

## Does IFM - Investimento Florestal de Moçambique meet FSC's Controlled Wood standard?

December 22, 2025

We are carrying out an audit of Portucel Moçambique, and IFM - Investimento Florestal de Moçambique, located in the Province of Manica (District of Gondola) and in the Province of Sofala (District of Muanza) - Moçambique] to see if their operations comply with FSC's [Controlled Wood](#) standard (FSC-STD-40-005 V3-1). We are writing to you to ask if you know of any reason why their operations would not meet this standard.

Controlled Wood is wood that meets minimum requirements and that can therefore be mixed with FSC wood and used in products with an FSC Mix label. In particular, the wood must not be:

- harvested illegally.
- harvested in violation of traditional and civil rights.
- harvested from forests with a high conservation value that is threatened by management activities.
- harvested from forests being converted to plantations or non-forest use.
- from forests in which genetically modified trees are planted.

The consultation will take place between December 22, 2025, and February 2, 2026. Below are the ways you can provide your comments, should you wish to do so:

- When? You should send comments to us before or during the audit.
- How? You can comment by:
  - Meeting with a Preferred by Nature staff member in person.
  - You can contact Gabriel Poveda Portilla or Lennart Holm, staff members at Preferred by Nature, by phone at +34 675 726 034 or +351 965 454 599.
  - Writing to Preferred by Nature OÜ, Filosoofi 31, 50108 Tartu, Estonia
  - Email to [gpoveda@preferredbynature.org](mailto:gpoveda@preferredbynature.org) or [lholm@preferredbynature.org](mailto:lholm@preferredbynature.org)
- If you want your comments to be confidential, please notify us when you submit the comments.

If you provide comments, we will provide feedback to you within 30 days of the audit.

Portucel Moçambique - IFM - Investimento Florestal de Moçambique has written a summary document that lists:

- the risks they have identified that they may source unacceptable wood
- measures they implement to mitigate those risks.

We have attached this summary document to this letter.

If you wish to dispute any aspect of this forest certification process or the decision we reach as to whether this company meets the Controlled Wood standard, you can access our Dispute Resolution Policy at <https://preferredbynature.org/dispute-resolution-policy>

Thank you for any help you are able to provide.

If you have any recommendations for contacting other stakeholders that may have an interest in providing comments on this company and audit, we would also gladly receive these from you.

Yours sincerely,

# A IFM – Investimento Florestal de Moçambique cumpre os requisitos da norma FSC para madeira controlada?

22 de dezembro de 2025

Estamos a verificar se a Portucel Moçambique e a IFM - Investimento Florestal de Moçambique cumprem a norma Madeira Controlada do FSC (FSC-STD-40-005 V3-1). Para isso, estamos a analisar as suas operações na Província de Manica (Distrito de Gondola) e na Província de Sofala (Distrito de Muanza), em Moçambique. Queremos saber se sabe por que razão estas operações não cumprem esta norma.

A madeira controlada deve cumprir requisitos mínimos para poder ser incorporada na madeira certificada FSC em produtos com o selo FSC misto. Em particular, a madeira não pode ser:

Proveniente de:

- Cortes ilegais;
- Cortes que violem direitos tradicionais ou civis;
- Florestas com elevado valor de conservação ameaçadas pelas atividades de gestão;
- Florestas convertidas em plantações ou para uso não florestal;
- Florestas onde sejam plantadas árvores geneticamente modificadas.

A consulta pode ser feita entre 22 de dezembro de 2025 e 2 de fevereiro de 2026. Se quiser fazer comentários, pode fazê-los antes ou durante a auditoria.

Para contactar a Preferred by Nature, pode:

- Reunir com um colaborador da Preferred by Nature;
- ligar para os números +34 675 726 034 (Gabriel Poveda) ou +351 965 454 599 (Lennart Hom);
- enviar uma carta para a morada da Preferred by Nature OÜ, Filosoofi 31, 50108 Tartu, Estónia;-
- enviar um e-mail para [gpoveda@preferredbynature.org](mailto:gpoveda@preferredbynature.org) ou [lhholm@preferredbynature.org](mailto:lhholm@preferredbynature.org).

Manteremos a confidencialidade, caso assim o solicite. Basta informar-nos quando nos contactar.

As mensagens serão respondidas no prazo máximo de 30 dias.

Segue em anexo um documento elaborado pela Portucel Moçambique – IFM – Investimento Florestal de Moçambique, que inclui:

- Avaliação dos riscos de fornecimento de madeira inaceitável;
- Medidas implementadas para mitigar esses riscos.

Caso pretenda contestar qualquer aspeto deste processo de certificação florestal ou a nossa decisão sobre se esta empresa cumpre ou não os requisitos da norma de Madeira Controlada, consulte a nossa política de resolução de disputas em: [www.preferredbynature.org](http://www.preferredbynature.org).

Agradecemos a sua colaboração.

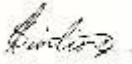
A indicação de outros stakeholders que possam estar interessados em dar a sua opinião será bem-vinda.

