvests and wood purchases; robust and effective systems for	

		Forest Region : Quebec		
Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designat ion
Category	robust and effective systems for granting licenses and harvest permits. 1.3 There is little or no evidence or reporting of illegal harvesting in the supply area. 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. The annually published Transparency International Corruption Perception Index (CPI) shall be used. Countries with a score of less than 50 shall be considered unspecified risk, unless there is specific independent and credible information at a lower scale (e.g.	autorisations/ www.illegal-logging.info/ www.transparency.org/country/CAN	granting licenses and harvest permits exist on Crown lands. Low Risk. No mention as problem area on The Royal Institute of International Affairs. It is not a domestic problem. Low Risk. No mention of corruption issues in Canada. Canada maintains a high score, ranking 8 th (2017) among the country for the perception of lowest corruption. The Corruption Perception Index is above 50 (82 for 2017). Low Risk.	
2. Wood harvested in violation of traditional or civil 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	 implemented independent timber tracking systems) that demonstrates the contrary. 2.1 There is no UN Security Council ban on timber exports from the country concerned; 2.2 The country or supply area is not designated a source of conflict timber (e.g. UPANE) 	www.un.org http://www.globalwitness.org/ http://fsccanada.org/Controlled Wood.htm www.usaid.gov	 No mention on UN site of timber ban exports from Canada ; No mention of timber ban exports from Canada on Global Witness site; No evidence of conflict timber area. 	
following indicators are met:	USAID Type 1 conflict timber) 2.3 There is no evidence of child labour or violation of ILO Fundamental Principles and Rights at Work taking place in forest areas in the supply area concerned.	www.ilo.org/	No evidence of child labor or violation of international labor organization fundamental principles. Canada has not signed ILO's Minimum Age Convention, but is signatory of Convention 182 on the worst forms of child labour. « Child labour is not a significant problem in Canada. » (International Trade Union Confederation, 2007, Internationally Recognised Core Labour Standards in Canada: Report for the WTO General Council Review of the Trade Policies of Canada .)	Low risk
	2.4 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 assessed supply area	http://laws-lois.justice.gc.ca/eng/const/ http://www.bloorstreet.com/200block/rsparrow.ht m	Section 35 of the Constitution Act, 1982 recognizes and affirms "the existing aboriginal and treaty rights of the aboriginal peoples of Canada". While there are tenure related conflicts in Ontario and Canada (outstanding land claims), Aboriginal Peoples rights to log on Crown Land have been upheld.	

		Forest Region : Quebec		
Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designat ion
		http://www.nafaforestry.org/docs/strategy2003.p df	National Forest Strategy - Theme 3. Rights and Participation of Aboriginal Peoples aims to accommodate Aboriginal and treaty rights in the sustainable use of the forest recognizing the historical and legal positions of Aboriginal Peoples and their fundamental connection to ecosystems	
	2.5 There is no evidence of violation of the ILO Convention 169 on Indigenous and Tribal Peoples taking place in the forest areas in the supply area concerned.	http://laws-lois.justice.gc.ca/eng/const/ http://www.bloorstreet.com/200block/rsparrow.ht m	Section 35 of the Constitution Act, 1982 recognizes and affirms "the existing aboriginal and treaty rights of the aboriginal peoples of Canada"	
	The standard does not refer to the ratification of ILO 169 and a risk assessment shall involve an assessment of evidence of violation of ILO requirements, irrespective of whether they have been ratified by the country in which the risk assessment is made.	http://www.aadnc- aandc.gc.ca/eng/1100100010002/11001000100 21	There are new regional structures in Quebec, called Commission régionale sur les ressources naturelles et le territoire (CRRNT), where First Nations are invited to participate. Furthermore, there are several FSC certification initiatives across the province, where forest managers must take First Nations concerns into consideration. There therefore exist consultation, participation or economic distribution mechanisms and opportunities that meet the intent of Convention 169.	
3. Wood harvested from forest in which high conservation values are threatened by management activities The supply area may be considered low risk in relation to 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 supply area by non- compliance with 3.1.	3.1 Forest management activities in the relevant level (eco-region, sub-eco-region, local) do not threaten eco-regionally significant high conservation values The organization shall first assess whether any HCVs are threatened at the coregional level. If there are any HCVs are threatened at the ecoregional level, the organization shall assess how forest management activities relate to these HCVs at the supply area level. For the risk assessment of this category the identification of ecoregionally significant HCVs is required, which in practical terms implies that locally relevant values are not in the focus of this step of the risk assessment.	http://www.worldwildlife.org/ecoregions/na0406 http://www.worldwildlife.org/ecoregions/na0407 https://www.worldwildlife.org/ecoregions/na0407 https://www.worldwildlife.org/ecoregions/na0602 Analyse de risque – Province du Québec – CIFQ/QWeb – Septembre 2017 <i>en révision</i> http://www.cifq.com/documents/file/rapport- analyse-risque-final-eng(1).pdf http://www.mddelcc.gouv.qc.ca/biodiversite/aires _protegees/orientations-strateg2011-15.pdf http://mffp.gouv.qc.ca/forets/amenagement/	NA0406 and NA0602: Vulnerable NA0407, NA0410 NA0605: endangered/critical At the scale of the NA0602 ecoregion, 40% of the area is still considered intact habitat. In regards to the NA0406, NA0407 and NA0410 ecoregions, the territory is very fragmented and heavily impacted by human activities since the arrival of Europeans in North America. -"According to the WWF, 40% of the NA0605 ecoregion is relatively intact in the north. However, natural habitat loss and degradation are nonetheless identified as conservation issues in certain portions of the ecoregion. These portions (Gaspe Peninsula) are outside of the area analysed by this assessment. - NA0407 and NA0410 are greatly affected by	Low risk
	Threatened ecoregions can be identified through the supporting information that references, but is not limited to e.g. Biodiversity Hotspots, Global 200	http://mffp.gouv.gc.ca/forets/amenagement/	human presence which causes urban sprawl and agriculture use. Forestry activities are not significant in the fragmentation and degradation of these ecoregions. Sustainable development	

