

Risk Assessment for FSC Controlled Wood FSC STD -40-005 (v3-1)

Company :	Norske Skog Golbey
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Forest certification schemes :	SAI – COC – 002875
Date of risk Assesment :	December-2017
Date of approval by SIA :	
Country :	GERMANY
District :	Every german districts
Product :	Softwood Chips
Species :	Picea Albies – Pseudotsuga menziesii - Pinus
Certification Body :	SAI Global
Adress :	29, rue du Pont - 92200 Neuilly-sur-Seine
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PREAMBLE – NSG Organization

NS Golbey mill is part of Norske Skog Group, which is among the world leader in the publication paper industry (newsprint and magazine). The production capacity of Golbey mill is 600 000 tons of newsprint per year. Part of the raw material, wood, comes from re-use of forest by-products: sawmill chips and logs from thinning.

1. Corporate Social Responsibility :

Norske Skog has integrated the Corporate Social Responsibility in its strategy through 10 commitments each applied in concrete actions:

The workplace:

People are central to our performance. We thus focus on labor relations, working environment, health and safety and skills development.

The Environment:

We concentrate our efforts on reducing our carbon footprint and supporting the sustainable management of raw materials.

The Marketplace:

Our aim is to improve the overall performance of our site, especially by keeping our costs under control, so as to ensure the business is profitable and sustainable.

The Community:

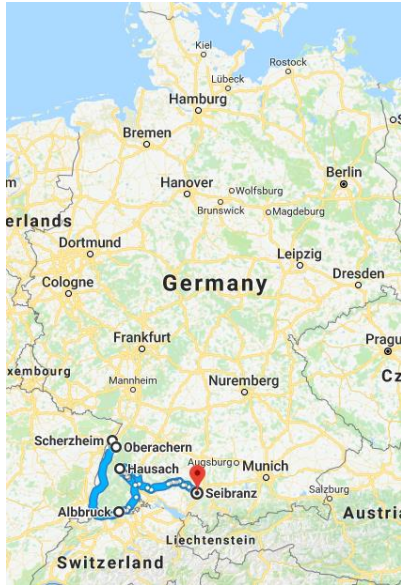
We work to strengthen our influence in local economy and social life and to promote our approach with all our stakeholders, and more particularly our customers and suppliers.

2. Quality Management :

NSG is certified in the following fields :

Environment:	ISO 14001
Organization:	ISO 9001
Energy management:	ISO 50001.

3. Wood supply:



The chips delivered to NS Golbey come from the French east regions as well as Germany (Black Forest).

From January 2017 to November 2017,

- 10% of the chips delivered come from German suppliers.
- 100 % of the chips delivered from German suppliers have a wood control network checked by independent organisms.

Our wood purchases are subject to the approval of NSG Environmental Policy and the signature of EUTR declaration.

SUMMARY OF RISK FOR THE DISTRICT

1. Illegally harvested wood	Low Risk
2. Wood harvested in violation of traditional and civil rights	Low Risk
3. Wood harvested in forests where high conservation values are threatened by management activities	Low Risk
4. Wood harvested in forests being converted to plantation or non-forest use	Low Risk
5. Wood from forests in which genetically modified trees are planted	Low Risk

Main Source : FSC Controlled Wood Risk Assessment for Germany Assigned code : FSC-CWRA-007-DEU (V3-1)

