

	<b>SGS QUALIFOR</b> (Associated Documents)	Doc. Number:	<b>AD 54-F-06</b>
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## CONTROLLED WOOD RISK ASSESSMENT REPORT

### INTRODUCTION

This document must be used with the RD 15-01 - Guideline - Approach and criteria for assessing risk when uncertified controlled wood is used in FSC certified products and FSC-ADV-40-016 V2 - Implementation of FSC Controlled Wood requirements in FSC STD-40-005 V2-1 and FSC-STD-20-011 V1-1.

This template is a guideline to do the risk assessment and must not be seen to include all information. Any other sources of information may be added to ensure that all detail were analysed.

This assessment must be done on origin of uncertified wood that will be used in FSC products as controlled wood.

If it is determined that the material is classified as being from a source that is classified as unspecified risk, the requirements of the RD16 - Guideline - Requirements for company verification program must be followed. This will be audited annually.

**Note:** This document details all the elements that are required to do the risk assessment. However, the document is divided into a "Restricted Information" section and a "Public Information" section. Only the information recorded in the "Public" section will be available on the FSC website. The information in the "Restricted" section will be covered by the SGS rules of confidentiality and will not be disclosed.

The Risk Assessment requires a precautionary approach. Any area worldwide is therefore considered "unspecified risk" until "low risk" can be determined in line with the risk assessment set out hereunder (refer Section 1.1 of FSC-STD-40-005)

The following is important:

1. The Risk Assessment shall begin at the broadest relevant scale. If conditions at a given scale are not sufficiently homogeneous to establish low risk, the scale shall be further decreased. The Risk Assessment shall be continued at decreasing scales until conditions are sufficiently homogeneous.
2. Risk designation may be possible at a national level under certain homogenous conditions, whereas under more heterogeneous conditions, risk designation may only be possible at a district or local level and/or at the level of subsets of eco-regions.
3. If more than one supplier is from the same low risk country only one risk assessment need to be completed for the specific country.
4. Companies are expected to review their risk assessments at least once per year to verify the continued correctness of their risk designations for each indicator of the five FSC Controlled Wood categories. This should be conducted before the annual surveillance by the certification body in which the certification body is expected to verify the revision process. When significant changes to the risk profile become evident (i.e. changes in the law, breakdown in rule of law through civil unrest, etc) the company shall review its risk assessment
5. The document must be completed in one of the two official language of FSC (English or Spanish).

## RESTRICTED INFORMATION

### 1. COMPANY DETAIL

<b>Company name</b>		TANAC S.A. – Tannin Unit
<b>Certificate number:</b>		SGS-COC-005361
<b>Controlled wood Certificate number</b>		SGS-CW-005361
<b>Country:</b>		Brazil
<b>Company address</b>		<b>Physical Address:</b> Torbjorn Weibull Street, 199 Zip code: 95.780-000 <b>Montenegro – Rio Grande do Sul</b>
<b>Contact detail:</b>	<b>Contact person:</b>	Tannin Unit: Volnei Koetz da Rosa – Quality Monitor
	<b>Telephone:</b>	Phone: +55 (51) 3632-4055
	<b>Fax:</b>	Fax: +55 (51) 3632-2863 / 3632-2499
	<b>e-mail Address</b>	vkrosa@tanac.com.br
<b>Assessment done by:</b>		Rogério A. Lorenz; Cristian Alberto Schenkel; Oldacir Estulano Soeiro
<b>Relation to the company:</b>		Raw material Purchase Department
<b>Date:</b>		July, 1 <sup>st</sup> , 2010.
<b>Signature</b>		Volnei Koetz da Rosa

### 2. SUPPLIERS DETAIL

#### 2.1. Region I

Producer 1

<b>Producer Name:</b>	Ana Lezi Bortolotti Rafaelli
<b>Country:</b>	Brazil
<b>District:</b>	Camaqua

Producer 2

<b>Producer Name:</b>	Claudio Schuch Correia
<b>Country:</b>	Brazil
<b>District:</b>	Camaqua

## Producer 3

<b>Producer Name:</b>	Dener Claro Asambuja
<b>Country:</b>	Brazil
<b>District:</b>	Camaqua

## Producer 4

<b>Producer Name:</b>	Nelson Hartwig
<b>Country:</b>	Brazil
<b>District:</b>	Camaqua

## Producer 5

<b>Producer Name:</b>	Ilario Kohler Reichow
<b>Country:</b>	Brazil
<b>District:</b>	Cangucu

**2.2. Region II**

## Producer 1

<b>Producer Name:</b>	Damires Dal Pozzo Pacheco
<b>Country:</b>	Brazil
<b>District:</b>	Butia

## Producer 2

<b>Producer Name:</b>	João Eliseo Essvein
<b>Country:</b>	Brazil
<b>District:</b>	Encruzilhada do Sul

## Producer 3

<b>Producer Name:</b>	Lairton Erci Pilger
<b>Country:</b>	Brazil
<b>District:</b>	Encruzilhada do Sul

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### 2.3. Region III

Producer 1

<b>Producer Name:</b>	Adão Adolfo Essvein
<b>Country:</b>	Brazil
<b>District:</b>	Montenegro

Producer 2

<b>Producer Name:</b>	Antonio Juar de Azevedo
<b>Country:</b>	Brazil
<b>District:</b>	Montenegro

Producer 3

<b>Producer Name:</b>	Ereneu Acildo Weber
<b>Country:</b>	Brazil
<b>District:</b>	Montenegro

Producer 4

<b>Producer Name:</b>	Ildo Faustino de Oliveira
<b>Country:</b>	Brazil
<b>District:</b>	Montenegro

Producer 5

<b>Producer Name:</b>	Maria Isolete Quitzrau
<b>Country:</b>	Brazil
<b>District:</b>	Montenegro

Producer 6

<b>Producer Name:</b>	Milton Santos da Silva
<b>Country:</b>	Brazil
<b>District:</b>	Montenegro

Producer 7

<b>Producer Name:</b>	Roberto Simas de Oliveira
<b>Country:</b>	Brazil
<b>District:</b>	Montenegro

## Producer 8

<b>Producer Name:</b>	Giovane Merlo
<b>Country:</b>	Brazil
<b>District:</b>	Nova Brescia

## Producer 9

<b>Producer Name:</b>	Paulo Sergio Zahn de Matos
<b>Country:</b>	Brazil
<b>District:</b>	Tabai

## Producer 10

<b>Producer Name:</b>	Alzimir José da Rosa
<b>Country:</b>	Brazil
<b>District:</b>	Triunfo

## Producer 11

<b>Producer Name:</b>	Antonio Valmor da Silva Amorim
<b>Country:</b>	Brazil
<b>District:</b>	Triunfo

## Producer 12

<b>Producer Name:</b>	Cladimir Garcia
<b>Country:</b>	Brazil
<b>District:</b>	Triunfo