		Forest Region : Quebec		
Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designat ion
	Ecoregion, Frontier Forest, Intact forest landscapes. Regarding Intact Forest Landscape, firefighting or fire prevention for the protection of public safety is not considered an economic activity of minimal disturbance. Fire control in the context of forest management activities is not considered to be an economic activity of minimal disturbance. Low risk for this indicator may be demonstrated as follows: a) Material does not originate from any of the mapped areas of HCVs (as listed in 3.1), or b) There are no ecoregionally significant HCVs in the supply area according to independent verifiable information at the supply area/supply unit level (NGO reports, environmental impact assessments, etc.).	https://www.cbd.int/doc/strategic- plan/targets/T11-quick-guide-en.pdf	 activities are used on public and private lands in Quebec which contributes for maintaining these ecoregions. Therefore, we conclude that the management of these two ecoregion have minimal impact and are Low risk. Also the CIFQ/QWeb 2017 national risk assessment for Quebec (in review) evaluated a Low Risk for these ecoregion. The ecoregions herein are not part of WWF's "Global 200 ecoregions" that require special consideration. None of Conservation International's Biodiversity Hotspot are found in Canada. Sustainable forestry activities on public and private lands in Quebec contributes to maintaining the high conservation values of these ecoregions. Therefore, the management of these two ecoregions have minimal impact and are Low risk - Quebec has an action plan to reach 12% of protected areas by 2015. Exceptional forest ecosystems have been identified and protected in Quebec's public and private forests. 11% of the NA0605 ecoregion in Quebec is protected area and more than 41% of the ecoregion benefits from other legal and administrative protections such as the northern limit of attributable forests and the caribou habitat management plans. This ecoregion attains the minimum threshold of protected area of 10% in accordance with Aichi Target 11. Ecoregion NA0406, Eastern forest-boreal transition -Part of WWF's "Global 200 ecoregions" that require special consideration? NO Hotspat Conservation International's Biodiversity Widerness Area? NO Frontier Forest? NO Intact forest Landscapes YES There is intact forests landscapes (IFL) in the ecoregion but this Intact forest landscape is outside our supply area and is located within the FSC FM certified units 31-51 and 31-52 (FM-COC-006364). 	

		Forest Region : Quebec		
Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designat ion
		http://legisquebec.gouv.qc.ca/en/ShowDoc/cr/E- 12.01,%20r.%203	Ecoregion NA0407, Eastern Great Lakes lowland forests -Part of WWF's "Global 200 ecoregions" that require special consideration? NO -Hosts a Conservation International's Biodiversity Hotspot? NO -IUCN Centre of Plant Diversity? NO -A Conservation International High-Biodiversity Wilderness Area? NO -Frontier Forest? NO -Intact forest Landscapes? NO Ecoregion NA0410, New England-Acadian forests -Part of WWF's "Global 200 ecoregions" that require special consideration? NO -Hosts a Conservation International's Biodiversity Hotspot? NO -IUCN Centre of Plant Diversity? YES: North American Serpentine Flora -A Conservation International High-Biodiversity Wilderness Area? NO - Frontier Forest? NO - Intact forest Landscapes? NO Serpentine-de-Coleraine Ecological Reserve represents one of the rare areas in Quebec where serpentine is found. This area is protected under the Regulation respecting threatened or vulnerable plant species and their habitats, which protects the "Éboulis-de- Serpentine-de-Coleraine ecological reserve, in the habitat corresponds to an escarpment and talus on the eastern flank of Mont Caribou, within the Serpentine-de-Coleraine ecological reserve, in the territory of Municipalité de Saint-Joseph-de- Coleraine, Municipalité régionale de comté de I'Amiante. The habitat is identified on a chart prepared by the Ministry. Ecoregion NA0602, Central Canadian Shield forests -Part of WWF's "Global 200 ecoregions" that require special consideration? NO	