Com os melhores cumprimentos,

# CONTROLLED WOOD EXTENDED COMPANY RISK ASSESSMENT REPORT

DEVELOPED BASED ON THE STANDARD *FSC-STD-40-005 V3-1 Requirements  
for Sourcing FSC Controlled Wood*

## 1. COMPANY DETAIL

<b>Date of preparation:</b> <b>Date of the last review:</b>	01 June 2023 01 June 2023
<b>The organization</b> <b>Name:</b> <b>Responsible staff and email address:</b> <b>Entity developing risk assessment</b> <b>Name:</b> <b>Responsible staff and email address:</b>	Portucel Moçambique (The Navigator Company) Francisco Nobre <a href="mailto:francisco.nobre@thenavigatorcompany.com">francisco.nobre@thenavigatorcompany.com</a> Forestry Solutions Africa Stu Valintine – <a href="mailto:stu@forestrysolutions.net">stu@forestrysolutions.net</a>
<b>The certification body</b> <b>Name:</b> <b>Responsible staff and email address:</b> <b>Date of the last approval:</b>	
<b>Area(s) under assessment:</b>	Amatongas, Wesco, Mucorodzi and Sunshine Plantations, Manica Province M26 and Galinha Plantations, Sofala Province. Mozambique
<b>Assessment done by:</b>	Stu Valintine
<b>Relation to the company:</b>	Contracted Expert
<b>Date:</b>	01 June 2023
<b>Signature</b>	

## Extended company risk assessment performed for supply area(s) or part thereof not covered by an approved FSC risk assessment

### 1. Extended company risk assessment

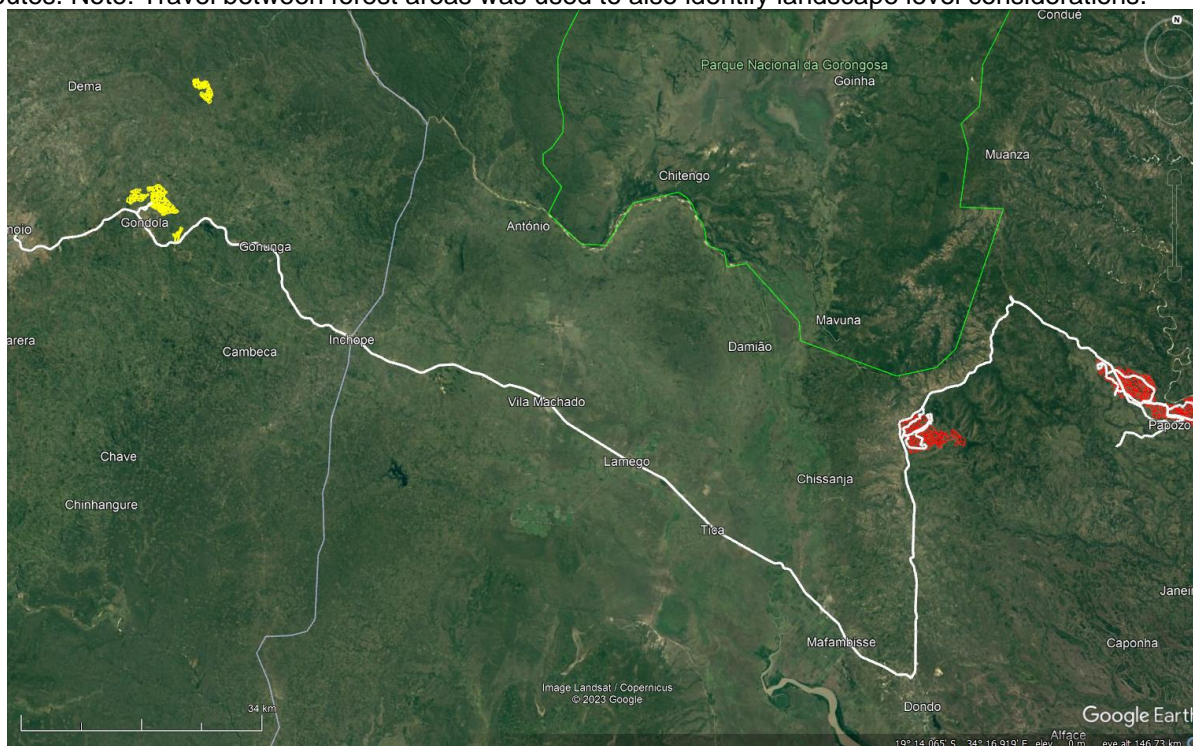
**Area under assessment:** Plantations owned by Investimento Florestal de Mozambique (IFM) in Manica and Sofala Provinces in Mozambique. As part of this Risk Assessment the FSC Website: <https://info.fsc.org/certificate.php> was checked in regards to Mozambique, with both the FSC Controlled Wood and CW Risk Assessment search items checked, a number of previous risk assessments were found on the Website:

- 1) Mpingo Madeiras Lda., the summary of DDS on the FSC website for the supply areas of Nacololo and N'tola, Montepuez, Province of Cabo Delgado lists all categories as low. *(This organization is now FM certified, so the DDS no longer applies and has been removed from the website.)*
- 2) Sappi Southern Africa Ltd, the summary of the DDS (2020, they have since removed Mozambique from their DDS) on the FSC website for supply areas in Manica and Sofala Provinces lists all Controlled Wood categories as low risk designation.
- 3) Mozambique Fibra, the summary DDS on the FSC website for supply areas in Manica Province lists category 1,2,3 as specified risk and categories 4 and 5 as low risk.
- 4) BSL – Comércio Internacional, Porto da Beira, the summary of the DDS on the FSC website for supply areas in Mozambique (looking at Extended Company Risk Assessments, these are for Manica and Sofala Provinces) list all Controlled Wood Categories as low risk designation with control measures.

