GROUPE CRÊTE COMPANY RISK ASSESSMENT PUBLIC REPORT

COUNTRY OF ORIGIN: EASTERN CANADA : ONTARIO (east and southern parts)

Certificate holder:	***Groupe Crête inc.***
Date of risk assessment:	**Revised February 2019**
Certificate holder address:	1617 route 117, Saint-Faustin-Lac-Carré, QC, J0T 1J2

Regions covered with this risk assessment:	**Parts of Eastern Great Lakes lowland forests (NA0407) (as specified in risk assessments provided to auditor)** **Parts of Eastern forest-boreal transition (NA0406) (as specified in risk assessments provided to auditor)**

Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designation
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	http://checklist.cites.org/#/en www.illegal-logging.info www.eia-international.org http://www.globalforestwatch.org/map/7/46.83/-75.22	Canada has a consistent and efficient legal framework to control forest management and tree harvesting, also covering illegal logging in public forests. Illegal logging can occur in rare and marginal, circumstances. The situation is not as clear in private forests where the regulation is less developed. Cutting permits are however required (Quebec) in order to be able to sell the wood. No Canadian commercial tree species are listed in CITESAppendices I-III Numerical data is available for 2002/03 on the four provinces (BC, AB, ON, QC) that together comprise about 80% of Canada`s total annual harvest volume of 193.7 million m^3. Jurisdiction / No. of checks / No. not in compliance ON / 9311 / 768 Percentage compliance rates are 92% in Ontario	**Low risk**
	1.2 There is evidence in the district demonstrating the legality of harvests and wood purchases that includes robust and effective systems for granting licenses and harvest permits.	Quebec : Licences and cut permits form boards Ontario : Forest monitoring program: https://www.ontario.ca/rural-and-north/forest-monitoring	Permits and cutting rights are common practice in public forests. Monitoring is done to ensure permits requirements are followed. There is no large-scale harvesting taking place in the region north of the commercial forest tenure zone. The forests south of the commercial forest tenure zone are largely privately owned.	
	1.3 There is little or no evidence or reporting of illegal harvesting in the district of origin.	Communication with the Wood Marketing Board (Syndicat des propriétaires forestiers du sud ouest du Quebec.	There is no evidence that large scale illegal wood harvesting occurs in North America public forests, in particular in Ontario.	

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	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.	Transparency International maintains regularly updated information on perceptions of corruption at the national level https://www.transparency.org/news/feature/corruption_perceptions_index_2016	There is no evidence of large scale corruption in Canada in relation to issuing harvesting permits and other related areas of law enforcement related to harvesting and wood trade. In the 2016 Corruption Perceptions Index, Canada rates 9th and USA 18th out of 176 countries surveyed.	
2. Wood harvested 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;	https://www.globalwitness.org/fr/campaigns/forests/	There is no UN ban on any North American wood products, including Ontario.	**Low risk**
	2.2 The country or district is not designated a source of conflict timber (e.g. USAID Type 1 conflict timber)	source: FSC Canada Controlled Wood Information Matrix (page 16)	Canada is not identified as controversial wood producer countries because of conflicts.	
	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	US Department of State – Report on Human Rights Practices: http://www.state.gov/g/drl/rls/hrrpt/2005/61719.htm	There is no evidence for North America. Labor and forestry work laws do regulate clearly child labor. "Evidence of no evidence" is difficult to obtain. However, where there is evidence that Controlled Wood is being sourced from areas that fail to meet the requirements of Annex 3 notice should be provided to certificate holders in accordance with the complaints procedures in Section 14 of FSC-STD-40-005.	