		Forest Region : Quebec		
Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designat ion
		http://www.mddelcc.gouv.qc.ca/biodiversite/rese rves/serpentine_coleraine/res_67.htm	 Hosts a Conservation International's Biodiversity Hotspot? NO IUCN Centre of Plant Diversity? NO A Conservation International High-Biodiversity Wilderness Area? NO Presence of Woodland Cariboo? YES Frontier Forest? NO Intact forest Landscapes? YES There is intact forests landscapes (IFL) in the ecoregion but Fortress does not supply from that area Serpentine Flora is protected in various areas in Quebec and in the United States of America (i.e. http://www.3monts.ca/, Ring Mountain Preserve in Marin County) Ecoregion NA0605, Central Canadian Shield forests Part of WWF's "Global 200 ecoregions" that require special consideration? NO Hosts a Conservation International's Biodiversity Hotspot? NO IUCN Centre of Plant Diversity? NO A Conservation International High-Biodiversity Wilderness Area? NO Presence of Woodland Cariboo? YES Frontier Forest? NO Intact forest Landscapes? YES There is intact forests landscapes (IFL) in the ecoregion but Fortress does not supply from that area 	
	 3.2 A strong system of protection (effective protected areas and legislation) is in place that ensures survival of the HCVs in the ecoregion. Low risk for this indicator shall be demonstrated as follows: a) A strong system of protection of HCVs is in place. The definition of strong shall be based on the effectiveness of law enforcement in the country. This can be demonstrated through a high rating (≥ 75%) in the World Bank 'rule of law' index (www.govindicators.org), and b) Significant support by relevant 		N//A See 3.1	

		Forest Region : Quebec		
Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designat ion
	national/regional stakeholders from the assessed supply area, or c) The forest manager has agreed to an approach of HCV protection at the supply unit level with national/regional environmental stakeholders relevant for the assessed supply area. Indicator 3.2 cannot be met if there is substantial objection from relevant national or regional stakeholders against a low risk designation for the HCV category.			
4. 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 conversion of forest to plantations or non-forest uses when the following indicator is present:	4.1 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.	http://www.fao.org/forestry/sofo/en/ http://www.mffp.gouv.qc.ca/publications/enligne/ forets/criteres-indicateurs/3/313/313.asp http://www.nrcan.gc.ca/forests/inventory/13419 http://www.nrcan.gc.ca/forests/measuring- reporting/forest-land/16397	 The FAO's State of the World's Forests 2014 report indicate that Canada's forest cover has not changed between 1990 and 2005. The Québec Ministry of Natural Resources and Parks has set objectives for lost of productive landbase for each FMU in the province. Sampling must be conducted. According to Natural Resources Canada, Canada's 348 million ha of forest land is relatively stable, but the forest cover within this area is continuously changing. Over the past 20 years, annual deforestation rates have been decreasing. Overall, deforestation has annually affected less than 0.02% of Canada's forest and other wooded land in recent years 	Low risk
5. Wood from forests in which genetically modified trees are planted 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:	 a) There is no commercial use of genetically modified trees of the species being sourced b) Licenses are required for commercial use of genetically modified trees and there are no licences for commercial use of the species being sourced; c) It is forbidden to use genetically modified trees commercially in the country concerned 	André Rainville, Direction de la recherche forestière, Quebec Ministry of Natural Resources Personal communication, July 3rd, 2008. <u>https://cfs.nrcan.gc.ca/projects/38</u>	There is no use of genetically modified trees taking place in the province of Québec. Only one experimental plantation on federal land – it is done under the scrutiny of the Canadian food inspection agency. « " The CFS played a pioneering role in 1997 by initiating the first field trial GMTs in Canada using poplar, and we reiterated our leadership by initiating another trial in 2000 with transgenic spruce. These field trials with GMTs were unique in Canada and were terminated in May 2007." There are therefore non-commercial test sites for GMO trees (black and white spruce and poplar) in Quebec, but no commercial operation.	Low risk

Table 4. Information sources, brief justification and risk designation of CWC 1 to 5 for Ontario

Certificate holder:	Fortress Specialty Cellulose inc.	Certification Body (CB):	SAI Global
FSC CW certificate code:	SAI-COC-002170	Date of CB approval:	
Date of risk assessment:	August 2017	Address of CB:	20 Carlson Crt, Etobicoke, ON M9W 7K6
Certificate holder address:	451, Victoria, Thurso (Québec)		

Districts, including countries covered with this
risk assessment*:Eastern ONTARIO, CANADA (area North of Highway 401, East of Highway 11 and 12 and South of the
Highway 17)Ecoregions :NA406 (Eastern forest-boreal transition); NA407 (Eastern Great Lakes lowlands forests)

Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designati on
1. 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:	 1.1 Evidence of enforcement of logging related laws in the supply area: a) The organization shall use the 'Minimum list of applicable laws, regulations and nationally ratified international treaties, conventions and agreements' for the identification of logging related laws in the supply area under evaluation. b) The organization may use existing national lists from approved FSC National Forest Stewardship Standards and other reputable sources in order to compile the list. Where the FSC Global Forest Registry contains an FSC approved list of applicable laws for a country, it is mandatory to use this list. 	http://www.e- laws.gov.on.ca/html/statutes/english/elaws_stat utes_94c25_e.htm https://www.ontario.ca/page/annual-report- forest-management-2013-2014 https://www.ontario.ca/document/forest- compliance-handbook	Strong legislation in place in Ontario for demonstrating the legality of harvests and wood purchases; robust and effective systems for granting licenses and harvest permits exist on Crown lands. Limited number of infractions reported. Monitoring and reporting on Ontario's forests: Guide sur l'observation des politiques en matière des forêts. Forest compliance and monitoring In Ontario woodlots, there are different provincial, regional and local programs as well as municipal by-laws that promote and support sound forest practices. Municipalities are responsible for the supervision of forest management within their boundaries.	Low risk
	1.2 There is evidence in the supply area demonstrating the legality of harvests and wood purchases including, for example, robust and effective systems for granting licenses and harvest permits.	http://www.e- laws.gov.on.ca/html/statutes/english/elaws_stat utes_94c25_e.htm	Strong legislation in place on Ontario for demonstrating the legality of harvests and wood purchases; robust and effective systems for granting licenses and harvest permits exist on Crown lands. AF&PA's 2004 report "Illegal Logging and Global	

Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designati on
June	1.3 There is little or no evidence or reporting of illegal harvesting in the supply area.	https://www.ontario.ca/environment-and- energy/crown-timber-charges-forestry- companies http://www.countyofrenfrew.on.ca/departments/ development-and-property/forestry-and-gis/ https://www.durham.ca/en/doing- business/resources/Documents/PlanningandDe velopment/TreeByLaw_31-2012.pdf http://www.illegal-logging.info/	Markets ()" discusses the worldwide illegal timber trade but indicates that this is of little significance in Canada and the U.S. Management of Ontario's public forest is delegated to groups of companies by the Ministry of Natural Resources. There is a measurement system in place to calculate stumpage paid by industry to the State for the wood harvested on public land. Ontario Ministry of Natural Resources, Crown Timber Use Private Land Controls and Stewardship No mention as problem area on The Royal Institute of International Affairs	
	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. The annually published Transparency International Corruption Perception Index (CPI) shall be used. Countries with a score of less than 50 shall be considered unspecified risk, unless there is specific independent and credible information at a lower scale (e.g. implemented independent timber tracking systems) that demonstrates the contrary.	www.transparency.org/country/CAN	No mention of corruption issues in Canada. Canada maintains a high score, ranking 8 th (2017) among the country for the perception of lowest corruption. The Corruption Perception Index is above 50 (82 for 2016). Low Risk.	
2. Wood harvested in violation of traditional or civil rights The supply area may be considered low risk in relation to the violation of	2.1 There is no UN Security Council ban on timber exports from the country concerned;	www.un.org http://www.globalwitness.org/	 No mention on UN site of timber ban exports from Canada ; Ontario and Canada are major exporters of wood products ; No mention of timber ban exports from Canada fund on Global Witness site; 	Low risk
traditional and human rights when all the following indicators are met:	2.2 The country or supply area is not designated a source of conflict timber (e.g. USAID Type 1 conflict timber)2.3 There is no evidence of child labour or	www.usaid.gov/ www.ilo.org/	No evidence of conflict timber area No evidence of child labor or violation of	
	violation of ILO Fundamental Principles		international labor organization fundamental	

				Risk Designati
Category	FSC Indicator	Information Sources Used	Brief justification	on
	and Rights at Work taking place in forest areas in the supply area concerned.		principles. - Canada has not signed ILO's Minimum Age Convention, but is signatory of Convention 182 on the worst forms of child labour. « Child labour is not a significant problem in Canada. » (International Trade Union Confederation, 2007, Internationally Recognised Core Labour Standards in Canada : Report for the WTO General Council Review of the Trade Policies of Canada .)	
	2.4 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 assessed supply area	http://laws-lois.justice.gc.ca/eng/const/ http://www.bloorstreet.com/200block/rsparrow.h tm	- Section 35 of the Constitution Act, 1982 recognizes and affirms "the existing aboriginal and treaty rights of the aboriginal peoples of Canada". While there are tenure related conflicts in Ontario and Canada (outstanding land claims), Aboriginal Peoples rights to log on Crown Land have been upheld.	
		http://www.nafaforestry.org/docs/strategy2003.p	- National Forest Strategy - Theme 3. Rights and Participation of Aboriginal Peoples aims to accommodate Aboriginal and treaty rights in the sustainable use of the forest recognizing the historical and legal positions of Aboriginal Peoples and their fundamental connection to ecosystems	
	2.5 There is no evidence of violation of the ILO Convention 169 on Indigenous and Tribal Peoples taking place in the forest areas in the supply area concerned.	http://www.bloorstreet.com/200block/rsparrow.h tm	Section 35 of the Constitution Act, 1982 recognizes and affirms "the existing aboriginal and treaty rights of the aboriginal peoples of Canada"	
	The standard does not refer to the ratification of ILO 169 and a risk assessment shall involve an assessment of evidence of violation of ILO requirements, irrespective of whether they			
	have been ratified by the country in which the risk assessment is made.			
3. Wood harvested from forest in which high conservation	3.1 Forest management activities in the relevant level (eco-region, sub-eco-region, local) do not threaten eco-regionally	www.nationalgeographic.com/wildworld/global.h tml	NA0406: Vulnerable NA0407: endangered/critical	
values are threatened by management activities The supply area may be considered low risk in relation to threat to high conservation values if: a)	significant high conservation values. The organization shall first assess whether any HCVs are threatened at the Ecoregional level. If there are any HCVs are threatened at the ecoregional level, the organization shall access how forset	http://www.worldwildlife.org/ecoregions/na0406 http://www.worldwildlife.org/ecoregions/na0407	In regards to the NA0406 and NA0407 ecoregions, the territory is very fragmented and heavily impacted by human activities since the arrival of Europeans in North America. These ecoregions are greatly affected by human presence which causes urban sprawl and agriculture use.	Low risk
indicator 3.1 is met; or b) indicator 3.2 eliminates	organization shall assess how forest management activities relate to these HCVs at the supply area level.	https://www.ontario.ca/page/sustainable-forest-	Sustainable development activities are used on public and private lands in Ontario which	