(Refer to Appendix folder for downloads of these summaries)

#### Geographic area covered by the assessment:

See below Google image with plantations identified where harvesting may be undertaken. The current total plantation area is 6555.67ha hectares, with an additional 3788,74 ha set aside as conservation areas. Note that Gondola, M26 and Galinha plantations were assessed infield. White lines indicate field verification trip routes. Note: Travel between forest areas was used to also identify landscape level considerations.



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## RESULT OF RISK ASSESSMENT

<b>Type of source e.g. natural forest or plantations and general description of the supplier</b>	Eucalyptus plantations IFM is a company growing their own plantations in Manica and Sofala Provinces and may be considered as rurally based.
<b>Results (Low or Specified Risk) and motivation:</b>	At Country, Province and District there is specified risk across a number of criteria. Where this is taken down to the supply area (IFM plantations in Manica and Sofala Province) all risks can be considered as low due to either local conditions found within a plantation forest environment or management activity within the supply area.

1. **Controlled wood category 1: Illegally harvested wood**

Identification of applicable legislation

Applicable legislation identified based on: <https://www.loc.gov/law/help/guide/nations/mozambique.php>,  
<http://www.fao.org/faolex/country-profiles/general-profile/en/?iso3=MOZ> and  
[https://www.ilo.org/dyn/natlex/natlex4.countrySubjects?p\\_lang=en&p\\_country=MOZ](https://www.ilo.org/dyn/natlex/natlex4.countrySubjects?p_lang=en&p_country=MOZ)

2. Describe how the list available on the GFR (Global Forest Registry) was reviewed to ensure it is complete and up-to-date: **The GFR has been discontinued.**

3. Applicable legislation identified using other sources

Provide the location of the list of applicable legislation developed based on *FSC-PRO-60-002a* and structured according to

Table 1 in *FSC-PRO-60-002a*: The list of legislation below was developed by the consultant expert in cooperation with some stakeholders. (Note: The Forest Law is currently under review with a draft revision under development)

Minimum List of applicable laws	Mozambique Law
1.01 Land tenure and management rights	<p><u>Constitution of the Republic of Mozambique</u> - The Constitution of Mozambique establishes the rights of citizens and the state to use, manage, and administer land and natural resources in the country.  <a href="https://www.portaldogoverno.gov.mz/por/content/download/194/1138/version/2/file/constituicao.pdf">https://www.portaldogoverno.gov.mz/por/content/download/194/1138/version/2/file/constituicao.pdf</a></p> <p><u>Land Law (Lei de Terras) (19/97)</u> - The Land Law was enacted in 1997 and provides the legal framework for the use, occupation, and transfer of land in Mozambique. The law covers a wide range of issues related to land, including property rights, land registration, and dispute resolution.  <i>Art.7 and 8 – Conservation Areas</i></p> <p><u>Land Act (66/98)</u>  <i>Art.11 – DUAT / Art.30 – Demarcations / Art.41 – DUAT Taxes</i>  <i>Anexo Técnico Reg. Terras (Ministerial Decision No. 29-A/2000 approving the Technical Annex to the Land Act.)</i>  <i>Art.3 – Public Consultation / Art. 19, 20 e 21 – Demarcation</i>  <i>Ministerial Decision No. 158/2011 establishing procedures for consultation with the local communities on the use and property rights of land.</i></p> <p><u>Forestry Law (Lei Florestal) (Lei 10/99)</u> - The Forestry Law provides the legal framework for the management, conservation, and use of forest resources in Mozambique. The law regulates the use of forest lands, and provides for the sustainable management of these lands, including the prevention of illegal harvesting of timber. (It's now Under revision)</p> <p>NUIT  Export Card / Certidão de Registo Comercial</p>
1.02 Concession Licenses	<p><u>Commercial Activity Licensing Regulation (Dec 34/2013)</u>  Art.10 – Alvará</p> <p>BR – Boletim da República</p> <p>DUAT  Public Consultations / Demarcation Licenses / Inspections</p>
1.03 Management and harvesting planning	<p><u>Forest and Wildlife Law (10/99)</u>  Not Applicable to plantation forests</p>
1.04 Harvesting permits	<p><u>Dec.12/2012 - Art.38 – Harvesting Permits and Field Visit from Government Forest Services</u> This law is not designed to consider harvesting of plantations and currently applies to Natural Forest harvesting</p>



1.05 Payment of royalties and harvesting fees	<u>Forest Act - Dec.12/2002</u> - Art.38
1.06 Value added taxes and other sales taxes	Approves the Value Added Tax Code – ( <u>Law 32/2007</u> )
1.07 Income and profit taxes	Corporate Income Tax Code – ( <u>Law 34/2007</u> )
1.08 Timber harvesting Regulations	Not Applicable to plantation forests
1.09 Protected sites and species	<u>Environmental Strategy for Sustainable Development - IX Sessão do Conselho de Ministros a 24 de Julho de 2007</u>  National Water Resources Management Strategy  Strategy and Action Plan for the Conservation of Biological Diversity in Mozambique (approved by the Council of Ministers on 22 July 2003)  African Convention for the Conservation of Nature and Natural Resources (Resolution no. 18/81, of 30 December)  Ramsar Convention on Wetlands of International Importance (Resolution no. 45/2003, of 5 November)  Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) - Mozambique acceded to and