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	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	For a summary of historic land claims processes see http://www.ainc-inac.gc.ca/pr/trts/hti/site/maindex_e.html **Ontario State of the Forest Report 2006** https://www.ontario.ca/document/state-ontarios-forests For information about recent self-government and land claims agreements see http://www.aadnc-aandc.gc.ca/eng/1100100016293/1100100016294 **Ministry of Natural Resources Quebec, Political consultation on the guidelines of Quebec in terms of management and enhancement of forest.** https://mffp.gouv.qc.ca/forets/gestion/strategie-amenagement.jsp Global Forest Watch http://www.globalforestwatch.org/map/7/46.83/-75.22/ALL/grayscale/none/624,612,592,618,581,582,607,670,599,602?tab=analysis-tab&dont_analyze=true	Governmental mechanisms are in place in Canada to manage conflicts between local communities, First Nations and the use of natural resources, including forestry. In Canada, there are 12 historic treaties signed between 1850 and 1923. **The 2006 State of the Forest Report (Ontario) provides information on three indicators used to measure Ontario's progress towards Respecting Aboriginal Rights and Supporting Aboriginal Participation in Sustainable Forest Management Activities. The report also includes information on two indicators used to assess Ontario's efforts at Maintaining Fair and Effective Public Participation in Sustainable Forest Management Decision making. There exists land claims from Grassy Narrows Community in North Western Ontario (www.freegrassy.com) and Six First Nations in Grand River in Southern West Ontario. No wood is originating from this area.** In the modern-day treaty process there are two main types of agreement (Comprehensive Land Claims and Self Government Agreements), with typically three stages in the negotiation process (Framework Agreement, Agreement in Principle and Final Agreement). On Comprehensive Land Claims in Canada there are currently 9 Framework Agreements, 9 Agreements in Principle and 30 Final Agreements. On Self Government Agreements there are currently 9 Framework Agreements, 16 Agreements in Principle and 24 Final Agreements. The resolution of land use rights in Canada is typically carried out through governmental processes. Information about current and completed processes is at http://www.ainc-inac.gc.ca/pr/trts/hti/site/maindex_e.html	

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	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.	Canadian high court decisions from the past twenty years that pertain to Aboriginal and Treaty Rights. **Indigenous and Northern Affairs Canada** http://www.aadnc-aandc.gc.ca/eng/1100100010002/1100100010021 **Ontario Ministry of Aboriginal Affairs** http://www.aboriginalaffairs.gov.on.ca/english/onas.htm **Quebec, Secretariat aux affaires autochtones** http://www.autochtones.gouv.qc.ca/programmes_et_services/programmes_services_en.htm **Global Forest Watch** http://www.globalforestwatch.org/map/7/46.83/-75.22/ALL/grayscale/none?tab=analysis-tab&dont_analyze=true	There is no evidence that Convention 169 is violated. **The rights of Aboriginal People's have been recognized in the Canadian Constitution. The relationship between Aboriginal People's and the governments of Canada, Ontario and Quebec has and will continue to evolve.**	
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, sub-eco-region, local) do not threaten eco-regionally significant high conservation values. 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 the next column), *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.).	• FSC documentation on HCVs (ic.fsc.org) • Ecoregion definition and information www.worldwildlife.org/biomes • Global 200 Ecoregion www.worldwildlife.org/science/wildfinder • Registre FSC « Global Forest Registry» http://www.globalforestregistry.org/NEW/map/ • Conservation International's Biodiversity Hotspot http://www.conservation.org/Pages/default.aspx • Biodiversity Hotspot map http://www.biodiversitya-z.org/content/biodiversity-hotspots • Conservation Union (IUCN) as a *Centre of Plant Diversity* http://www.biodiversitya-z.org/content/centres-of-plant-diversity-cpd • *Centre of Plant Diversity map* http://www.arcgis.com/home/item.html?id=29673486d08b41a2bea0a3e19d5c573e • High Biodiversity Wilderness Area http://www.biodiversitya-z.org/content/high-biodiversity-wilderness-areas-hbwa • World Resources Institute *Frontier Forest* http://pdf.wri.org/lastfrontierforests.pdf	**Eastern forest-boreal transition (NA0406)** 	**Low risk**