## Producer 13

<b>Producer Name:</b>	Odelar de Jesus Souza de Campos
<b>Country:</b>	Brazil
<b>District:</b>	Triunfo

## Producer 14

<b>Producer Name:</b>	Rogério Leandro Nott
<b>Country:</b>	Brazil
<b>District:</b>	Triunfo

Producer 15

<b>Producer Name:</b>	Telmo da Rosa e Silva
<b>Country:</b>	Brazil
<b>District:</b>	Triunfo

## 2.4. Region IV

Producer 1

<b>Producer Name:</b>	João Vanderlei da Silva Amorim
<b>Country:</b>	Brazil
<b>District:</b>	Nova Santa Rita

Producer 2

<b>Producer Name:</b>	Jorge Helio Guimaraes Crija
<b>Country:</b>	Brazil
<b>District:</b>	Portão

Producer 3

<b>Producer Name:</b>	Jose Lino Berwian
<b>Country:</b>	Brazil
<b>District:</b>	Presidente Lucena

Producer 4

<b>Producer Name:</b>	Claudio Delias Teixeira
<b>Country:</b>	Brazil
<b>District:</b>	São Sebastião do Cai

Producer 5

<b>Producer Name:</b>	Ari Lanz
<b>Country:</b>	Brazil
<b>District:</b>	Sapiranga

Producer 5

<b>Producer Name:</b>	Andre Luis Engelke
<b>Country:</b>	Brazil
<b>District:</b>	Três Coroas

## 2.5. Region V

Producer 1

<b>Producer Name:</b>	Airton Luiz Thomazel
<b>Country:</b>	Brazil
<b>District:</b>	Barão

Producer 2

<b>Producer Name:</b>	Dejalmo Von Muehlen
<b>Country:</b>	Brazil
<b>District:</b>	Brochier

Producer 3

<b>Producer Name:</b>	Lairton Erci Pilger
<b>Country:</b>	Brazil
<b>District:</b>	Brochier

Producer 4

<b>Producer Name:</b>	Valerio Ricardo Kussler
<b>Country:</b>	Brazil
<b>District:</b>	Capela de Santana

Producer 5

<b>Producer Name:</b>	Hugo Weber
<b>Country:</b>	Brazil
<b>District:</b>	Carlos Barbosa

Producer 6

<b>Producer Name:</b>	Enio Fritz Brinkmann
<b>Country:</b>	Brazil
<b>District:</b>	Poço das Antas

Producer 7

<b>Producer Name:</b>	Anderson Nied
<b>Country:</b>	Brazil
<b>District:</b>	Salvador do Sul

## Producer 8

<b>Producer Name:</b>	Edson Luiz Weschenfelder
<b>Country:</b>	Brazil
<b>District:</b>	Salvador do Sul

## Producer 9

<b>Producer Name:</b>	Lirio Lario Kirst
<b>Country:</b>	Brazil
<b>District:</b>	São José do Sul

### 3. LIST OF COUNTRIES AND DISTRICTS OF ORIGIN

List the countries and districts of origin of timber supplied within the company's FSC Controlled Wood Program.

Product	Species	District	Country
Bark and/or Wood	<i>Acacia mearnsii</i>	Camaqua - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Canguçu - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Butiá - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Encruzilhada do Sul - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Montenegro - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Nova Brescia - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Tabai - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Triunfo - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Nova Santa Rita - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Portão - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Presidente Lucena - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	São Sebastião do Cai - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Sapiranga - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Três Coroas – RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Barão – RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Brochier – RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Capela de Santana	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Carlos Barbosa - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Poço das Antas – RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	Salvador do Sul - RS	Brazil
Bark and/or Wood	<i>Acacia mearnsii</i>	São José do Sul - RS	Brazil

#### 4. SUPPLY CHAIN

Manufacturers or traders that wish to control their timber sources within their own verification program shall demonstrate to the satisfaction of their certification body that its supply chain is identifiable and traceable down to the district (forest) level.

Company	Process	Input and origin	Controlled system verified
Small producers in the region where the company is located.	Manufacturing of Logs of <i>Acacia meamsii</i>	Country: Brazil District: different Cities State – Rio Grande do Sul	Purchase of raw materials directly from the source and visit the forest management unit of supplier.

<b>SGS Qualifor auditor:</b>	Rosilene Einloft
<b>Comments:</b>	Approved
<b>Date:</b>	15/07/2010
<b>Signature</b>	ROE

## PUBLIC INFORMATION

### A APPROVAL

<b>Approving Certification Body:</b>	<b>SGS South Africa (Pty) Ltd - Qualifor Programme</b> PO Box 82582 Southdale South Africa 2135  E-mail Address: Foretry@sgs.com
<b>Date of Risk Assessment</b>	December 16 <sup>th</sup> , 2009 December 17 <sup>th</sup> , 2009 December 18 <sup>th</sup> , 2009 December 22 <sup>th</sup> , 2009 December 23 <sup>th</sup> , 2009
<b>Comments:</b>	
<b>Date Approved:</b>	

### B ORIGIN OF TIMBER

<b>Country:</b>	Brazil
<b>District</b>	Camaquã; Butia; Encruzilhada do Sul; Montenegro; Nova Brescia; Tabai; Triunfo; Nova Santa Rita; Portão; Presidente Lucena; São Sebastião do Cai; Sapiranga; Três Coroas; Barão; Brochier; Capela de Santana; Carlos Barbosa; Poço das Antas; Salvador do Sul;

	São José do Sul		
Risk Assessment Level (indicate the risk for the different levels)	Country	District	FMU
		Brazil	Camaquã
	Brazil	Cangucu	Low
	Brazil	Butiá	Low
	Brazil	Encruzilhada do Sul	Low
	Brazil	Montenegro	Low
	Brazil	Nova Brescia	Low
	Brazil	Tabai	Low
	Brazil	Triunfo	Low
	Brazil	Nova Santa Rita	Low
	Brazil	Portão	Low
	Brazil	Presidente Lucena	Low
	Brazil	São Sebastião do Cai	Low
	Brazil	Sapiranga	Low
	Brazil	Três Coroas	Low
	Brazil	Barão	Low
	Brazil	Brochier	Low
	Brazil	Capela do Santana	Low
	Brazil	Poço das Antas	Low
	Brazil	Salvador do Sul	Low
	Brazil	São José do Sul	Low