<p><u>1.10 Environmental Requirements</u></p>	<p><u>Act No. 20/97 approving the Environment Act.</u>  <u>FAO identifies 18 subsidiary pieces of legislation associated with this Act.</u>  <u>Land Law (19/97)</u>  <u>Art.7 and 8 – Conservation Areas</u>  <u>Forest and Wildlife Law (10/99)</u>  <u>Art.3 – Cultural Values Protection / Art.10 – Protection Areas / Art.13 – Sociocultural areas</u>  <u>Forest and Wildlife Act (12/2002)</u>  <u>Art.2 – DUAT requirements</u>  <u>Impact Assessment (45/2004 and 42/2008)</u>  <u>Water Law (16/91)</u>  <u>Art.7 – Water Management Principles / Art.13 – Water Protection</u>  <u>Territorial Planning Law (19/2007)</u>  <u>Art4.- Customary Rights</u>  <u>Waste Management Law (13/2006)</u>  <u>Art.7 – Waste Management Procedures</u>  <u>Hazardous Waste Management (83/2014)</u>  <u>Art.10 - Waste Operators</u>  <u>Regulation on the Environmental Audit Process (Decreto nº 25/2011)</u></p>
<p><u>1.11 Health and Safety</u></p>	<p><u>Labour Law (Lei nº 23.2007) - The Labour Law provides the legal framework for working conditions in Mozambique, including health and safety regulations. The law establishes the rights and obligations of employers and employees with regards to health and safety in the workplace.</u>  <u>Environmental Law (Lei n.º 20/97) - The Environmental Law provides the legal framework for the protection of the environment in Mozambique, including regulations related to health and safety. The law requires companies to carry out environmental assessments and to implement measures to prevent or mitigate environmental risks, including risks to health and safety.</u>  <u>Regulation of Establishing the Regime Accident at Work and Professional Diseases (13/2006)</u>  <u>Art.3 – Company Duties / Art.32 – Monitoring of Fire Extinguisher / Art.140 – Use of PPE</u>  <u>Regulation Establishing the Regime Work accident and occupational diseases (62/2013)</u>  <u>Art.8 – H&amp;S insurance</u>  <u>Regulation of management of portable fire extinguishers (Law 95/92)</u>  <u>Labor Law – 23/2007 - The Labour Law provides the legal framework for working conditions in Mozambique, including health and safety regulations. The law establishes the rights and obligations of employers and employees with regards to health and safety in the workplace.</u>  <u>Art.217 – H&amp;S Commission</u>  <u>ILO For Forest Activities</u>  <u>List of Dangerous Works for Children in Combating the Worst</u>  <u>Forms of Child Labor provided for in Convention 182 of the</u>  <u>International Labor Organization - Dec. 68/2017</u></p>

1.12 Legal Employment	<u>Labour Law</u> (Lei nº 23.2007) Social Security Chapter 6 (all) <u>Social Security</u> - Law Number 5/89 Art.26 – Minimum age / Art.216 / Art.238 – Training Res.22/2017 – Forced Labor Regulates the exercise of trade union activity (Lei nº 23/1991)
1.13 Customary Rights	Land Law (19/97) Forestry Law (Lei Florestal) (Lei 10/99) – (under revision) Ministerial Order nº93/2005 of 4 May, the state protects the rights of local communities over natural resources, ensuring the implementation of local initiatives to improve the lives of local communities, supporting and encourages local development.
1.14 Free, prior and informed consent	These aspects are covered under the Land Law and Labour Laws.
1.15 Indigenous Peoples' rights	Not Applicable – No recognised Indigenous People in Mozambique
1.16 Classification of species, quantities, qualities	<u>Decree No. 12/81</u> establishes the table of logging quota for precious tree species for 2016. <u>Decree 49/2004</u> regulates commercial activity and states in order to export, all exporters must be licensed by the Ministry of Industry and Commerce. <u>Ministerial Order No. 52-A/2004</u> on the classification of certain timber species. <u>Decree No. 12/2002</u> - list of the precious timber species. Article 12 of the 2002 Forest and Wildlife Regulation requires that all designated 1st class species are processed prior to being exported.
1.17 Trade and Transport	<u>Customs Laws</u> ( <a href="#">Link</a> ) <u>Trade Laws</u> ( <a href="#">Link</a> ) <u>Commercial Activity Licensing Regulation (49/2004)</u> Documents required for any exporter <u>Forest and Wildlife Act (12/2002)</u> Art.10 – Transport Guides/Permits
1.18 Offshore trading and transfer pricing	Aspects of offshore trading are covered under The Law on Anti-Money Laundering and Combating the Financing of Terrorism – (Law Nr. 14/2013, of 12 of August) further developed by Decree no. 66/2014.
1.19 Customs Regulations	<u>Decree 49/2004</u> regulates requirements to export timber.
1.20 CITES	While Mozambique has 110 species listed by CITES, these are not commercially valuable and there are no specific laws governing their control. <u>Decree No. 34/2016</u> - Regulation on International Trade in Endangered Species of Wild Fauna and Flora <u>Law No. 16/2014</u> - Biodiversity in conservation areas (not applicable) CITES – Mozambique ( <a href="#">Link</a> )

1.21 Due diligence/due care procedures	There are no specific laws relating to Due diligence, but aspects of this are covered under: The Law on Anti-Money Laundering and Combating the Financing of Terrorism – (Law Nr. 14/2013, of 12 of August) Banking Act no. 15/99 (1 November), as amended by Law no. 9/2004 (21 July) Anti-Corruption Act no. 6/2004 (17 June)
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4. Specify sources of information used for identification:  
Refer to Sources of Information in the tables below.