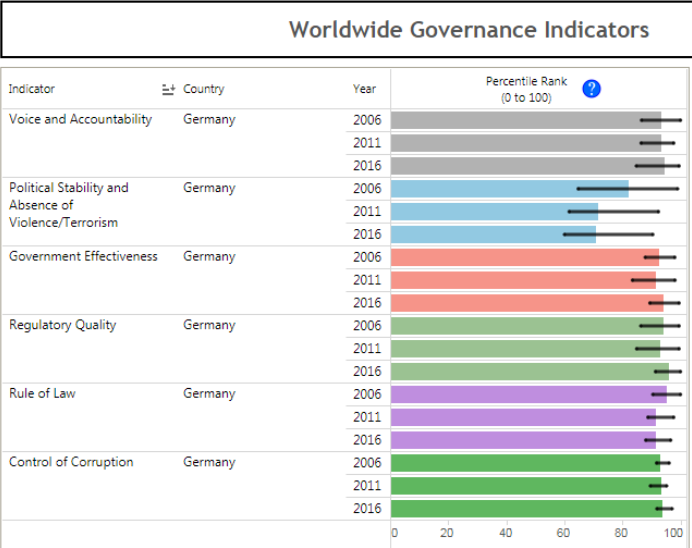
1. Illegally harvested wood

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 district

<p>1.1 Justification</p>	 <p>According to <i>Global Forestry.org</i>, Germany is considered as being low risk for the illegal logging aspects. (Legend :green = Low Risk) <i>Global Witness.org</i> do not mention any problem about illegal exploitation in Germany.</p>
<p>1.1 Source</p>	<p>http://www.globalforestry.org/map - Category : Legality https://www.globalwitness.org/fr/</p>
<p>1.1 Risk</p>	<p>Low risk</p>

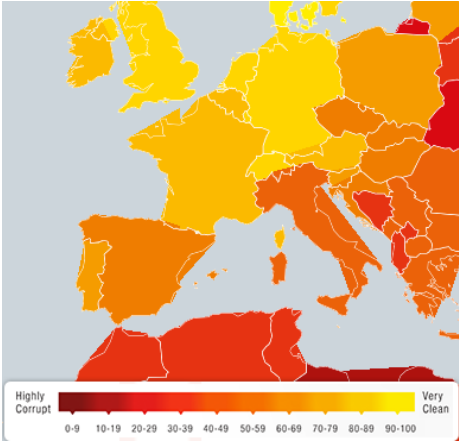
1.2 There is evidence in the district demonstrating the legality of harvests and wood purchases that includes robust and effective system for granting licenses and harvest permits.

<p>1.2 Justification</p>	<p>As described, in <i>FSC Controlled Wood Risk Assessment for Germany, FSC-CWRA-007-DEU (V3-1)</i>, Germany enjoy well established forest legislation across all the federal states. The legislation is applied reliably with respect to the legality of forest wood harvesting measures. The legality of wood harvesting measures is provided for by the legislation and is implemented at the administrative level.</p> <div data-bbox="436 512 1126 1061" data-label="Figure">  <table border="1"> <caption>Worldwide Governance Indicators - Germany (2006-2016)</caption> <thead> <tr> <th>Indicator</th> <th>Year</th> <th>Percentile Rank (0 to 100)</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Voice and Accountability</td> <td>2006</td> <td>~95</td> </tr> <tr> <td>2011</td> <td>~95</td> </tr> <tr> <td>2016</td> <td>~95</td> </tr> <tr> <td rowspan="3">Political Stability and Absence of Violence/Terrorism</td> <td>2006</td> <td>~85</td> </tr> <tr> <td>2011</td> <td>~85</td> </tr> <tr> <td>2016</td> <td>~85</td> </tr> <tr> <td rowspan="3">Government Effectiveness</td> <td>2006</td> <td>~90</td> </tr> <tr> <td>2011</td> <td>~90</td> </tr> <tr> <td>2016</td> <td>~90</td> </tr> <tr> <td rowspan="3">Regulatory Quality</td> <td>2006</td> <td>~90</td> </tr> <tr> <td>2011</td> <td>~90</td> </tr> <tr> <td>2016</td> <td>~90</td> </tr> <tr> <td rowspan="3">Rule of Law</td> <td>2006</td> <td>~90</td> </tr> <tr> <td>2011</td> <td>~90</td> </tr> <tr> <td>2016</td> <td>~90</td> </tr> <tr> <td rowspan="3">Control of Corruption</td> <td>2006</td> <td>~90</td> </tr> <tr> <td>2011</td> <td>~90</td> </tr> <tr> <td>2016</td> <td>~90</td> </tr> </tbody> </table> <p>Source: Kaufmann D., A. Kraay, and M. Mastruzzi (2010), The Worldwide Governance Indicators: Methodology and Analytical Issues</p> <p>According to the <i>World Bank Governance Index 2015</i>, Germany has a high governance score of 1.78 in relation to “Rule of Law” (ranges from approximately -2.5 (weak) to 2.5 (strong) governance performance).</p> </div>	Indicator	Year	Percentile Rank (0 to 100)	Voice and Accountability	2006	~95	2011	~95	2016	~95	Political Stability and Absence of Violence/Terrorism	2006	~85	2011	~85	2016	~85	Government Effectiveness	2006	~90	2011	~90	2016	~90	Regulatory Quality	2006	~90	2011	~90	2016	~90	Rule of Law	2006	~90	2011	~90	2016	~90	Control of Corruption	2006	~90	2011	~90	2016	~90
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<p>1.2 Source</p>	<p>https://ic.fsc.org/en/our-impact/program-areas/controlled-wood-01/controlled-wood-risk-assessments/fsc-risk-assessment-database http://info.worldbank.org/governance/wgi/index.aspx#home</p>																																													
<p>1.2 Risk</p>	<p>Low risk</p>																																													