				Risk Designati
Category	FSC Indicator	Information Sources Used	Brief justification	on
(or greatly mitigates) the threat posed to the supply area by non- compliance with 3.1.	For the risk assessment of this category the identification of ecoregionally significant HCVs is required, which in practical terms implies that locally relevant values are not in the focus of this step of the risk assessment.	management <u>http://worldwildlife.org/publications/global-200</u>	contributes for maintaining these ecoregions. The Living Legacy strategy and the Lands for Life process have allowed to develop a network of protected areas and to put in place a forest management structure based that relies on a large	
	Threatened ecoregions can be identified through the supporting information that references, but is not limited to e.g. Biodiversity Hotspots, Global 200 Ecoregion, Frontier Forest, Intact forest	Parks and protected areas: http://www.ontario.ca/environment-and- energy/ontarios-parks-and-protected-areas	diversity of stakeholders. Efforts are ongoing by the Ontario government to increase the area of parks in eastern Ontario and to establish green corridors. The Ontario Environmental Assessment Act and the province's Crown Forest Sustainability Act	
	landscapes. Regarding Intact Forest Landscape, firefighting or fire prevention for the protection of public safety is not considered an economic activity of minimal disturbance. Fire control in the context of	Living legacy strategy and Land Use strategy: <u>http://www.ontario.ca/environment-and-</u> <u>energy/mnr-provincial-parks-and-conservation-</u> <u>reserves-under-living-legacy-strategy-mnr-65</u> Ontario State of the Forests :	constitute the legal framework for Ontario public forest management. The Ontario Stewardship program, which has over 40 member communities, plays a role in gathering players for resource sharing and land management in a responsible manner.	
	forest management activities is not considered to be an economic activity of minimal disturbance. Low risk for this indicator may be demonstrated as follows: a) Material does not originate from any of	http://www.ontario.ca/document/state-ontarios- forests	Protected areas in Ontario are managed in accordance with the Provincial Parks and Conservation Act. This Act establishes ecological integrity as the first priority in all aspects of planning and management of Ontario's protected areas.	
	the mapped areas of HCVs (as listed in 3.1), or b) There are no ecoregionally significant HCVs in the supply area according to independent verifiable information at the supply area/supply unit level (NGO reports, environmental impact assessments, etc.).		In Ontario, the "Living Legacy" and "Land for Use" strategies allowed for the development of a network of protected areas. The old- growth policy on Crown land includes provincial orientations on the identification and conservation characteristics of these forests for all communities present in Ontario's Crown lands.	
		http://ontariobiodiversitycouncil.ca/	2015 Ontario biodiversity strategy As of 2016, there are 334 regulated provincial parks, 295 regulated conservation reserves and 11 wilderness areas, all of which are managed by MNR. These areas combined cover over ten per cent of the province's land base.	
			Ecoregion NA0406, Eastern forest-boreal transition -Part of WWF's "Global 200 ecoregions" that require special consideration? NO -Hosts a Conservation International's Biodiversity Hotspot? NO -IUCN Centre of Plant Diversity? NO - A Conservation International High-Biodiversity	

Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designati on
			 Wilderness Area? NO Frontier Forest? YES. Fortress supply is limited to the Southern part of the ecoregion (South of Highway 17. Intact forest Landscapes? YES There are intact forests landscapes (IFL) in the North of this ecoregion. However, Fortress supply is limited to the Southern part of the ecoregion (South of Highway 17), away from the these IFLs located more than 200 km away and outside the economical supply area. Ecoregion NA0407, Eastern Great Lakes lowland forests Part of WWF's "Global 200 ecoregions" that require special consideration? NO. none in Ontario -Hosts a Conservation International's Biodiversity Hotspot? NO IUCN Centre of Plant Diversity? NO A Conservation International High-Biodiversity Wilderness Area? NO Frontier Forest? NO Intact forest Landscapes? NO 	
	 3.2 A strong system of protection (effective protected areas and legislation) is in place that ensures survival of the HCVs in the ecoregion. Low risk for this indicator shall be demonstrated as follows: a) A strong system of protection of HCVs is in place. The definition of strong shall be based on the effectiveness of law enforcement in the country. This can be demonstrated through a high rating (≥ 75%) in the World Bank 'rule of law' index (www.govindicators.org), and b) Significant support by relevant national/regional stakeholders from the assessed supply area, or c) The forest manager has agreed to an approach of HCV protection at the supply unit level with national/regional environmental stakeholders relevant for the assessed supply area. 	http://www.cbd.int/information/parties.shtmll http://ontariobiodiversitycouncil.ca/ https://www.ontario.ca/page/ontarios-parks-and- protected-areas	N/A SEE 3.1	

Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designati on
	Indicator 3.2 cannot be met if there is substantial objection from relevant national or regional stakeholders against a low risk designation for the HCV category.			
4. 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 conversion of forest to plantations or non-forest uses when the following indicator is present:	4.1 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.	http://www.fao.org/forestry/sofo/en/ http://www.nrcan.gc.ca/forests/inventory/13419	The Ontario Ministry of Natural Resources states that in any given year, only 0.2% of all the forested area of the province is harvested, and that all of this area (96%) excepting roads, landings and slash piles) is required by law to be regenerated. - The FAO's State of the World's Forests 2015 report indicate that Canada's forest cover has not changed between 1990 and 2005. - According to Natural Resources Canada, over the past 20 years, annual deforestation rates have been decreasing. Overall, deforestation has annually affected less than 0.02% of Canada's forest and other wooded land in recent years	Low risk
5. Wood from forests in which genetically modified trees are planted 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:	 a) There is no commercial use of genetically modified trees of the species being sourced b) Licenses are required for commercial use of genetically modified trees and there are no licences for commercial use of the species being sourced; c) It is forbidden to use genetically modified trees commercially in the country concerned 	Kathleen Brosemer, Forest Genetics Ontario. Personal communication, July 3rd, 2008.	There are no commercial genetically modified forest plantations in Canada. There are no commercial genetically modified forest plantations in Ontario.	Low risk

Table 5. Information sources, brief justification and risk designation of CWC 1 to 5 for New Hampshire, New York State, and Vermont, USA.

Certificate holder:	Fortress Specialty Cellulose inc.	Certification Body (CB):	SAI Global
FSC CW certificate code:	SAI-COC-002170	Date of CB approval:	
Date of risk assessment:	September 2017	Address of CB:	20 Carlson Crt, Etobicoke, ON M9W 7K6
Certificate holder address:	451, Victoria, Thurso (Québec)		

Districts, including countries covered with this risk assessment*: Ecoregions : NA406 (Eastern forest-boreal transition); NA407 (Eastern Great Lakes lowlands forests); NA 0410 (New-England Acadian Forest)

Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designati on
1. Illegally Harvested Wood 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:	 1.1 Evidence of enforcement of logging related laws in the supply area: a) The organization shall use the 'Minimum list of applicable laws, regulations and nationally ratified international treaties, conventions and agreements' for the identification of logging related laws in the supply area under evaluation. b) The organization may use existing national lists from approved FSC National Forest Stewardship Standards and other reputable sources in order to compile the list. Where the FSC Global Forest Registry contains an FSC approved list of applicable 	http://www.dec.ny.gov/lands/38969.html	The billing and transport system allows to track the wood to the region of origin, sometimes up the the woodlot itself. Counties adopt and implement their own regulations to oversee forestry operations within their boundaries. The Sates have a Department of Environmental Conservation (DEC)and provides on its Web Site instructions on how to report a suspected timber theft. The DEC has a LAW Enforcement Division and an Enforcement Dispatch phone number and the DEC TIPP line. FSC GlobalForest Registry: Low risk	Low risk
	laws for a country, it is mandatory to use this list.	http://www.ct.gov/dep/cwp/view.asp?a=2697& g=322792&depNav_GID=1631&depNav=] http://masswoods.net/harvesting-timber http://www.dec.ny.gov/lands/5242.html http://www.maine.gov/dacf/mfs/rules_and_reg ulations.html http://www.maine.gov/dacf/mfs/policy_manag ement/permitting/index.html	Table A Minimum List of applicable laws, regulations and nationally-ratified international treaties, conventions and agreements have been used to assess logging related laws in the supply area under evaluation. The billing and transport system allows to track the wood to the region of origin, sometimes up the the	

0-1	FOO lasting to a		Deletion(first)	Risk Designati
Category	FSC Indicator	Information Sources Used	Brief justification	on
		http://www.dcnr.state.pa.us/forestry/statefores tmanagement/index.htm	woodlot itself. Counties adopt and implement their	
		http://fpr.vermont.gov/forest	own regulations to oversee forestry operations within their boundaries.	
		http://www.dnr.state.mn.us/forestry/forest_ma	their boundaries.	
		nagement.html		
		http://ndstudies.gov/gr8/content/unit-iii-waves-		
		development-1861-1920/lesson-2-making-		
		living/topic-4-federal-legislation/section-3-		
		timber-culture-act		
		http://www.defenders.org/publications/state_f orestry_laws.pdf		
		http://www.state.nj.us/dep/parksandforests/for		
		est/nifs_state_lands_mgt.html		
		http://www.michigan.gov/dnr/0,1607,7-153-		
		10366_37141,00.html		
		http://forestry.ohiodnr.gov/oftl		
		http://www.in.gov/dnr/forestry/4591.htm		
		http://www.dnr.wa.gov/about/boards-and-		
		councils/forest-practices-board/		
		https://www.illegal-logging.info/regions/usa		
		https://www.megar-logging.mlo/regions/usa		
		https://eia-international.org/our-		
		work/ecosystems-biodiversity/forests/illegal-	No illegal logging reported in this country	
		logging		
		No illegal logging reported in USA		
			Maine Forest Service (MFS) Rule, Chapter	
			23, Timber Harvesting Standards to Substantially	
			Eliminate Liquidation Harvesting	
			« Enforcement of timber theft and trespass laws is	
			significant » and « The Law Enforcement and	
			Investigations branch of the US Forest Service	
			investigates offenses that occur within or have a	
			nexus to the National Forest System. »	
			Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports (AHEC, 2008)	
	1.2 There is evidence in the district	http://www.dec.ny.gov/about/650.html	The Bureau of State Land Management (Division of	
	demonstrating the legality of harvests and		Lands and Forests of the Department of	
	wood purchases that includes robust and		Environmental Conservation) is responsible for the	

Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designati on
Calegory	effective systems for granting licenses and harvest permits.	mormation sources used	land planning and forest management on State Land.	on
		http://www.illegal-logging.info/topics/us-lacey- act	The US leads the world in legislation to make the import and sale of illegally-produced timber illegal in its own jurisdiction, through the Lacey Act, which has recently been amended to include a wide range of commercial timber species.	
	1.3 There is little or no evidence or reporting of illegal harvesting in the supply area.	http://www.illegal-logging.info	NY, NH and VT are not mentioned as problem area on the Energy, Environment and Development Program of Chatham House in London (Home of the Royal Institute of International Affairs)	
			AF&PA's 2004 report "Illegal Logging and Global Markets ()" discusses the worldwide illegal timber trade but indicates that this is of little significance in Canada and the U.S.	
		http://www.illegal- logging.info/uploads/CHillegalloggingreportcar dpackhighres.pdf	In 2008 the US was the first country in the world to introduce legislation prohibiting the import and sale of illegally sourced wood. The impact of this is already being felt in the US and in source countries. The US is the only one of the five consumer countries with such legislation in place.	
	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. The annually published Transparency International Corruption Perception Index (CPI) shall be used. Countries with a score of less than 50 shall be considered unspecified risk, unless there is specific independent and credible information at a lower scale (e.g. implemented independent timber tracking systems) that demonstrates the contrary.	www.transparency.org www.transparency.org/policy_research/survey s_indices/cpi/2015 http://www.transparency.org/cpi2015#map- container	No mention of corruption issues. The US maintain a high score, ranking 16th (2017) among the country for the perception of lowest corruption. The Corruption Perception Index is 75 for 2017. Low Risk.	
2. Wood harvested in violation of traditional or civil rights The district of origin may	2.1 There is no UN Security Council ban on timber exports from the country concerned;	www.un.org http://www.globalwitness.org/	 No mention on UN site of timber ban exports from United States of America ; No mention of timber ban exports from Canada fund on Global Witness site; 	Low risk
be considered low risk in relation to the violation of traditional, civil and	2.2 The country or supply area is not designated a source of conflict timber (e.g. USAID Type 1 conflict timber)	www.usaid.gov/	No evidence of conflict timber area.	

Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designati on
collective rights when all the following indicators are present:	2.3 There is no evidence of child labour or violation of ILO Fundamental Principles and Rights at Work taking place in forest areas in the supply area concerned.	www.ilo.org/	No evidence of child labor or violation of international labor organization fundamental principles.	
	2.4 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 assessed supply area	http://jimwindwalker.tripod.com/indianlawusa/i d1.html	Several American Laws protect the rights of First Nations in the USA, including several criminal laws pertaining to human rights.	
	2.5 There is no evidence of violation of the ILO Convention 169 on Indigenous and Tribal Peoples taking place in the forest areas in the supply area concerned.	http://www.miningwatch.ca/	No evidence of violation of the ILO Convention 169 on Indigenous and Tribal Peoples taking place in USA.	
	The standard does not refer to the ratification of ILO 169 and a risk assessment shall involve an assessment of evidence of violation of ILO requirements, irrespective of whether they have been ratified by the country in which the risk assessment is made.			
3. Wood harvested from forest in which high conservation values are	3.1 Forest management activities in the relevant level (eco-region, sub-eco-region, local) do not threaten eco-regionally	www.nationalgeographic.com/wildworld/global .html	NA0406: Vulnerable NA0407; NA410: endangered/critical	
threatened by management activities The district of origin may	significant high conservation values	www.conservation.org/where/priority_areas/wi Iderness	- North Eastern USA does not contain any presently identified Global 200 Eco-Regions	
be considered low risk in relation to threat to high conservation values if: a) indicator 3.1 is met; or b) indicator 3.2 eliminates	any HCVs are threatened at the coregional level. If there are any HCVs are threatened at the ecoregional level, the organization shall assess how forest management activities relate to these HCVs at the supply	http://www.globalwatch.org/ https://www.worldwildlife.org/ecoregions/na04 06	These States are not within an area identified by the Centres of Plant Diversity (CPD) project These States are not a Wilderness Area to Conservation International These States are not a Frontier Forest to Global	
(or greatly mitigates) the threat posed to the district of origin by non- compliance with 3.1.	area level. For the risk assessment of this category the identification of ecoregionally significant HCVs is required, which in practical terms implies that locally relevant values are not in the focus of this step of the risk assessment. Threatened ecoregions can be identified through the supporting information that references, but is not limited to e.g.		Forest Watch The timber supply areas in United States are not part of WWF's "Global 200 ecoregions" that require special consideration (Appalachian and Mixed Mesophytic Forests, and the Northern tall grasslands are part of a WWF global ecoregion but do not require special consideration other than those identified under criterion 4).	Low risk
	Biodiversity Hotspots, Global 200 Ecoregion, Frontier Forest, Intact forest landscapes. Regarding Intact Forest Landscape,	https://www.worldwildlife.org/ecoregions/na04 06	Na0406: vulnerable - Part of WWF's "Global 200 ecoregions" that require special consideration? NO	