5. Assessment of enforcement of the applicable legislation;  
Assessment for the indicators in the same sub-category of law may be jointly presented.

Indicators (1)	Sources of information (2)	Risk determination and specification (if not low risk) Provide numbers of thresholds that are met. JUSTIFY THE OUTCOME (for each threshold). (3)	Functional scale (4)	Control measures (5)
<b>General approach: Risks according to indicators should be identified where systematic and/or large-scale non-compliance with applicable legislation takes place.</b>				
1.1 Land tenure and management rights.  Legislation covering land tenure rights, including customary rights as well as management rights that includes the use of legal methods to obtain tenure rights and management rights. It also covers legal business registration and tax registration, including relevant legally required licenses. (1.16)	FSC network partners and regional offices (contacts: <a href="https://ic.fsc.org/en">https://ic.fsc.org/en</a> ). The Royal Institute of International Affairs ( <a href="http://www.illegal-logging.org">www.illegal-logging.org</a> ); Environmental Investigation Agency ( <a href="http://www.eia-international.org">www.eia-international.org</a> ); Global Witness: ( <a href="http://www.globalwitness.org">www.globalwitness.org</a> ); Telapak (for Indonesia - <a href="http://www.telapak.org">www.telapak.org</a> ); UK Government's Department for International Development (DFID) EU FLEGT process: <a href="http://ec.europa.eu/comm/development/body/theme/forest/initiative/index_en.htm">http://ec.europa.eu/comm/development/body/theme/forest/initiative/index_en.htm</a>	<b>Risk Threshold achieved:</b>  <b>At plantation FMU level Low Risk Threshold (1)</b>  The Land Act (66/98) and associated legislation covers the requirements of customary use rights, business registration, taxes and fees payable and the requirements for long term leases of land. (refer to 3. Above for Applicable legislation identified using other sources above)  There have been reports of abuse of the legislation, and corruption in the legislative processes, particularly in relation to natural forest logging concessions.  IFM (as the relevant entity) can demonstrate compliance with the legislation as part of their management activities.	IFM plantations in Manica and Sofala Provinces level	IFM has in place H&S procedures based on ILO guidelines.  Harvesting Permits would need to be checked prior to taking timber from harvesting of specific areas.  Timber Transport licenses (one sheet per transport), would need to be checked on a regular basis to ensure ongoing compliance for timber transport.  Valid Model 14 / Assistance Reports from customs for the

