

## **2011 North American Veneer Controlled Wood Risk Assessment**

North American Veneer conducted a through evaluation of its non-FSC certified log sources based on the following categories:

- 1. Wood harvested from forest areas where traditional or civil rights have been violated**
- 2. Wood harvested from forest areas having high conservation values which are threatened**
- 3. Wood harvested from genetically modified (GM) trees**
- 4. Illegally harvested wood**
- 5. Wood Harvested from Areas being converted from Forests and other Wooded Eco-Systems to Plantations and Non-Forest Use**

No new sources will be added without a risk assessment or verifiable documentation that lumber originates from a low risk area as defined herein.

### **Controlled Wood Area Sources and Discussion**

North American Veneer log supply, comes from the following areas in the United States. North American Veneer will update this list annually and conduct additional Controlled Wood Risk Assessments when geographic areas are added.

#### **Company Sources of Controlled Wood**

<b>States, areas</b>	<b>Part</b>	<b>Counties</b>
New York	all	<b>all</b>
Pennsylvania	all	<b>all</b>
Ohio	all	<b>All</b>
Michigan	All	<b>All</b>
Virginia	All	<b>All</b>
Missouri	All	<b>All</b>
North Carolina	All	<b>All</b>
West Virginia	All	<b>All</b>
Maryland	All	<b>All</b>
Kentucky	All	<b>All</b>
Indiana	All	<b>All</b>
Tennessee	All	<b>All</b>

**I. Wood harvested from forest areas where traditional or civil rights are violated.**

FSC defines this as :

- Areas with UN Security Council Bans on timber export
- Conflicts of substantial magnitude related to long term land tenure and rights to forest resources which involve indigenous people.
- Conflicts of substantial magnitude related to long term land tenure and rights to forest resources are taking place in the forest area and which involve a significant number of interests.
- Country/district is a conflict timber area (e.g. USAID Type 1 conflict timber.)

RISK FACTOR: LOW IN ALL AREAS

The FSC US in its Draft Guidance on Controlled Wood Sources has concluded that:

“Within the U.S. there is no UN Security Council ban on timber exports, the areas are not designated as a source of conflict timber, child labor does not occur systematically, and ILO Fundamental Principles and rights at work are generally respected. In addition, the U.S. has 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 U.S., Native Americans with a land base are recognized as Sovereign Nations and accorded rights to manage their land and affairs. In addition, Native Americans have an equitable process to resolve conflicts over land management. Through the U.S. court system, many Native American tribes have challenged, won decisions, and resolved issues concerning land management and use rights. There are many examples within the U.S. where tribes have successfully been able to exercise treaty rights through formal and informal conflict resolutions systems.”

*References: Regional FSC standards consulted for definitions of traditional, civil, and labor rights  
Legal framework of relevant area consulted for formal controls on violations of this principle.  
[www.un.org](http://www.un.org) Security Council bans, Conflict Timber areas, and Child Labor violations*

**II. Wood harvested from non-FSC forest areas having high conservation values which are threatened**

RISK FACTOR: LOW IN ALL AREAS

Source areas for logs procured by North American Veneer do not contain a significant amount of lands included in areas of concern in WWF Global 200 Ecoregion maps. Each of these Global 200 ecoregions in the log supply area is classified as “Stable/Intact. Currently, public forest regulatory programs and public and privately held protected areas are adequate to safeguard conservation values within these ecosystems. No source areas are considered to be a “Biodiversity Hotspot” by Conservation International. No other sources are contained in ecoregions identified above.

No source areas within the United States and in particular the supply area for North American Veneer are considered “large intact forest landscape” or frontier forest by Global Forest Watch.

*References: [www.conservation.org](http://www.conservation.org) (Conservation International) global hotspots and high biodiversity areas  
[www.panda.org](http://www.panda.org) (World Wildlife Foundation) locations of Global 200 Ecoregions  
[www.iucn.org](http://www.iucn.org) (The World Conservation Union) Center for Plant diversity- priority areas  
[www.globalforestwatch.org](http://www.globalforestwatch.org) and [www.globalforestwatch.ca](http://www.globalforestwatch.ca) frontier forests and locations of other large intact forest landscapes*

### **III. Wood harvested from Genetically Modified (GM) trees**

RISK FACTOR: LOW IN ALL AREAS

GM trees are not present in any of the relevant source states and provinces. The UN has not identified any current commercial use of GM trees in North America

*Reference: <http://www.i-sis.org.uk/UNCRGETT.php>*

### **IV. Illegally harvested wood**

RISK FACTOR: LOW IN ALL AREAS

There have been international assessments of illegal logging from the World Wildlife Fund (WWF), Seneca Creek Associates, and Wood Resources International. These organizations have identified the areas where they have evidence of systematic illegal logging. These areas do not include the U.S. or Canada. In addition, the U.S. scores high in measures of good governance such as offered by Transparency International and the World Bank.

*References: [www.panda.org](http://www.panda.org) (WWF) and  
[www.worldbank.org/wbi/governance/data](http://www.worldbank.org/wbi/governance/data) (World Bank)  
[www.transparency.org](http://www.transparency.org)(Transparency International)*

## V. Natural Forest Converted to Plantation or Non-Forest Use

### RISK FACTOR: LOW IN ALL AREAS

While there are certainly areas within the supply area that are at risk for conversion to non-forest use due to housing and similar development pressures, none of the U.S. supply area is considered high risk according to the FSC guidelines for determining risk, which defines high risk areas as having > .5% rate of loss per year at the ecoregional level. U S Forest Service Regional Forest Inventory Assessment data were searched to confirm that the .5% rate of loss threshold is not met in U.S. ecoregions.

*References:* The standard defines high risk areas as having > .5% rate of loss per year at the ecoregional level (see WWF ecoregions at [www.panda.org](http://www.panda.org) )  
“Forests on the Edge”, a USFS publication ([www.fs.fed.us/projects/fote/reports/fote-6-9-05.pdf](http://www.fs.fed.us/projects/fote/reports/fote-6-9-05.pdf)), was consulted for housing density and growth projections in relevant areas – as an indicator of actual or potential forest loss to non-forest use.

In addition, the recent study by Seneca Creek Associates, “Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports” prepared for the American Hardwood export Council in 2008 concluded that .”Hardwood produced from anywhere in the hardwood states could be considered (as) **Low Risk for all five categories of the (FSC) standard**”

In addition, the report states that...” there exists a Low Risk that US Hardwoods are produced from controversial sources as defined in the Chain of Custody standard of PEFC..”

“Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports” prepared for the American Hardwood export Council by Seneca Creek Associates, 2008