### C.RESULT OF RISK ASSESSMENT

<p><b>Type of source e.g. natural forest or plantations and general description of the supplier</b></p>	<p>The sources of the products are plantations.</p> <p>Suppliers: Small producers of planted Acacia in the south of Brazil</p> <p>The black acacia has an economic and social importance in the small properties, because 60% of plantations belong to small producers. The majority of the producers plants and harvests the black acacia off season. In the production region, for the majority of producers black acacia is one of the mean activities of rural income and in a lot of cases is the only activity at the rural property and therefore, the only source of rural income.</p> <p>At the average, the value of annual production to the rural producers is R\$ 113,1 millions, being R\$ 5,1 millions came of bark trading and R\$ 108 millions, of wood.</p> <p>Source consulted: EMBRAPA - The Brazilian Agricultural Research Corporation's</p>
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	<p><a href="http://sistemasdeproducao.cnptia.embrapa.br">http://sistemasdeproducao.cnptia.embrapa.br</a>. Consulted in June, 30<sup>th</sup> 2010.</p>
<b>Results (Low or Unspecified Risk and motivation:</b>	<p>According <a href="http://www.transparency.com">www.transparency.com</a> district is unspecified risk</p> <p>According to audit at FMUs: producers at the region are considered Low Risk.</p> <p>Motivation: Field and documental audit without evidence of risk.</p> <p>Reasons:</p> <p>The audit realized by company has drawn evidences according to the indicators of the technical standard TANAC 1500-003-743/46-1 (<b>ATTACHMENT I and II</b>), in compliance with the FSC-STD-40-005 version 2.1: invoice; producer invoice; areas without traditional populations; conflicts absence; absence of the child labour; absence of slave labour; validation of right property documents; absence of interference in the natural ecosystems; absence of genetically modified organisms.</p>

## SPECIFIC REQUIREMENTS FOR EACH FSC CONTROLLED WOOD CATEGORY

### 1. ILLEGALLY HARVESTED WOOD

- 1.1 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:

Requirements	Examples of sources of information	Finding & Evidence (FSC-ADV-40-016 v2 - Sources of information used to assess the indicators must be listed)	Result	
			Unspecified risk	Low
1.1.1 Evidence of enforcement of logging related laws in the district	<p>FSC National Initiatives (contacts from <a href="http://www.fsc.org">www.fsc.org</a>);  <a href="http://www.Transparency.org">http://www.Transparency.org</a></p> <p>The Royal Institute of International Affairs (<a href="http://www.illegal-logging.org">www.illegal-logging.org</a>);</p> <p>Environmental Investigation Agency (<a href="http://www.eia-international.org">www.eia-international.org</a>);</p> <p>Global Witness: (<a href="http://www.globalwitness.org">www.globalwitness.org</a>);</p> <p>Telapak (for Indonesia - <a href="http://www.telapak.org">www.telapak.org</a>);</p> <p>UK Government's Department for International Development (DFID)</p> <p>EU FLEGT process:  <a href="http://ec.europa.eu/comm/development/body/the_me/forest/initiative/index_en.htm">http://ec.europa.eu/comm/development/body/the_me/forest/initiative/index_en.htm</a></p> <p>Transparency international index (<a href="http://www.transparency.org">www.transparency.org</a>) Corruption perceptions</p> <p>WWF (<a href="http://www.panda.org">www.panda.org</a>);</p> <p>ELDIS (<a href="http://www.eldis.org">www.eldis.org</a>) regional and country profiles  <a href="http://www.cites.org">www.cites.org</a></p> <p>NGOs and involved stakeholders</p>	<p>Verified during the audit (evidences), the invoices and producers invoices.</p> <p>Producer invoice: According ordinary Law 11.571, January 4<sup>th</sup>, 2001, Rio Grande do Sul State: The producer invoices stub will be emitted through the titular registration as rural producer that has the right use of land (or right land rent or other kind of right). The titular should do the registration as producer when family develops rural activities inside the property.</p> <p>For doing the registration are necessary documents as Individual Identity Number and Identification (ID) of landowner and the land documents. These documents will be analysed for the State Competent Organization and if there is no restriction (with documents as ID and Individual Identity Number), the producer will be informed.</p> <p>Sources consulted:</p> <p>Law 11.571, January 4<sup>th</sup>, 2001, Rio Grande do Sul State, that gives information about the emission of the producer invoices stub in name of family.</p>	Low	

<p>1.1.2 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.</p>		<p>Nowadays there are laws to give information about the emission of licence to the silviculture activities in the Rio Grande do Sul State, <u>but</u> there is not the necessity of license to <u>cut</u> exotic planted trees in the Rio Grande do Sul State.</p> <p>It was evidenced during the verification: invoices and producers invoices.</p> <p>Sources:</p> <p>FEPAM – Environmental Foundation of Rio Grande do Sul Henrique Luiz Roessler. Consulted in June, 2010.</p> <p>Law 68, June 5<sup>th</sup>, 2006, Rio Grande do Sul State, Law 55, July 24<sup>th</sup>, 2007, that gives information about licence for silviculture activities in the Rio Grande do Sul State.</p>	<p>Low</p>
<p>1.1.3 There is little or no evidence or reporting of illegal harvesting in the district of origin.</p>		<p>No reports identify illegal activities according the sources specified for the FSC.</p> <p>Sources:</p> <p><a href="http://www.fsc.org">www.fsc.org</a></p> <p><a href="http://www.Transparency.org">http://www.Transparency.org</a></p> <p><a href="http://www.illegal-logging.org">www.illegal-logging.org</a></p> <p><a href="http://www.fsc.org.br">www.fsc.org.br</a></p> <p><a href="http://www.fsc-watch.org/">http://www.fsc-watch.org/</a></p>	<p>Low</p>
<p>1.1.4 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</p>		<p>No incidences of evidences of corruption were noted.</p> <p>The Index of Corruption Perception (CPI) in the Brazil is 3,7. This number is lower than the limit of FSC (5,0) to be considered as</p>	<p>Low</p>

trade		<p>low risk.</p> <p>According topic 12 of standard FSC STD-40-005 version 2.1, if the low risk can not be certified, the producers should be evaluated according to the verification program of company (topic 13 Standard - FSC-STD-40-005, version 2.1 and Technical Norm TANAC 1500-003-743/46-1). None area was considered as being low risk to the category of legality of wood harvest. On this way, 100% of producers were able to be in the samples for the audit, according to the sampling fixed by standard FSC-STD-40-005 version 2.1.</p> <p>During the audit accomplished, none evidence of illegality was found.</p> <p>Sources:</p> <p>Brazil Corruption Perceptions Index 2009 (fonte: <a href="http://www.transparency.org">www.transparency.org</a>. Consulted in June, 17<sup>th</sup>, 2010)</p> <p>Perceptions of Corruptions <a href="http://www.panda.org">www.panda.org</a></p> <p>Global Witness <a href="http://www.globalwitness.org">www.globalwitness.org</a> <a href="http://www.fsc-watch.org">http://www.fsc-watch.org</a></p>	
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## 2 WOOD HARVESTED IN VIOLATION OF TRADITIONAL OR CIVIL RIGHTS

- 2.1 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:

Requirements	Examples of sources of information	Finding & Evidence (FSC-ADV-40-016 v2 - Sources of information used to assess the indicators must be listed)	Result	
			Unspecified risk	Low

<p>2.1.1 There is no UN Security Council ban on timber exports from the country concerned;</p>	<p>E.g. This has applied to Liberia, as of July 2003 (<a href="http://www.un.org/esa/africa/UNNews_Africa/timber.htm">www.un.org/esa/africa/UNNews_Africa/timber.htm</a>) Global Witness <a href="http://www.globalwitness.org">www.globalwitness.org</a></p>	<p>There is no prohibition of Acacia's exportation of Brazil.</p> <p>Source: Global Witness <a href="http://www.globalwitness.org">www.globalwitness.org</a></p> <p>CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora)</p>	<p>Low</p>
<p>2.1.2 The country or district is not designated a source of conflict timber (E.g. USAID Type 1 conflict timber);</p>	<p>The final report of the expert panel on illegal exploitation of natural resources and other forms of wealth in Democratic Republic of Congo, 2002, Annexes I and III (S/2002/1146) <a href="http://www.naturalresources.org/minerals/CD/docs/other/N0262179.pdf">www.naturalresources.org/minerals/CD/docs/other/N0262179.pdf</a></p> <p>Conflict Timber: Dimensions of the Problem in Asia and Africa. Volume I. Synthesis report. June 2003, available at: <a href="http://www.usaid.gov/hum_response/oti/pubs/vol1synth.pdf">www.usaid.gov/hum_response/oti/pubs/vol1synth.pdf</a></p>	<p>Not applied. The districts are not designated as a source of conflict timber.</p>	<p>Low</p>
<p>2.1.3 There is no evidence of child labour or violation of ILO Fundamental Principles and Rights at work taking place in forest areas in the district concerned</p>	<p>FSC National Initiatives and Regional Offices contacts <a href="http://www.fsc.org">www.fsc.org</a></p> <p>ILO country offices</p>	<p>No evidences of slave labour or child labour were observed in the areas of production, according evaluation at field that was accomplished in accordance with the index of technical standard TANAC 1500-003-743/46-1, in compliance with FSC-STD-40-005 version 2.1.</p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>- Verification through interviews with workers about the minimum age to work according the kind of work realized</li> <li>- Consultation of employers listed in the Portaria 540 of Labour Ministry (about forced labour). Last atualization in june, 2010 - <a href="http://www.mte.gov.br/trab_escravo/cadastro_trab_escravo.asp">http://www.mte.gov.br/trab_escravo/cadastro_trab_escravo.asp</a></li> </ul>	<p>Low</p>

		<p>Fulfilment of work conditions check-list on the field (production areas) – <b>ATTACHMENT III.</b></p> <ul style="list-style-type: none"> <li>- Wage compatible to the activity executed;</li> <li>- Period/Duration of the activity executed (By Brazilian law: maximum of 10 hours daily, if two extra hours are paid; or maximum of eight hours daily in normal conditions);</li> <li>- Weekly paid rest;</li> <li>- Adequate feeding and drinking water conditions;</li> <li>- Worker is not paying debt with work;</li> <li>- Worker does not have his documents retained;</li> <li>- There is no difficulty in access to the work place and/or presence of armed guards.</li> </ul> <p>Sources:</p> <p>Law 8.069 of July 13<sup>th</sup>, 1990 – Child and Teenagers Statute</p> <p>Portaria 540 MTE - Labour Ministry – List of employers registered by the Ministry for using slave labour.</p> <p>Norma Regulamentar 15 – Labour Ministry – Activities and unhealthies operations.</p> <p>CLT - Consolidation of Labour Laws: Title III, Chapter IV – Protection of Minor Labour</p>	
<p>2.1.4 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>	<p>FSC National Initiatives and Regional Offices contacts <a href="http://www.fsc.org">www.fsc.org</a></p> <p>Indigenous Peoples Organizations</p> <p>Local community associations in the district</p> <p>Risk register</p> <p>National Sources (e.g. records of land claims negotiation concluded or in progress,</p>	<p>There is no evidences of conflicts involving traditional rights (evaluation accomplished according indicators of Technical Standard TANAC 1500-003-743/46-1, in compliance with FSC-STD-40-005 version 2.1).</p> <p>Sources:</p> <p>FSC National Initiatives and Regional Offices contacts</p>	<p>.Low</p>

	summaries of court decisions)	<a href="http://www.fsc.org">www.fsc.org</a> FUNAI: National Foundation of Indigenous people - Brazil Cultural Foundation Palmares – Culture Ministry – Brazil		
2.1.5	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.	FSC National Initiatives and Regional Offices contacts <a href="http://www.fsc.org">www.fsc.org</a> ILO country offices	There is no evidences of violation of the Convention 169 of OIT (International Labour Organization) about Indigenous and Tribes People at the area (evaluation according indicators of Technical Standard TANAC 1500-003-743/46-1, in compliance with FSC-STD-40-005 version 2.1)  Sources: Convention 169 of OIT - International Labour Organization  FUNAI: National Foundation of Indigenous people – District of Bagé – Rio Grande do Sul – Brazil.	.Low

### 3 WOOD HARVESTED FROM FOREST IN WHICH HIGH CONSERVATION VALUES ARE THREATENED BY MANAGEMENT ACTIVITIES

3.1 The district of origin may be considered low risk in relation to any 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

Requirements	Examples of sources of information	Finding & Evidence (FSC-ADV-40-016 v2 - Sources of information used to assess the indicators must be listed)	Result	
			Unspecified risk	Low
3.1.1 Forest management activities in the relevant level (eco-region, sub-eco-region, local) do not threaten eco-regionally significant high conservation	FSC documentation on HCVFs: <a href="http://www.fsc.org">www.fsc.org</a> Eco-region definition and information: <a href="http://www.worldwildlife.org/science/ecoregions">http://www.worldwildlife.org/science/ecoregions</a> .	The management of planted forests done by the producers that supply raw material for TANAC does not threaten the natural forests of region. The FMU's respects the natural	.Low	