	<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</p> <p><a href="http://www.cites.org">www.cites.org</a></p> <p>Forest Legality Initiative: <a href="https://forestlegality.org/risk-tool/country/mozambique">https://forestlegality.org/risk-tool/country/mozambique</a></p> <p>Forest Legality Alliance: <a href="https://forestlegality.org/">https://forestlegality.org/</a></p> <p>Library of Congress Law: <a href="https://www.loc.gov/law/help/guide/nations/mozambique.php">https://www.loc.gov/law/help/guide/nations/mozambique.php</a></p> <p>FAOLEX database: <a href="http://www.fao.org/faolex/country-profiles/general-profile/en/?iso3=MOZ">http://www.fao.org/faolex/country-profiles/general-profile/en/?iso3=MOZ</a></p> <p>ILO NATLEX database: <a href="https://www.ilo.org/dyn/natlex/natlex4.countrySubjects?p_lang=en&amp;p_country=MOZ">https://www.ilo.org/dyn/natlex/natlex4.countrySubjects?p_lang=en&amp;p_country=MOZ</a></p> <p>Anti-Money Laundering Forum: <a href="https://www.anti-moneylaundering.org/Africa/Mozambique.aspx">https://www.anti-moneylaundering.org/Africa/Mozambique.aspx</a></p> <p>ILO LEGOSH: <a href="https://www.ilo.org/dyn/legosh/en/f?p=14100:1100:0::NO::P1100_ISO_CODE3,P1100_YEAR:MOZ,2014">https://www.ilo.org/dyn/legosh/en/f?p=14100:1100:0::NO::P1100_ISO_CODE3,P1100_YEAR:MOZ,2014</a></p> <p>FAO Gender and Land Rights Database: <a href="#">General Introduction   Gender and Land Rights Database   Food and Agriculture Organization of the United Nations (fao.org)</a></p> <p>NGOs and involved stakeholders</p>	<p>The supply areas are plantation forests with purchase agreements to supply timber from forests that they can demonstrate ownership over.</p> <p>The land and environmental laws in Mozambique require a DUAT and EIAS licence for areas established to plantation forests (See DUAT Appendix folder for DUATs issued and maps of these DUATs)</p> <p>There is evidence of the DUAT, and Environmental and Social Impact Assessment Process having been followed, and legal compliance approvals having been issued for the plantation supply areas.</p> <p>Interviews with community leaders, community members who ceded land and IFM also indicate that the legal processes were followed, and land was ceded voluntarily.</p> <p>It should be noted that while a DUAT is the legal requirement, once this is issued there is a process that is followed to acquire land from communities and individuals within the DUAT area, this is based around FPIC processes, and only land this is willingly ceded is then developed. It should also be noted that the DUAT process gives a 50-year (with potential renewal for more 49 years) lease on lands, so as such land cannot be sold and or rented, but a 50 + 49 year lease is contracted.</p> <p>Further it should be noted (as can be seen on the map areas) that this type of land acquisitions results in a mosaic of plantation blocks and conservation areas in a landscape, with community land allocation where communities have kept land within a DUAT area.</p> <p>Evidence of legal documents such as Forest Permit, approved by the Council of Ministers,</p>	<p>export of timber would need to be checked on a regular basis to ensure ongoing compliance.</p> <p>Phytosanitary certificates for timber exports would need to be checked for ongoing compliance.</p>
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<p>1.2 Concession licenses.</p> <p>Legislation regulating procedures for issuing forest concession licenses, including the use of legal methods to obtain concession licenses. Bribery, corruption and nepotism are particularly well-known issues that are connected with concession licenses. (1.2)</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>All listed websites under sources of information were checked with two articles on Mozambique found:</p> <p>the Royal Institute of International Affairs: Mozambique's (natural) forests are state-owned, and about half are allocated for production. The annual rate of deforestation for the period 2010-15 was 0.5% (FAO, 2020) or 0,79% (World Bank 2018 – <a href="#">here</a>)</p> <p>There is widespread illegal logging in the country. In 2013, it was estimated that nearly half of the country's timber exports to China were illegal. The cross-border smuggling of illegal timber between Mozambique and Tanzania is also a problem. In 2012 the two countries signed a memorandum of understanding aimed at improving management of forest and wildlife resources, including through improved cooperation on law enforcement to reduce the trade in illegal timber.</p> <p>Mozambique is also mentioned in an article "For the love of Money – corruption remains a key enabler in environmental crime" by Julian Newman dated 7 December 2018.</p>		

		<p>FSC Controlled Wood website checked, currently no development of a National Risk Assessment for Controlled Wood. There is an FSC SDG in Mozambique. This is currently inactive after Covid-19, and the SDG has run out of Funds to undertake stakeholder consultation (pers.comm. Mario Falcao). Soil Association has been appointed to develop an Interim standard to FSC Principles and Criterion V5 and the IGI's (pers. comm. Vanessa Linforth).</p> <p>Transparency Corruption Perceptions Index for 2022 scores Mozambique 26 / 100 and its ranking improved to 142 of 180.</p> <p>The supply area under review is plantation forests, and therefore the process of acquiring concessions forms part of indicator 1.1, therefore this indicator is not applicable.</p>		
<p>1.3 Management and harvesting planning.</p> <p>Any national or sub-national legal requirements for Management Planning, including conducting forest inventories, having a forest Management Plan and related planning and monitoring, impact assessments, consultation with other entities, as well as approval of these by legally competent authorities. (1.3)</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>The 1999 Forest and Wildlife law establishes two types of licenses for legal timber production: forest concessions and simple licenses. Concessions are granted to national or non-national operators for areas larger than 20,000 ha with an approved business management plan and can be allocated for up to 50 years. Before the approval of a concession, an inventory has to be completed and a comprehensive Forest Management Plan (FMP) approved.</p> <p>The supply area is plantation forest areas, while the Forest and Wildlife law relates to natural logging concessions.</p> <p>Environmental laws require the development of Environmental Management Plans and the Investment laws require the development and approval of Business Plans. (refer to</p>		

		Appendix folder for evidence of compliance with these legal compliance requirements at supply area levels.) IFM ensures compliance through their compliance with internal management and monitoring against their legally approved plans.		
<p>1.4 Harvesting permits.</p> <p>National or sub-national laws and regulations regulating procedures for issuing of harvesting permits, licenses or other legal document required for specific harvesting operations. This includes the use of legal methods to obtain the permits. Corruption is a well-known issue that is connected with the issuing of harvesting permits. (1.4)</p>		<p><b>Specified Risk at National Level</b></p> <p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>The National Directorate of Land and Forests licenses loggers, providing them with a limited harvest quota. They set up strategic checkpoints in bottleneck roads leading out of forested areas verifying whether the transported timber tallies against the permitted quotas, thus in theory ensuring compliance. Decree No. 12/81 establishes the table of logging quota for precious tree species, specifying quotas by province and quantity to be allowed for license holders.</p> <p>There are acknowledged concerns with the current legislative process (refer: <a href="https://forestlegality.org/risk-tool/country/mozambique#tab-management">https://forestlegality.org/risk-tool/country/mozambique#tab-management</a>)</p> <p>These concerns and the legal requirement for harvesting permits relates specifically to harvesting of natural species. Plantation owners in Mozambique currently either acquire harvesting permits for their plantations or are granted exemptions from the legal requirements for the harvesting of plantation species.</p> <p>For IFM supply areas:</p> <p>Harvesting Permits – IFM have acquired previous harvesting permits to harvest areas damaged by Cyclone Ana. Permits to harvest future areas would be acquired as and when necessary. Evidence of previous acquisition</p>		<p>Ongoing verification of Harvesting Permits, transport permits</p>