1.3 There is little or no evidence or reporting of illegal harvesting in the district of origin

1.3 Justification	There are no reports or information about significant levels of illegal harvesting in Germany None of the varieties purchased are in the list of endangered species according to <i>CITES</i> .
1.3 Source	http://www.illegal-logging.info/regions/Germany https://ic.fsc.org/en/our-impact/timber-legality/eu-timber-regulation-01 https://www.speciesplus.net/about
1.3 Risk	Low risk

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

1.4 Justification	 <p data-bbox="1227 852 1948 917">According to <i>Transparency.org</i>, the Corruption Perceptions Index 2016 for Germany is 81.</p>
1.4 Source	http://www.transparency.org/cpi2016 http://info.worldbank.org/governance/wqi/index.aspx#reports
1.4 Risk	Low risk

2 Wood harvest in violation of traditional or civil rights

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.

2.1 There is no UN Security Council ban on timber exports from the country concerned

2.1 Justification	According to <i>FSC Germany</i> , no UN embargo toward Germany as far as wood exports are concerned.
2.1 Source	https://www.globalwitness.org/fr/ https://ic.fsc.org/en/our-impact/program-areas/controlled-wood-01/controlled-wood-risk-assessments/fsc-risk-assessment-database
2.1 Risk	Low risk


2.2 The country or district is not designated a source of conflict timber (e.g. USAID Type 1 conflict timber)

2.2 Justification	According to <i>FSC Germany</i> , Germany is not designated a source of conflict timber.
2.2 Source	https://www.usaid.gov/gsearch/type1%20conflict%20timber https://ic.fsc.org/en/our-impact/program-areas/controlled-wood-01/controlled-wood-risk-assessments/fsc-risk-assessment-database
2.2 Risk	Low risk

2.3 There is no evidence of child labor or violation of ILO Fundamental Principles and Rights at work taking place in forest areas in the district concerned

2.3 Justification	According to <i>FSC Germany</i> , there is no evidence of child labor or violation of ILO labor rights in Germany.
2.3 Source	http://www.ilo.org/ipecc/Regionsandcountries/europe-and-central-asia/lang--en/index.htm https://ic.fsc.org/en/our-impact/program-areas/controlled-wood-01/controlled-wood-risk-assessments/fsc-risk-assessment-database
2.3 Risk	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 district concerned

<p>2.4 Justification</p>	 <p><i>Global Forestry.org</i> consider Germany as being low risk for the Traditional and Civil Rights aspects (<i>Legend : green = Low risk</i>)</p> <p>According to the <i>World Bank Governance Index 2015</i>, Germany has a high governance score of 1.78 in relation to “Rule of Law” (ranges from approximately -2.5 (weak) to 2.5 (strong) governance performance).</p>
<p>2.4 Source</p>	<p>http://www.globalforestregistry.org/map - Category : T&C Rights https://www.globalwitness.org/fr/ http://info.worldbank.org/governance/wgi/index.aspx#reports</p>
<p>2.4 Risk</p>	<p>Low risk</p>

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 district concerned

2.5 Justification	There are no tribal and indigenous people in the district as defined by the United Nations. According to <i>FSC Germany</i> , there is no evidence that challenges the low risk designation.
2.5 Source	http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C169 https://ic.fsc.org/en/our-impact/program-areas/controlled-wood-01/controlled-wood-risk-assessments/fsc-risk-assessment-database
2.5 Risk	Low risk

3 Wood harvested from forest in which high conservation values are threatened by management activities

The district of origin 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 district of origin by non-compliance with 3.1.

3.1 Forest management activities in the relevant level (eco-region, subeco-region, local) do not threaten eco-regionally significant high conservation values.

