

6th July 2018

Public notification letter

To: Interested parties

From: Global-Mark Pty Ltd

Subject: Evaluation of the 'organisation' to *FSC-STD-40-005 V3-1 Requirements for Sourcing FSC Controlled Wood*

'Organisation': Reliance Forest Fibre Pty Ltd, trading as Smartfibre

Outline: As part of the evaluation to *FSC-STD-40-005 V3-1 Requirements for Sourcing FSC Controlled Wood*, Global-Mark seeks stakeholder participation. Please supply your comments by email to the contact listed below.

Details: The organisation named above seeks Forest Stewardship Council [FSC] Chain of Custody [CoC] with Controlled Wood [CW] certification for their mill operations.

Assessment will be against *FSC-STD-40-005 V3-1*. A copy of the standard is available from:

<https://ic.fsc.org/en/certification/requirements-guidance/normative-framework/standards>

The audit will take place at the organisation's office and mill in Bell Bay with field verification audits of a sample of Supply Units of the supply area in the week ending Friday 31st August 2018.

The organisation is required to maintain a risk mitigation process, which must include stakeholder consultation and possible field verifications as control measures in relation to High Conservation Values related to the supply area.



Global-Mark will conduct an independent audit to assess conformity of the company's risk assessment and verification program for wood sources supplied without a FSC claim, and to verify that stakeholder consultation has been undertaken. This may occur before, during and after the field assessment, and prior to our completion of the audit report.

Access to information that is to be publically available will be available from <https://au.fsc.org> Fundamental to this will be the organisation's Due Diligence System [DDS] summarised with other documents [risk assessment, public summary etc.] for stakeholders, available upon request.

This will include description of supply areas, risk designation and assessment, and the procedure for filing complaints. It is also available at: <http://www.global-mark.com.au/en-au/news.aspx>

We wish to inform all stakeholders that:

- Should you provide comments then we ask that you consent for their publication.
- However, we do provide you with the opportunity to comment in confidence.
- All comments provided will be evaluated objectively and meaningfully.
- We will respond with explanation within 30 days of the certification decision.

For more information: Should you require more information about FSC then please go to: www.fsc.org

Global-Mark Pty Ltd is accredited as a certification body to conduct FSC chain of custody certification. It is based in Sydney, Australia and its website is www.global-mark.com.au

Contact details:

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We thank you for your involvement.

With kind regards.



Trading as Smartfibre

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5 July 2018

Dear Stakeholder

Re: Reliance Forest Fibre chain of custody and controlled wood certification – ensuring high conservation values are not threatened by management activities

Background

Reliance Forest Fibre is a woodchip processing and export facility based adjacent to the Bell Bay port on the eastern bank of the Tamar River, approximately 45 km north of Launceston. RFF is independently certified to the chain of custody and controlled wood standards by Global-mark (<http://www.global-mark.com.au>) and is now transitioning to version 3 of the controlled wood standard. The standard can be found here <https://au.fsc.org/en-au/standards/controlled-wood>

To qualify as controlled wood, material must be verified as avoiding the five categories of unacceptable sources, namely:

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

In Australia, the national risk assessment concluded that category 3 could not be established as 'low risk', as high conservation values exist in all bioregions of Australia. Where low risk cannot be established, it is a mandatory requirement under version 3 to undertake stakeholder consultation as a control measure. Stakeholder consultation is used to confirm that high conservation values are identified and there is a strong system of control to protect identified values.

There is a published risk assessment developed for Australia which is available from the website www.info.fsc.org.

High Conservation Values (HCVS) are defined as:

HCV1. Forest areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia).

HCV2. Forest areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance.

HCV3. Forest areas that are in or contain rare, threatened or endangered ecosystems.

HCV4. Forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).

HCV5. Forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).

HCV6. Forest areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities).

RFF source controlled material from several suppliers, including AKS, RMS, Highland Forest Products, RFF, SFM Environmental Solutions, and other small one off mill door private property suppliers. Wood is sourced from all bioregions of Tasmania. The management activity is harvesting plantation species for the period December 2017-December 2018.

Identification of High Conservation Values

RFF ensure that all suppliers have prepared a Forest Practices Plan (FPP) and undertake their own desktop assessments to ensure the FPP is completed correctly. Prior to completing a FPP, a relevant evaluation sheet is also completed. Important information is then transferred from the evaluation sheet to the FPPs. The evaluation sheets and the FPP identify significant flora and fauna (HCV1), significant vegetation communities (HCV 3), water and soil values (HCV 4), and cultural heritage (HCV 6). HCV 2 is assessed as not applicable for RFF'S suppliers, although potential impacts to reserves is considered under *Section 4 Other flora issues* of the biodiversity evaluation sheet. Additionally, HCV5 is considered very unlikely as RFF is accepting plantation timber.

FPPs must be certified by a Forest Practices Officer prior to the commencement of harvesting. RFF ensure a certified FPP is in place before issuing an Operations Number and accepting deliveries to the Bell Bay facility.

Management Prescriptions for Identified Values

The FPPs contain important management prescriptions for identified significant values, as obtained via the relevant planning tool:

http://www.fpa.tas.gov.au/fpa_services/planning_assistance

If RFF are unsure of the management prescriptions for certain values, expert advice is sought through the relevant evaluation sheet. Final management prescriptions must be included in the FPP for each identified value.

Potential threats

Potential impacts may be direct or indirect. Direct impacts may include clearing of a HCV, damage or disturbance to a HCV, felling trees into a HCV area. Indirect threats may include spreading of weeds and disease, windthrow of a HCV area from harvesting adjacent trees, increasing risk of fire to HCVs, and changes to significant waterways.

Monitoring of Compliance with the FPP

Compliance reports are completed by the Forest Practices Officer, however there is a strong reliance on self-regulation. RFF have implemented additional controls to ensure monitoring is undertaken in a timely and appropriate manner including:

RFF Systems Audit

All suppliers undergo a management systems audit by a RFF representative to assess the supplier's capacity to resource and implement monitoring of harvesting operations. If the supplier does not have the resources or system to undertake sufficient monitoring of operations, RFF will implement Harvesting Field Inspections on a regular basis, depending on the level of risk (number of values present).

Harvesting Field Inspections

For small suppliers and suppliers who could not demonstrate a strong system for enforcement and monitoring of management prescriptions, RFF is required to undertake a Harvesting Field Inspection using the form RFF *Harvesting Field Inspections*. These are to be done for each harvesting operation and on a regular basis – depending on the risk of the operation (HCVs present within or near the coupe boundary).

A copy of the form used for this monitoring is available upon request.

Third-party Field Verification Audits

RFF also engage an external consultant to undertake random field audits to ensure compliance with the FPP and other management prescriptions.

Copies of completed reports are available to interested stakeholders upon request.

Seeking Stakeholder Comment

RFF is seeking stakeholder comment on the above processes that RFF are using to ensure high conservation values are not being threatened by management activities.

- 1. Is RFF implementing sufficient control measures to ensure high conservation values are not threatened by management activities?**

- 2. Do you agree that the material supplied to RFF can be treated as controlled wood?**

- 3. Do you consent to your comments being reported publically (anonymously)?**

- 4. Do you require any further information?**

Thank you for your time! Reliance Forest Fibre will report back to you on how your comments have been taken into consideration.

Danny Peet
General Manager