values;	<p><a href="#">cfm</a></p> <p>Those regions identified by Conservation International as a Biodiversity Hotspot</p> <p>(or) Those ecosystems and communities that are explicitly identified by Conservation International as a key component of a <i>Biodiversity Hotspot</i></p> <p>Those forest, woodland, or mangrove eco-regions identified by World Wildlife Fund as a <i>Global 200 Eco-region</i> and assessed by WWF as having a conservation status of <i>endangered</i> or <i>critical</i>. If the Global 200 Eco-region comprises more than a single terrestrial eco-region, an eco-region within the Global 200 Eco-region can be considered low risk if the sub-eco-region is assessed with a Conservation Status other than “<i>critical/endangered</i>.”</p> <p>Those regions identified by the World Conservation Union (IUCN) as a <i>Centre of Plant Diversity</i></p> <p>Those regions identified by Conservation International as a <i>High Biodiversity Wilderness Area</i> that are forests and contain contiguous forest ecosystems greater than 500 km<sup>2</sup>.</p> <p>Those regions identified by the World Resources Institute as a <i>Frontier Forest</i></p> <p>Intact Forests Landscapes, as identified by Greenpeace (<a href="http://www.intactforests.org">www.intactforests.org</a>)</p>	<p>vegetation limited by forest law, harvesting only on the plantations areas.</p> <p>Source:</p> <p>Field audit</p> <p><a href="http://www.fsc.org">www.fsc.org</a></p> <p><a href="http://www.intactforests.org/data.ifl.kmz.html">http://www.intactforests.org/data.ifl.kmz.html</a>. Consulted in June, 2010.</p> <p><a href="http://www.conservation.org.br/arquivos/Mapa%20Hotspots%202005.pdf">http://www.conservation.org.br/arquivos/Mapa%20Hotspots%202005.pdf</a>. Consulted in June, 2010.</p>	
3.1.2 A strong system of protection (effective protected areas and legislation) is in place that ensures survival of the HCVs in the eco-region;	<p>FSC National Initiatives</p> <p>Signatory to the Convention on Biological Diversity</p> <p><a href="https://www.biodiv.org/world/parties.asp">https://www.biodiv.org/world/parties.asp</a> and demonstrable progress towards completing a network of protected areas, such as an overall positive analysis of the latest country thematic report on Forest Ecosystems</p> <p><a href="https://www.biodiv.org/reports/list.aspx?type=for">https://www.biodiv.org/reports/list.aspx?type=for</a></p>	<p>The protection of natural vegetation is assured by the forest laws. The FMU’s are Renewable Plantations.</p> <p>Source:</p> <p><a href="http://www.fsc.org">www.fsc.org</a></p> <p><a href="http://www.govindicators.org">www.govindicators.org</a>. Consulted in June,</p>	.Low

		2010.	
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#### 4 WOOD HARVESTED FROM AREAS BEING CONVERTED FROM FORESTS AND OTHER WOODED ECOSYSTEMS TO PLANTATIONS OR NON-FOREST USES

4.1. 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:

[Note: the change from plantations to other land uses is not considered as conversion].

Requirements	Examples of sources of information	Finding & Evidence (FSC-ADV-40-016 v2 - Sources of information used to assess the indicators must be listed)	Result	
			Unspecified risk	Low
4.1.1 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	<p>FAO GOFC-GOLD Global Observation of Forest and Land Cover Dynamics</p> <p>FAO Global Forest Resources Assessment</p> <p>Conservation International Regional Analysis Program</p> <p>University of Maryland Department of Geography</p> <p>UNEP/GRID – Division of Early Warning and Assessment</p> <p>SERVIR – Regional Monitoring and Visualization System for Mesoamerica</p> <p>Congo Basin Forest Partnership and CARPE</p> <p>CEC Joint Research Centre</p> <p>INPE-PRODES – Brazil's National Institute for Space Research</p> <p>Hansen, M., DeFries, R., Townshend, J.R., Carroll, M., Dimiceli, C., Sohlberg, R. 2003. 500 m MODIS Vegetation Continuous Fields.</p>	<p>According source <a href="http://www.usaid.gov">www.usaid.gov</a> the deforestation tax at Rio Grande do Sul was 5,38% between 1990 and 1995, that represents 1,1% per year. But, according to the same document, this tax is due to the increasing of population density and to the urban development, not being referred as consequence of vegetation reduction or silviculture.</p> <p>Besides that, the protection of natural vegetation is assured by the forest laws. The FMU's are Renewable Plantations, what was verified in field during audits.</p>	Low	

	<p>College Park, Maryland: The Global Land Cover Facility.</p> <p>National data sources</p> <p>FSC National Initiatives and Regional Offices contacts <a href="http://www.fsc.org">www.fsc.org</a></p>		
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## 5 WOOD FROM FORESTS IN WHICH GENETICALLY MODIFIED TREES ARE PLANTED

### 5.1 Requirements related to wood from forests in which genetically modified trees are planted

Requirements	Examples of sources of information	Finding & Evidence (FSC-ADV-40-016 v2 - Sources of information used to assess the indicators must be listed)	Result	
			Unspecified risk	Low
<p>5.1.1 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:</p> <p>a) There is no commercial use of genetically modified trees of the species concerned taking place in the country or district concerned. OR</p> <p>b) Licenses are required for commercial use of genetically modified trees and there are no licenses for commercial use OR</p> <p>c) It is forbidden to use genetically modified trees commercially in the country concerned.</p>	<p>FAO, 2004. Preliminary review of biotechnology in forestry, including genetic modification. Forest Genetic Resources Working Paper FGR/59E. Forest Resources Development Service, Forest Resources Division, Rome, Italy. Available online: <a href="http://www.fao.org/docrep/008/ae574e/AE574E00.HTM">http://www.fao.org/docrep/008/ae574e/AE574E00.HTM</a></p> <p>National and regional data sources</p>	<p>There is no plantation or commercial use of genetically modified acacia in Rio Grande do Sul. The use of OGM's is prohibited to the commercial plantation at Brazil without licence of the CTNBio (National Technical Biosafety Committee). There is no license for planting genetically modified acacia until now and there is no demand for it until the present moment.</p> <p>Until now, there is not regulation of experimental use of acacia genetically modified at Brazil.</p> <p>Source:</p> <p>CTNBio: National Technical Biosafety Committee <a href="http://www.ctnbio.gov.br">www.ctnbio.gov.br</a></p> <p>Menu documents/technical report (only reports for maize, soy and cotton are available)</p>	Unspecified risk	Low

		The unique forest genre that is approved to the experimentation of TRANSGENY at Brazil is the Eucalyptus. TANAC does not plant Eucalyptus in Brazil and there is no evidence of tests or transgenic material available to acacia.	
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## 6 GENERAL

Requirements	Examples of sources of information	Finding & Evidence (FSC-ADV-40-016 v2 - Sources of information used to assess the indicators must be listed)	Result	
			Unspecified risk	Low
General search on the company	e.g. Google	<p>There is no news or notes in the internet about Tanac or their suppliers.</p> <p>Source: <a href="http://www.google.com.br">www.google.com.br</a></p> <p><b><u>General information about Acacia</u></b></p> <p>The black – acacia plantation has a lot of attributes as: recovery action of the soil with low fertility. Acacia allows association with agriculture crops and animals breeding. Its bark is used at industry. Carpanezzi (1998) emphasizes that black-acacia is an ideal species to the environmental recovery, because it is a pioneer species, that rapidly recovers the soil. It is not an invasive species, it does not inhibit the local succession and enrich the soil.</p> <p>Due its fast growth, the capacity of adaptation to the different locals, even if in areas that had lost the surface soil, the black-acacia has been important at the erosion control (Kannegiesser, 1990).</p> <p>Source:</p>	Unspecified risk	Low