3.1 Justification



Global Forestry.org consider Germany as being low risk for the High Conservation Value aspects (*Legend : green = Low risk*)

From the perspective of *FSC Germany*, in spite of (these) comprehensive legal norms and (the) existing means of state control, one cannot rule out breaches of these laws and regulations by forest enterprises. Many of these violations are penalised by the responsible authorities, however. The national report prepared for Germany under art. 17 of the Habitats Directive from the year 2007 outlining the results of an appraisal of the ecological conservation statuses of the habitat types in the special areas of conservation (SACs) throughout Germany found these to be unfavourable in parts of the country (especially in the Atlantic and continental regions). By the time of the next appraisal carried out under art. 17 of the Habitats Directive in 2012, and the subsequent publication of the corresponding report, the development and implementation of protected area ordinances and management planning should have improved considerably.

Given the legal framework in place in Germany, and in spite of the numerous instances of an unfavourable rating of the ecological

	<p>status of SACs, it is not currently expected that breaches of protection regulations will lead to a large-scale threat to the conservation aims and the protected objects within SACs as a consequence of forest management. Nor is it believed that these forests are extensively and substantially endangered by forestry.</p> <p>The specifications of the CW Standard also require an assessment of the possible impacts upon ‘protection categories’ of global importance. These, according to the FSC, include biodiversity hotspots and the WWF’s Global 200 Ecoregions. These are evaluated in the following.</p> <p>In Germany, parts of a Global 200 Ecoregion are found only in the southern German Alp region. The ‘European-Mediterranean Montane Mixed Forests Region’ (partial region of the Global 200 Ecoregions in the German northern Alp region) spans the Alp countries and includes the southernmost part of Germany (Alp region). This region was designated a part of the ecoregion on the basis of the diversity of its coniferous and mixed forests (temperate coniferous forests habitat type). Many species are endangered as a consequence of the long tradition of use and the high degree of human activity.</p> <p>The part of the ecoregion situated in Germany encompasses the southern Bavarian Alps and the Alp foothills, covering a total expanse of approximately 15 000-20 000 square kilometres, large parts of which are not forest. In this region of Germany the following large-scale protected areas in particular represent the habitat type:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Berchtesgaden National Park and Biosphere Reserve (20 805 ha), <input type="checkbox"/> the Ammergebirge (18 496 ha) <input type="checkbox"/> the Karwendel and Karwendel foothills (19 000 ha) <p>Consequently, a total of almost 600 square kilometres are protected under the nature conservation laws. Added to this are smaller nature and landscape conservation areas, information about which can be found at the following website www.bayern.de/lfu/natur/flaechenschutz/index.html.</p> <p>Through this designation of extensive protected areas in the German forests of the ecoregion, within which forestry operations are subordinate to the conservation aims of the sites, a safeguard against substantial threats to the areas in question as a result of forestry operations is in place. Furthermore, a considerable proportion of the forest area falls under the category protection forest (avalanche protection forest), and so underlies a further protection designation under which, for example, clear felling is only possible in exceptional cases and is subject to official approval.³</p> <p>The CW Standard also requires an assessment of whether further forest forms with a particular conservation value (STD40 005; Anh. 2B; 3.1) exist. This is not the case in Germany. According to the definition proposed by Conservation International, there are no ‘global hotspots’ of biodiversity in Germany, and there are no large continuous areas of forest classed wilderness by Conservation International. Moreover, in Germany there are neither intact forest landscapes, as defined by Greenpeace, nor areas declared frontier forest by the World Resources Institute.</p>
3.1 Source	<p>http://www.globalforestregistry.org/map https://ic.fsc.org/en/our-impact/program-areas/controlled-wood-01/controlled-wood-risk-assessments/fsc-risk-assessment-database</p>
3.1 Risk	Low risk

3.2A strong system of protection (effective protected areas and legislation) is in place that ensures survival of the HCVs in the ecoregion