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		• Intact Forests Landscapes, www.intactforests.org http://www.globalforestwatch.org/ • Protected area of Canada http://www.biodiversitya-z.org/content/canada • Federal Species at Risk Act – Woodland Caribou Recovery Strategies (for boreal and southern mountain populations) http://www.sararegistry.gc.ca/document/default_e.cfm?documentID=2253 and http://www.sararegistry.gc.ca/document • Aires protégées au Québec : http://www.mddep.gouv.qc.ca/biodiversite/aires_protegees/aires_quebec.htm + http://www.mrnf.gouv.qc.ca/aires/index.jsp • Protected Areas Ontario : http://www.ec.gc.ca/ap-pa/default.asp?lang=Fr&n=A0FC17AA-1 et http://www.mnr.gov.on.ca/fr/Business/Forests/2ColumnSubPage/STEL02_168562.html	Description of threats In the NA0406 ecoregion, the territory is very fragmented and heavily impacted by human activities since the arrival of Europeans in North America. It is estimated that only 10 percent of the ecoregion remains as intact habitat. Much of the area has been highly fragmented by forestry activities, settlements, summer homes and cottages, ski facilities and agriculture. The timber industry continues to be very active in the ecoregion, particularly in the Canadian portion. There is increased mining potential throughout and tourism is beginning to create significant impacts in parts of the ecoregion. HCVF identified as threatned - WWF ecoregion conservation status is **Vulnerable.** NA0406 **is not part** of WWF's "Global 200 ecoregions" that require special consideration. - NA0406 **have not been identified** as a Conservation International's Biodiversity Hotspot - NA0406 **is not identified** by the World Conservation Union (IUCN) as a Centre of Plant Diversity - NA0406 **is not identified** by Conservation international as a High-Biodiversity Wilderness area. - NA0406 **is not identified** like a frontier forest by the World Resources Institute. - Global Forest Watch (GFW) **has identified the presence of intact forest landscape** within the NA0406 ecoregion. The mainly significant intact forests are located in the northern part of the ecoregions and outside of forest tenures	

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			ensuring that they are not threatened by forest management activities. Goupe Crête's logging activities are far removed (greater than 100km) from any world intact forest landscape, - Combined with the significant protected areas and regulations in place to manage for all forest values, it is reasonable to say that forest management activities do not threaten HCVFs. The risk is therefore low because it is stipulated in standard V3-1 (p.31) "Low risk for this indicator may be originated from any of the mapped areas of HCVs (as listed in 3.1). See: Protected area of Canada, Aires protégées au Québec and Protected Areas Ontario - NA0406 **is not identified** like a caribou woodland habitat. There **are no ecoregionally significant high conservation values** in the district of origin according to independent verifiable information at the ecoregion level. **<u>Eastern Great Lakes lowland forests (NA0407)</u>** 	

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			Description of threats In the NA0407 ecoregions, the territory is highly fragmented, with effectively no connectivity in most areas and little core habitat due to edge effects. Over 95 percent of the habitat in this ecoregion has been lost to suburban development and pollution of the St. Lawrence. Montreal (population greater than 2 million), Ottawa (population greater than 700,000) and Quebec City (population greater than 700,000) are some of the larger urban centres. Widespread farming occurs on much of the rest of the landscape (along with smaller manufacturing centres). Principal crops are corn, grains, soybeans and apple orchards. Much of the remaining habitat consists of wetlands or abandoned farmlands undergoing reforestation. In some locations, recovery of abandoned agricultural land is beginning to occur, but these lands remain unprotected. HCVF identified as threatned WWF ecoregion conservation status is **Critical/Endangered**. NA0407 **is not part** of WWF's "Global 200 ecoregions" that require special consideration. The majority of the ecoregion has been heavily altered by human activity, particularly suburban development and conversion to agriculture. There are some issues with the level of conservation in the ecoregion, but given the current legislative requirements regarding forest management activities (on managed forests) it is very unlikely that forest management activities (i.e., harvesting) contributes great threat to ecoregional HCVs. Management plan ensure that the remaining forests remain as working forests will likely go a long way to helping maintain existing HCVFs (limit or reverse forest conversion). - NA0407 **have not been identified** as a Conservation International's Biodiversity Hotspot - NA0407 **is not identified** by the World Conservation Union (IUCN) as a Centre of Plant	