		<p>EMBRAPA - The Brazilian Agricultural Research Corporation's <a href="http://sistemasdeproducao.cnptia.embrapa.br">http://sistemasdeproducao.cnptia.embrapa.br</a></p> <p>Laws consulted for the TANAC:</p> <p>Law 8.069, July 13<sup>th</sup> 1990 - – Child and Teenagers Statute</p> <p>Portaria 540 MTE - Labour Ministry – List of employers registered by the Ministry for using slave labour</p> <p>Standard 15 NR-15 MTE – Activities and operations unhealthies.</p> <p>CLT - Consolidation of Labor Laws: Title III, Chapter IV – Protection of Minor Labor</p> <p>Convention 20 OIT (International Labor Organization) – Forced Labor or Compulsory</p> <p>Convention 105 OIT (International Labor Organization) – Abolishment of Force Labor</p> <p>Law 11.571, January 4<sup>th</sup>, 2001, Rio Grande do Sul State, that gives information about the emission of the producer invoices stub in name of family.</p> <p>Law 68, June 5<sup>th</sup>, 2006, Rio Grande do Sul State, Law 55, july 24<sup>th</sup>, 2007, that gives information about licence for silviculture activities in the Rio Grande do Sul State.</p>	
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**End of report**

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# ATTACHMENT I



## OBJECTIVE

To establish the system and responsibilities for the controlled material source evaluation in the Units Tannine and Chip of Tanac S. A. located in Montenegro and Rio Grande cities, Rio Grande do Sul, Brazil. This norm follows the FSC requisites to avoid purchasing material from unacceptable sources.

## APPLICATION

This TN applies to Purchase Material Department and to the receiving material areas in Tanac Units of Montenegro and Rio Grande.

## DISTRIBUTION

Table 1 – Activity Areas

ACTIVITY AREA
Tanac S. A. Administration - Rio Grande
Purchase Material Department
Receiving Material Areas – Montenegro e Rio Grande

## DEFINITIONS

**Controlled Material:** wood or bark from uncertified sources that has to be evaluated to be classified as its risk of origin.

**Genetic Engineer:** hall of modern techniques in molecular biology that allows an alteration of the genetic code of a live being.

**Genetic breeding:** techniques of selection and propagation of individuals that allows the improvement of the population average for one or more characters.

**CTNBio:** National Technical Biosafety Committee.

**Traditional population:** a human group that distinguishes from the national society due their social, cultural and economical conditions. That organizes themselves totally or partially by their own customs or traditions or trough an especial law and that conserves their own social, economical and culture institutions or part of them.

**Indigenous people:** collectivities that distinguishes themselves from the national society because they recognize their historical linkage with Amerindian populations antecedent of the European colonization process.

**Quilombola:** black slaves descendents whom antecessors have escaped from the engines forming groups of refugees called *quilombos*.

**Forced work / slavery:** any work that an individual has to do under threaten of some punishment and for what he/she has not been volunteered presented (ILO Convention 29). There are four forms of liberty limitation: servitude by debt, documents retention, and difficult access to the work area and presence of guards armed.

**ILO:** International of Labour Organization.

**Dangerousness:** characteristic of contact with explosive substances, inflammable and with electricity that exposes the worker to a big risk.

**Unhealthiness:** the exposition to the chemical, physical or biological agents that prejudice the health.

**MTE:** Ministry of Labour and Employment

**Dangerous labour:** work that requires the contact with explosive substances, inflammable and with electricity that exposes the worker to a big risk.

**Unhealthiness labour:** work that requires the exposition to the chemical, physical or biological agents that prejudice the health.

## COMPLEMENTARY NORMS

NT 5210-003-422-6 – Chain of Custody Manual – FSC

NT 4200-014-741/46-1 – Evaluation of Suppliers and Third parts

NT 2100-004-710-1 – Production progamme

NT 5300-001-710-2 – Raw Material and inputs Quality Plan

Tanac Policy for using forestry raw material

FSC-STD-40-005 (versão 2.1) – Standard for Company Evaluation of FSC controlled wood

Law 8.069, July 13<sup>th</sup>, 1990 – Child and Teenagers Statute

Convention 29 ILO (International Labour Organization) – Forced or Compulsory Labour

Convention 105 ILO (International Labour Organization) – Forced Labour Abolishment

Portaria 540 MTE (Labour Ministry) (15/10/2004) – List of employers registered by the Ministry for using slave labour.

CLT - Consolidation of Labour Laws: Title III, Chapter IV – Protection of Minor Labour

## GENERAL CONDITIONS

The Raw Material Department shall evaluate the producers not-certified by FSC about the origin of the raw material (bark or wood) sold, following the established procedures in this standard, according standard FSC-STD-40-005 - Standard for Company Evaluation of FSC controlled wood

## **PROCEDURES AND RESPONSABILITIES**

### ***1.1 Informations and Documents Control***

#### **Responsibility: Raw material purchase Department**

Keep the following informations and documents for the minimum period of 5 years:

- The whole origin of raw material received for the organization, giving names of districts and the producers and suppliers;
- Producers documents that confirm the wood origin in the district level;
- Record of the annual sample calculation;
- Record of the producers sorted;
- Record of the check-lists used on the field evaluation.

### ***1.2 Producers evaluation – samples and standards***

#### **Responsibility: Raw material purchase Department**

#### **Sampling the risk evaluation of raw material producers**

Due to a precautionary approach, TANAC has primarily considered all the regions as high risk. Any area worldwide is therefore considered high risk until low risk can be determined through a proper risk assessment (Annex 2 / FSC-STD-40-005 v2-1).

The risk assessment of not certified producers will be accomplished through sampling:

- The evaluation on the field will be accomplished between September and December.
- The sampling for the assessment will be taken from the list of the producers that had supplied raw material for the TANAC on the year before.

- The sample number (N) for the field audit through will be calculated by the formula determined on the FSC-STD\_40-005 Standard (version 2.1)

$$N = 0,8 \times \sqrt{\text{number of producers}}$$

- The formula shall be applied by each one of the 5 regions of forest management.
- For the regions that contains districts that belong to the lists of *Quilombolas* and indigenous people, it will be taken two distincts samples, being one to the districts group that has *quilombolas* and/or indigenous people and other to the others districts.
- The sampled producer shall be in activity in the evaluation period. If he is not, it shall be selected the next producer in activity on the list.
- If the producers number to be sampled in one region is bigger than the producers number in activity in the same region, other producers shall be assessed on the nearest regions, until the sample is complete.
- If the number of producers in activity is not enough to complete the sample, it shall be evaluated producers/suppliers that are without activity.
- The interviews will be accomplished on the field with at least one worker by property.
- The producers who will be evaluated will be sorted in the Excel, after filtering the properties in activity and filtering the districts with indigenous/*quilombolas* communities, when applied. If the sorted producer has not more commercial relation with TANAC or others problems, it will be used the next producer for the sample.
- The sample calculation, the sorting of the producers and the field assessment will be accomplished by one professional of Tanac trained by the Raw Material Department.