		<p>of harvesting permits and compliance in other provinces indicates a high level of compliance by IFM.</p> <p>Mozambique score remained at 26 in the Transparency International CPI ratings for 2022 and for Controlled Wood countries scoring less than 50 shall be considered as “Unspecified Risk”. Transparency International has several articles that indicate problems with corruption in sub-Saharan Africa.</p> <p>At FMU level there are systems in place to ensure that timber is harvested legally and in compliance with agreements.</p> <p>Private sales agreements between the plantation timber owner and the purchaser comply with legal requirements.</p> <p>IFM has polices covering anti-corruption processes in place.</p>		
<p>1.5 Payment of royalties and harvesting fees.</p> <p>Legislation covering payment of all legally required forest harvesting-specific fees such as royalties, stumpage fees and other volume based fees. This includes payments of the fees based on the correct classification of quantities, qualities and species. Incorrect classification of forest products is a well-known issue that is often</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>Natural Forest concessions do not pay any annual land tax. Under the 2002 Regulation of Wildlife and Forests, both concession and simple licenses holders are required to pay tax on the exploration of the different classes of timber species, 20% of which is to be handed over to local communities.</p> <p>Forest Act - Dec.12/2002 - Art.38 – item 3. The holder of the forest plantation shall be exempt from the payment of the forest operating fee, without prejudice to the fulfilment of other tax obligations under the applicable special legislation and shall bear the costs resulting from the inspection and issuance of the respective transit guides.</p>		

combined with bribery of officials in charge of controlling the classification. (2.1)				
<p>1.6 Value added taxes and other sales taxes.</p> <p>Legislation covering different types of sales taxes which apply to the material being sold, including the sale of material as growing forest (standing stock sales). (2.2)</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>Timber VAT Law number 7/2010 requiring timber exporters to pay 20% on the f.o.b. price on log exports and 15% on sawn timber. The 2002 regulation was amended by the Ministerial Order No. 293 in 2012, updating the taxation amounts for each timber class and stating the tax per m3.</p> <p>Wood overvaluation taxes are not applicable to plantation species.</p> <p>Refer to the Documents Folder in the Appendix for IFM tax documentation.</p>		
<p>1.7 Income and profit taxes.</p> <p>Legislation covering income and profit taxes related to profit derived from the sale of forest products and harvesting activities. This category is also related to income from the sale of timber and does not include other taxes generally applicable for companies and is not related to salary payments. (2.3)</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>Corporate Income Tax Code – (Law 34/2007)</p> <p>Approves the Value Added Tax Code – (Law 32/2007)</p> <p>Timber companies must pay a 32% profit tax on enterprises and an annual concession tax determined by the Ministry of Agriculture. The 2002 regulation was amended by the Ministerial Order No. 293 in 2012, updating the taxation amounts for each timber class and stating the tax per m3.</p>		

		IFM currently pays all relevant tax requirements (Refer to the Documents folder in the Appendix) as the relevant entity..		
<p>1.8 Timber harvesting regulations.</p> <p>Any legal requirements for harvesting techniques and technology, including selective cutting, shelter wood regenerations, clear felling, transport of timber from the felling site, seasonal limitations, etc. Typically this includes regulations on the size of felling areas, minimum age and/or diameter for felling activities, and elements that shall be preserved during felling, etc. Establishment of skidding or hauling trails, road construction, drainage systems and bridges, etc., shall also be considered as well as the planning and monitoring of harvesting activities. Any legally binding codes for harvesting practices shall be considered. (3.1)</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>For Natural Forest Concessions the 1999 Forest and Wildlife law establishes two types of licenses for legal timber production: forest concessions and simple licenses. Concessions are granted to national or non-national operators for areas larger than 20,000 ha with an approved management plan, and can be allocated for up to 50 years, while simple licenses offer harvesting quotas of 500 cubic meters or less, annually over five years and exclusively to national operators. The simple license system is the most problematic due to its inability to ensure any sustainability in forest resource exploitation. It is popular with forest operators because, unlike the forest concession system, it brings no obligation with respect to reforestation, no duties towards local communities, does not require the installation of a processing plant, and requires no detailed forest inventory, nor the approval of a management plan.</p> <p>For plantation forests there is no defined laws in terms of harvesting regulations, there plantation forest organizations tend to implement their own policies and procedures based on best practice guidelines. (Refer to Policies and procedures Folder in the documents folder in the Appendix).</p> <p>Mozambique forest law is currently under revision but is existing law is still referred to in this assessment as the revision is not yet finalised.</p>		