				Risk Designati
Category	FSC Indicator firefighting or fire prevention for the protection of public safety is not considered an economic activity of minimal disturbance. Fire control in the context of forest management activities is not considered to be an economic activity of minimal disturbance. Low risk for this indicator may be demonstrated as follows: a) Material does not originate from any of the mapped areas of HCVs (as listed in 3.1), or b) There are no ecoregionally significant HCVs in the supply area according to independent verifiable information at the supply area/supply unit level (NGO reports, environmental impact assessments, etc.).	Information Sources Used https://www.worldwildlife.org/ecoregions/na04 07 https://www.worldwildlife.org/ecoregions/na04 10	Brief justification -Hosts a Conservation International's Biodiversity Hotspot? NO -IUCN Centre of Plant Diversity? NO -A Conservation International High-Biodiversity Wilderness Area? NO - Frontier Forest? NO -Intact forest Landscapes? Yes There are two IFL in the New York State but 92% of those areas are protected as classified by the IUCN Categories "Ib" which prevents harvesting activities. If there was illegal harvesting in this area, it would fall under the category 1 from the assessment which was already considered low risk. Na0407:endangered/critical Part of WWF's "Global 200 ecoregions" that require special consideration? NO -Hosts a Conservation International's Biodiversity Hotspot? NO -IUCN Centre of Plant Diversity? NO -A Conservation International High-Biodiversity Wilderness Area? NO -Frontier Forest? NO -Intact forest Landscapes? NO Na0410:endangered/critical- - Part of WWF's "Global 200 ecoregions" that require special consideration? NO	
			require special consideration? NO -Hosts a Conservation International's Biodiversity Hotspot? NO -IUCN Centre of Plant Diversity? NO -A Conservation International High-Biodiversity Wilderness Area? NO - Frontier Forest? NO - Intact forest Landscapes? NO The NA0407 has low percentage of intact area and is particularly caused by agriculture, recreation and development. Therefore, forestry activities are not significant in the fragmentation and degradation of these ecoregions. Abandoned farmlands are undergoing reforestation. NA0410 as been heavily impacted by past logging practices. Some farmlands are being abandoned which are gradually returning to forested area. Development is also responsible for the degradation	

Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designati on
		http://www.conservation.org/How/Pages/Hots pots.aspx http://www.globalwatch.org/ http://databasin.org/datasets/303c7eaabda34 c5881553d29cfb01015	of this ecoregion. So even if these ecoregions are considered endangered/critical, it seems that current logging as little effects on its degradation. The timber supply areas in United States are not a Conservation International's Biodiversity Hotspot The timber supply areas in United States are not within an area identified by the Centres of Plant Diversity (CPD) project The timber supply areas in United States are not a Wilderness Area to Conservation International The timber supply areas in United States are not a Frontier Forest to Global Forest Watch	
	 3.2 A strong system of protection (effective protected areas and legislation) is in place that ensures survival of the HCVs in the ecoregion. Low risk for this indicator shall be demonstrated as follows: a) A strong system of protection of HCVs is in place. The definition of strong shall be based on the effectiveness of law enforcement in the country. This can be demonstrated through a high rating (≥ 75%) in the World Bank 'rule of law' index (www.govindicators.org), and b) Significant support by relevant national/regional stakeholders from the assessed supply area, or c) The forest manager has agreed to an approach of HCV protection at the supply unit level with national/regional environmental stakeholders relevant for 	http://www.cbd.int/convention/parties/list/defa ult.shtml http://gapanalysis.usgs.gov/padus/viewer/	- USA is signatory to the Convention on Biological Diversity since 1993 - By international definitions, the United States had 7448 protected area. These protected areas cover 578,000 square miles (1,500,000 km²), almost 16% of the land area of the United States.	

Category	FSC Indicator the assessed supply area.	Information Sources Used	Brief justification	Risk Designati on
	Indicator 3.2 cannot be met if there is substantial objection from relevant national or regional stakeholders against a low risk designation for the HCV category.			
4. Wood harvested from areas being converted from forests and other wooded ecosystems to plantations or non- forest uses 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:	4.1 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.	https://www.ers.usda.gov/data- products/major-land-uses.aspx http://www.fao.org/forestry/fra/fra2010/en/ http://www.fao.org/docrep/017/i3110e/i3110e. pdf	The total forest-use land has increased significantly for all three States from 1949 to 2007. The United Nations Food and Agriculture Organization's (FAO) State of the World's Forests 2001 reports that North American forest cover expanded nearly 10 million acres (4 million hectares) over the last decade	Low risk
5. Wood from forests in which genetically modified trees are planted 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:	 a) There is no commercial use of genetically modified trees of the species being sourced b) Licenses are required for commercial use of genetically modified trees and there are no licences for commercial use of the species being sourced; c) It is forbidden to use genetically modified trees commercially in the country concerned 	Ralph Scorza, Ph.D. USDA-ARS Appalachian Fruit Research Station 2217 Wiltshire Road Kearneysville, WV 25430 tel. (304) 725-3451 ext 322 E-mail on August 4 th 2008.	There is no use of genetically modified trees taking place in the USA and a license would be required.	Low risk

Changes from the previous version

June 2013: updated the links. August 2013: Ecoregions were added. September 2014: updated the links. September 2016: updated the links. August 2017: updated the information. Remove USA. September 2017. Adding NA0602 and NA0410 to Qc, adding USA May 2018. Adding NA0605 to Qc, updated the links.