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**Standards and methodology for not-certified producers evaluation.****Producers Assessment**

Each producer selected on the sample will be evaluated by the requirements below:

**a) Evaluation raw material source according to the illegal cutting of trees/forests:**

To evaluate the forest harvest legality it will be adopted the following procedure:

**CRITERIA (1):** Bill of Sale or Producer Invoice

**Indicator (1):** The producer has the Bill of Sale and the Producer Invoice

**Classification**

- There is no evidence of the documents
- There is evidence of the documents

**b) Evaluation of the raw material origin according the violation of traditional and civil rights:**

**CRITERIA (2):** Indigenous area or *Quilombola* and/or slave labour and/or child labour.

**Indigenous area:**

- Check on the field if the sampled producer is indigenous **or** if he/she is at an indigenous area **or** if there is any conflict with indigenous community.

**Quilombola:**

- Check on the field if the sampled producer is a *quilombola* **or** if he/she is at a *Quilombo* **or** if there is any conflict with *quilombolas*.

PS: The list of districts identifying indigenous areas and *quilombolas* shall be updated at the sample moment.

**Indicator 2:** Localization of the property and existence of conflict.

**Classification (2)**

- Property is not located at indigenous or quilombola area
- Property is located at indigenous or quilombola area and there is not conflict
- Property is located at indigenous or quilombola area and there is conflict

**Child labour:**

To the child labour will be used the following criteria:

**Indicator 3:** Labour conditions

**Classification (3)**

- Worker is more than 18 years-old
- Worker is less than 16 years-old
- Worker is between 16 and 18 years-old and the work is dangerous, unhealthy or painful (ex: tree-cutting by chain saw / herbicide application, work at unhealthy locals)
- Worker is less than 18 years and the work is nocturne (between 10 p.m. and 05 a.m.)
- Worker is between 16 and 18 years-old and the work is light (not dangerous, unhealthy or painful)

**Forced/slave Labour:**

**Indicator (4):** Portaria 540 do MTE (Labour Ministry ) – forced work

**Classification (4)**

- Producer is not listed in the Portaria 540 do MTE
- Producer is listed in the Portaria 540 do MTE.

**Indicator 5:** Work journey**Classification (5)**

- Work journey until 10 hours daily
- Work journey is above 10 hours daily

**Indicator (6):** Conditions of feeding and water quality**Classification (6)**

- Adequate conditions of feeding and watering
- Inadequate conditions of feeding and watering

**Indicator 7:** Payment problems**Classification (7)**

- Worker is not paying debt with work
- Worker is paying debt with work

**Indicator 8:** Worker documents**Classification (8)**

- Worker has not his/her documents retained
- Worker has his/her documents retained

**Indicator (9):** Difficulty in access to the work place

**Classificação (9)**

- There is no difficulty in access to the work place and/or presence of armed guards
- There is extreme difficulty in access to the work place and/or presence of armed guards

**Indicator (10):** Discrimination at local work

**Classification (10)**

- Absence of discrimination at local work
- Presence of discrimination at local work

**Indicator (11):** Freedom of association and Rights for collective negotiation

**Classification (11)**

- The worker has freedom of association and rights for collective negotiation
- The worker has not freedom of association and rights for collective negotiation

**CRITERIA (3):** Property rights

Sources consulted: producer documents.

The sampled producer shall supply the ownership documents or Producer invoice or documents that confirm right property. In case of rent agreement there is the necessity to present the legal registration of land.

**Indicator (12):** Documents of right property

**Classification (12)**

- Presentation of documents: land register, possession register, producer invoice, land rent agreement

- Not presentation of documents: land register, possession register, producer invoice, rent agreement

**c) Evaluation of origin of raw material according to the conservation of high value ecosystems**

The item 3.1 of standard FSC STD 40-005, version 2.1, page 26, cites the necessity that areas with attributes of high conservation values not be threaten by harvesting activity. Due precautionary approach, that considers the existence of attributes of high conservation value in whole regions evaluated, the focus of evaluation of this item will be the possible threat that occurs because the activity in the region.

**Indicator (13):** Negative environmental impacts

**Classification (13)**

- Negative impacts are not observed: inadequate waste disposal; damages on the native forest; irregularity on roads construction; irregular fires; irregular hunt; damage on water streams
- Negative impacts are observed: inadequate waste disposal; damages on the native forest; irregularity on roads construction; irregular fires; irregular hunt; damage on water streams

**d) Evaluation of raw material origin according to natural areas conversion:**

This item evaluates if natural forests are not being converted in plantations.

**Indicator (14):** Documents as Bill of Sale and Producer Invoice, and Conformation Producer Declaration are presented.

PS.: Through consultation of Rio Grande do Sul Treasury Secretariat it is possible to obtain the CNAE – National Registration of Economic Activity and this register situation. This document allows identifying how long the economic activity is taking place on the property. To effective this register the producer is obligated to present the Land Register or the Rent Contract or other document in order to prove the ownership.

**Classificação (14)**

- There is evidence of the documents: Bill of Sale and Producer Invoice, and Conformation Producer Declaration

- There is not the evidence of the documents: Bill of Sale and Producer Invoice, and Conformation Producer Declaration

#### e) Evaluation of origin according to the genetic modification:

This item is monitored through the regulations of Technology and Science Ministry and CTNBio (National Technical Biosafety Committee), that can affects the present criteria. The list of material modified genetically approved by CTNBio, is accompanied annually through the site <http://www.ctnbio.gov.br>.

### Results of producers evaluation

The results of producers evaluation shall be available on the site of the company to the interested public. Annually a final report shall be done according SGS pattern, in Portuguese and English and shall be sent to the Certification Body.

The producers that do not attend the requirements (according field index) will be excluded temporarily of TANAC supplier's register, until him/her attends the whole exigencies of check-list. These producers shall not supply wood or bark to TANAC until they demonstrate their compliance to this norm, otherwise they will have their product separated in the whole production line.

### 1.3 Producer Declaration

For all material purchase the responsible Department will ask for the Producer's Declaration related to the compliance of the controlled-material requirements.