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			Diversity - NA0407 **is not identified** by Conservation international as a High-Biodiversity Wilderness area. - NA0407 **is not identified** like a frontier forest by the World Resources Institute. - NA0407 **doesn't contain** some significant intact forest identified by the Global Forest Watch. - NA0407 **is not identified** like a caribou woodland habitat. There **are no ecoregionally significant high conservation values** in the district of origin according to independent verifiable information at the ecoregion level.	
	3.2 A strong system of protection (effective protected areas and legislation) is in place that ensures survival of the HCVs in the ecoregion.		Indicator 3.1 is met. There are no ecoregionally significant high conservation values in the district of origin according to independent verifiable information at the ecoregion level. Low risk.	**Low risk**
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 AND no significant rate of loss (> 0.5% per year)8 of natural forests and other naturally wooded ecosystems such as savannahs taking place in the eco-region in question.	The United Nations Food and Agricultural Organization`s 2007 Report on the State of the World`s Forests includes reported information on net changes to forest cover in Canada (pg. 57). The report is available at http://www.fao.org/forestry/site/sofo/en. One recent estimate of total area deforested annually in Canada (from forestry, agriculture, mining, oil & gas, hydroelectric developments, recreation, transportation and urban developments) is in Donald C.E. Robinson, Werner Kurz and Christine Pinkam, Estimating Carbon Losses from Deforestation in Canada, ESSA Technologies Ltd., March 31, 1999, Prepared for the National Climate	Extent and change of forest area in Canada is reported as unchanged between 1990 and 2005. Total annual deforestation in Canada is estimated as ranging between 54,600 and 80,500 hectares annually. Based on a total national forest area of 418 million hectares, this amounts to an annual deforestation rate as high as 0.019%, or 1/25th of the international threshold. Deforestation rates in Canada are not broken down by ecoregion. It is not known if the deforestation rates in any ecoregion might potentially be more than 25 times higher than the average national rate; if so it would be restricted to ecoregions in highly urbanized areas. In Ontario, forest areas harvested on Crown land are	**Low risk**

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		Change Secretariat, Forest Sector and Sinks Tables, Table 5.1. FAO GOFC-GOLD Global Observation of Forest and Land Cover Dynamics FAO Global Forest Resources Assessment Conservation International Regional Analysis National data sources FSC National Initiatives and Regional Offices contacts www.fsc.org Global Forest watch http://www.globalforestwatch.org/map/7/46.83/-75.22/ALL/grayscale/none?tab=analysis-tab&dont_analyze=true	monitored by the government to ensure the regeneration is adequate and that areas remain forest lands. In private forests, monitoring is systematic through field inspections by the Syndicats et Producteurs de Bois du Sud Ouest du Québec, (Wood Market Forestry Boards). Should any conversion occur, the sawmill will be advised that a specific load of wood will not be controlled. Private Forest Agencies are also monitoring the reforestation and are promoting planting when regeneration is inadequate. These Agencies have regional targets to maintain private forest areas. FAO 2005 data : forest cover has not changed in Canada between 1990 and 2005. FAO , Forest Resource Assessment 2005. Total annual deforestation in Canada is estimated as ranging between 54,600 and 80,500 hectares annually. Based on a total national forest area of 418 million hectares, this amounts to an annual deforestation rate as high as 0.019%, or 1/25th of the international threshold. Deforestation rates in Canada are not broken down by ecoregion. It is not known if the deforestation rates in any ecoregion might potentially be more than 25 times higher than the average national rate; if so it would be restricted to ecoregions in highly urbanized areas.	
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	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	FAO, 2004. Preliminary review of biotechnology in forestry, including genetic modification. Forest Genetic Resources Working Paper FGR/59E. Forest Resources Development Service, Forest	There are no genetically modified trees planted on commercial scale in Eastern Canada.	**Low risk**

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modified trees when one of the following indicators is complied with:	c) It is forbidden to use genetically modified trees commercially in the country concerned	Resources Division, Rome, Italy. Available online: http://www.fao.org/docrep/008/ae574e/AE574E00.HTM Confined field trials of Plants with Novel Traits are listed by the Canadian Food Inspection Agency at http://www.inspection.gc.ca/plants/plants-with-novel-traits/approved-under-review/field-trials/eng/1313872595333/1313873672306		

Most of the information in this risk assessment report was provided by the FSC Global Risk Registry (http://globalforestrisk.nepcon.net/)