3.2 Justification	<p>From the perspective of <i>FSC Germany</i>, forest management in Germany is in need of considerable improvement. Requiring particular attention in this respect are forests of high conservation value. The German forest area currently accounts for 30 % of the total national territory. Approximately 20 % of the German forest area is currently designated protected area under the European Union's Habitats Directive. The specific protection of these areas derives from various legal regulations (national and state nature conservation laws, state forest laws, Habitats Directive, etc.).</p> <p>Definitive management specifications intended to safeguard protected resources in the individual forests stem directly from these laws, or from binding regulations that derive from them, such as, for example, protected area ordinances and habitat management plans.</p> <p>Breaches of these laws and regulations represent acts that may be pursued and punished by the German state. A legal framework surrounding the use of forests of high conservation value is in effect, therefore, and applies to all forest owners equally.</p> <p>Also important in this context, however, is the fact that the pressure on the use of the resource wood is continuously growing throughout Germany at the present time. It may be assumed that this growing pressure on the resource will result in an increase in the potential threat of endangerment posed to forests of especially high conservation value in Germany by forestry. The FSC certification to safeguard biodiversity in German forests is, therefore, a central strategic goal of FSC Germany.</p>
3.2 Source	<p>https://ic.fsc.org/en/our-impact/program-areas/controlled-wood-01/controlled-wood-risk-assessments/fsc-risk-assessment-database</p> <p>http://www.geodienste.bfn.de/schutzgebiete/#?centerX=3786876.500?centerY=5669060.000?scale=5000000?layers=515</p>
3.2 Risk	Low risk

4 Wood harvested from areas being converted from forests and other wooded ecosystems to plantation 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 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.

4.1 Justification	<p>TABLE 3 (continued) Trends in extent of forest 1990–2010</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="3">Country/area</th> <th colspan="4">Forest area (1 000 ha)</th> <th colspan="6">Annual change rate</th> </tr> <tr> <th rowspan="2">1990</th> <th rowspan="2">2000</th> <th rowspan="2">2005</th> <th rowspan="2">2010</th> <th colspan="2">1990–2000</th> <th colspan="2">2000–2005</th> <th colspan="2">2005–2010</th> </tr> <tr> <th>1 000 ha/yr</th> <th>%*</th> <th>1 000 ha/yr</th> <th>%*</th> <th>1 000 ha/yr</th> <th>%*</th> </tr> </thead> <tbody> <tr> <td>Germany</td> <td>10 741</td> <td>11 076</td> <td>11 076</td> <td>11 076</td> <td>34</td> <td>0.31</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>											Country/area	Forest area (1 000 ha)				Annual change rate						1990	2000	2005	2010	1990–2000		2000–2005		2005–2010		1 000 ha/yr	%*	1 000 ha/yr	%*	1 000 ha/yr	%*	Germany	10 741	11 076	11 076	11 076	34	0.31	0	0	0	0
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<p>According to the <i>FAO</i>, the annual rate of change for the German forest is 0% per year between 2005 and 2010.</p> <p>According to <i>FSC Germany</i>, true 'natural forests' are not widespread in Germany. The applicable sites are generally located within protected areas (national parks, core zones of biosphere reserves, nature conservation areas, etc.). The conversion of natural forests to plantations or other non-forest uses can be disregarded in Germany.</p> <p>Where a conversion of forest occurs in Germany, for example, for infrastructural measures or other uses subject to permits granted under planning law, compensation areas must as a rule be established, or compensation payments made. According to the results of the national forest inventory, approximately 1 % of the German forest area (around 82 000 ha) was converted between the years 1988 and 2002. There was no impact on primary forest, however. There is, therefore, no 'large scale' conversion of forest to other land uses.</p> <p>According to the national forest inventory, the national forest area actually increased slightly during the observation period 1987 to 2002</p>																																																	
4.1 Source	<p>http://www.fao.org/docrep/013/i1757e/i1757e.pdf https://ic.fsc.org/en/our-impact/program-areas/controlled-wood-01/controlled-wood-risk-assessments/fsc-risk-assessment-database</p>																																																
4.1 Risk	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 concerned taking place in the country or district concerned
- b. Licenses are required for commercial use of genetically modified trees and there are no licenses for commercial use
- c. It is forbidden to use genetically modified trees commercially in the country concerned

5. Justification	According to <i>FSC Germany</i> , there is no commercial use of genetically modified trees in Germany. The utilization of genetically modified plants is prohibited without the appropriate official permits. The trials that have taken place in Germany to date are the result purely of fundamental scientific motivations (e.g., risk assessments), and have not been conducted for commercial reasons. FSC is not aware of any intentions to employ genetically modified trees in forestry
5. Source	https://ic.fsc.org/en/our-impact/program-areas/controlled-wood-01/controlled-wood-risk-assessments/fsc-risk-assessment-database
5. Risk	Low risk