### HISTORICAL REVIEW

Tabela 1 – Review Control

Rev.	DATE	RESPONSIBLE	OBSERVATIONS
0	07/01/08	Carlos Gilberto Silva	- TN General Review and approval
1	03/10/08	Decionir Oliveira da Luz	- TN General Review including amendments on the evaluation system

## **ATTACHMENT II**



## QUALIFICATION OF PRODUCER/SUPPLIER OF FOREST RAW MATERIAL

<b>1. PRODUCER/SUPPLIER DATA</b>		Date: ____ / ____ / ____
1.1. Name:		
1.2. Address:		District:
1.3. Telephone number:	Fax:	e-mail:

<b>2. LEGAL CONSIDERATIONS</b>	Yes	No
2.1. The producer / supplier has the bill of sale or the producer invoice?	<input type="checkbox"/>	<input type="checkbox"/>
2.2. The producer / supplier is located in area ( ) Indigenous and/or ( ) <i>Quilombola</i> ? Is there conflict?	<input type="checkbox"/>	<input type="checkbox"/>
2.3. There is conflict of ownership in the properties that the producer / supplier plants and harvests acácia forests ? In positive case, which?	<input type="checkbox"/>	<input type="checkbox"/>
2.4. There is illegal harvesting at the property where the producer / supplier works?	<input type="checkbox"/>	<input type="checkbox"/>
2.5. The producer / supplier uses genetically modify seeds?	<input type="checkbox"/>	<input type="checkbox"/>
2.6. The producer / supplier convert natural forests in plantations?	<input type="checkbox"/>	<input type="checkbox"/>
2.7. The producer / supplier has forests located at areas with high conservation value?	<input type="checkbox"/>	<input type="checkbox"/>
2.8. The producer / supplier harvests younger forests (under the 4 years old)?	<input type="checkbox"/>	<input type="checkbox"/>

<b>3. PRODUCER / SUPPLIER SUPPLYING CAPACITY</b>			
Species	Ha	Planting year	District

<b>4. RESPONSIBLE</b>
Signature:

<b>5. Final Report</b>				
Approval:		YES		NO
<b>Supervisor CMP</b>	<b>Manager CMP</b>			

## **ATTACHMENT III**

<b>TANAC</b>		<b>RAW MATERIAL PRODUCER EVALUATION- CHAIN CUSTODY</b>	
<b>Species:</b> ( ) Acacia ( ) Others – Which? _____			
<b>Producer's Name:</b>			
<b>Adress:</b>			
<b>District:</b>		<b>Region:</b>	
<b>Product:</b> ( ) Bark ( ) Wood		<b>Quantity:</b> _____ Ton / _____ mst	
<b>EVALUATION: A= Attend NA= Not attend</b>			
<b>a) Evaluation of the origin according the illegal cutting of trees/forests Avaliação de origem quanto ao corte ilegal de árvores/florestas</b>			
<b>CRITÉRIA 1: Bill of sale or Producer Invoice:</b>			
<b>Indicator 1:</b> The producer has the Bill of Sale and the Producer Invoice:			
There is evidence of the documents			( ) A
There is no evidence of the documents			( ) NA
<b>b) Avaliação de origem da matéria-prima quanto à violação de direitos tradicionais e civis</b>			
<b>CRITÉRIA 2: Indigenous area or Quilombola and/or slave labour and/or child labour</b>			
<b>Indicator 2:</b> Localization of the property and existence of conflict			
Property is not located at indigenous or quilombola area			( ) A
Property is located at indigenous or quilombola area and there is not conflict			( ) A
Property is located at indigenous or quilombola area and there is conflict			( ) NA
<b>Obs:</b>			
<b>Indicator 3:</b> Labour conditions			
Worker is more than 18 years-old			( ) A
Worker is less than 16 years-old			( ) NA
Worker is between 16 and 18 years-old and the work is dangerous, unhealthy or painful (ex: tree-cutting by chain saw / herbicide application, work at unhealthy locals)			( ) NA
Worker is less than 18 years and the work is nocturne (between 10 p.m. and 05 a.m.)			( ) NA
Worker is between 16 and 18 years-old and the work is light (not dangerous, unhealthy or painful)			( ) A
<b>Indicator 4:</b> Portaria 540 do MTE (Labour Ministry) – forced work			
Producer is not listed in the Portaria 540 do MTE			( ) A
Producer is listed in the Portaria 540 do MTE			( ) NA
<b>Indicator 5:</b> Work journey			
Work journey until 10 hours daily			( ) A
Work journey is above 10 hours daily			( ) NA

<b>TANAC</b>	<b>RAW MATERIAL PRODUCER EVALUATION– CHAIN CUSTODY</b>
<b>EVALUATION: A= Attend NA= Not attend</b>	
<b>Indicator 6:</b> Conditions of feeding and water quality	
Adequate conditions of feeding and watering	( ) A
Inadequate conditions of feeding and watering	( ) NA
<b>Indicator 7:</b> Payment problems	
Worker is not paying debt with work	( ) A
Worker is paying debt with work	( ) NA
<b>Indicator 8:</b> Worker documents	
Worker has not his/her documents retained	( ) A
Worker has his/her documents retained	( ) NA
<b>Indicator 9:</b> Difficulty in access to the work place	
There is no difficulty in access to the work place and/or presence of armed guards	( ) A
There is extreme difficulty in access to the work place and/or presence of armed guards	( ) NA
<b>Indicator 10:</b> Discrimination at local work	
Absence of discrimination at local work	( ) A
Presence of discrimination at local work	( ) NA
<b>Indicator 11:</b> Freedom of association and Rights for collective negotiation	
The worker has freedom of association and rights for collective negotiation	( ) A
The worker has not freedom of association and rights for collective negotiation	( ) NA
<b>CRITÉRIA 3: Property rights</b>	
<b>Indicator 12:</b> Documents of right property	
Presentation of documents: land register, possession register, producer invoice, land rent agreement	( ) A
Not presentation of documents: land register, possession register, producer invoice, rent agreement	( ) NA
Obs:	
<b>c) Evaluation of origin of raw material according to the conservation of high value ecosystems</b>	
<b>Indicator 13:</b> Negative environmental impacts	
Negative impacts are not observed: inadequate waste disposal; damages on the native forest; irregularity on roads construction; irregular fires; irregular hunt; damage on water streams	( ) A
Negative impacts are observed: inadequate waste disposal; damages on the native forest; irregularity on roads construction; irregular fires; irregular hunt; damage on water streams	( ) NA
Obs:	



## RAW MATERIAL PRODUCER EVALUATION- CHAIN CUSTODY

**EVALUATION: A= Attend NA= Not attend**

**d) Evaluation of raw material origin according to natural areas conversion**

**Indicator 14:** Documents as Bill of Sale and Producer Invoice, and Conformation Producer Declaration are presented.

There is evidence of the documents: Bill of Sale and Producer Invoice, and Conformation Producer Declaration  A

There is no evidence of the documents: Bill of Sale and Producer Invoice, and Conformation Producer Declaration  NA

**e) Evaluation of origin according to the genetic modification – Not applied**

**Evaluation responsible:**

**Date:**