		As the timber is plantation timber that is privately owned the companies determine whether timber theft is resolved through community engagement or law enforcement depending on the nature of the theft.		
<p>1.9 Protected sites and species.</p> <p>International, national, and sub-national treaties, laws, and regulations related to protected areas, allowable forest uses and activities, and/or rare, threatened, or endangered species, including their habitats and potential habitats. (3.2)</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>Environmental Strategy for Sustainable Development - IX Sessão do Conselho de Ministros a 24 de Julho de 2007</p> <p>National Water Resources Management Strategy</p> <p>Strategy and Action Plan for the Conservation of Biological Diversity in Mozambique (approved by the Council of Ministers on 22 July 2003)</p> <p>African Convention for the Conservation of Nature and Natural Resources (Resolution no. 18/81, of 30 December)</p> <p>Ramsar Convention on Wetlands of International Importance (Resolution no. 45/2003, of 5 November)</p> <p>Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) - Mozambique acceded to and ratified the Convention in 1981</p> <p>Mozambique's 118 commercial timber species are categorized into 1st, 2nd, 3rd, 4th and "precious" classes, reflecting quality, uses, demand intensity, and establishing relevant taxes. Since 2002, the 22 "1st class" species have been banned from export in log form and require processing within Mozambique before they can leave the country. All concession holders are obliged by law to have the capacity to process their raw timber, thus contributing value to the</p>		Stakeholders Consultation

		<p>timber industry in-country. In November 2015 the government announced a two-year ban on all export of raw timber logs and suspended the logging of certain species including the ironwood tree. Legislation passed in 2012 resulted in simple licenses being extended from one year to five. By having forest area change hands less frequently, it was hoped that license holders would become incentivized to take up sustainable forest management.</p> <p>Law No. 16/2014 of 20 June 2014, establishing the basic principles and rules on the protection, conservation and sustainable use of biological diversity within conservation areas.</p> <p>The supply area is limited to commercial plantations, so these laws are not applicable to species being harvested and prevent protected sites being harvested.</p>		
<p>1.10 Environmental requirements.</p> <p>National and sub-national laws and regulations related to the identification and/or protection of environmental values including but not limited to those relating to or affected by harvesting, acceptable levels for soil damage, establishment of buffer zones (e.g., along water courses, open areas and breeding sites), maintenance of retention trees on the felling site,</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>Environmental Law number 20/97 and associated regulations.</p> <p>The Land and environmental laws in Mozambique require a DUAT and EIAS licence for areas established to plantation forests (See attached Environmental and DUAT folders in the documents folder in the appendix for evidence of the relevant entities compliance with legislation).</p> <p>Environmental Audit Process - Decree n° 13/2006</p> <p>There is evidence of the DUAT, and Environmental and Social Impact Assessment Process having been followed,</p>		

<p>seasonal limitations of harvesting time, environmental requirements for forest machineries, use of pesticides and other chemicals, biodiversity conservation, air quality, protection and restoration of water quality, operation of recreational equipment, development of non forestry infrastructure, mineral exploration and extraction, etc. (3.3)</p>		<p>and legal compliance approvals having been issued for the plantation supply areas</p> <p>As can be seen on the map this type of management control results in a mosaic of plantation blocks and conservation areas, with community area set asides in a mosaic landscape. Assessing these areas on Goggle Earth and using Global Forest Watch database layers there is evidence that IFM only acquires management control over land that has been highly degraded by past human use, often dating back to colonial and pre-colonial land use. Therefore, the risk of IFM causing environmental damage to existing natural assets is extremely low. Management prescriptions in place prevent or mitigate any new environmental harm being caused or allowed to perpetuate to an extent where significant harm is likely to be caused.</p>		
<p>1.11 Health and safety.</p> <p>Legally required personal protection equipment for persons involved in harvesting activities, implementation of safe felling and transport practices, establishment of protection zones around harvesting sites, safety requirements for machinery used, and legally required safety requirements in relation to chemical usage. The</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>Primary legislation covering health and safety is covered in the:</p> <ul style="list-style-type: none"> <li>- The Labour Law No. 23/2007 of 1st August;</li> <li>- The Decree No. 53/05 of 15 August on legal regime of accidents at work and occupational diseases.</li> </ul> <p>Dec 62_2013 - New Legal Regime for work incidents.</p> <p>DM 95/92 – Fire Extinguishers</p> <p>The ILO identifies a further 9 pieces of subsidiary legislation covering OHS.</p> <p>IFM as the relevant entity has policies and procedures in place to demonstrate</p>		

health and safety requirements that shall be considered relevant to operations in the forest (not office work, or other activities not related to actual forest operations). (3.4)		compliance with OHS legislation (Refer to the Policies and procedures folder in the Appendix)		
<p>1.12 Legal employment.</p> <p>Legal requirements for employment of personnel involved in harvesting activities including requirements for contracts and working permits, requirements for obligatory insurance, requirements for competence certificates and other training requirements, and payment of social and income taxes withheld by the employer. Also covered are the observance of minimum working age and minimum age for personnel involved in hazardous work, legislation against forced and compulsory labor, and discrimination</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>The primary law relating to legal employment is the Labor Law – Res. 18/2016</p> <p>ILO NATLEX identifies 118 pieces of legislation in Mozambique applicable to ensuring compliance with ILO requirements for legal employment. This also includes compliance to ILO conventions. (Refer to the table of relevant legislation above for some of the key pieces of legislation)</p> <p>IFM has Policies and procedures in place to ensure that, as the relevant entity, their forest management activities meet the legal requirements for employment in Mozambique. (Refer to Policies and Procedures folder in the Appendix).</p>		

and freedom of association. (3.5)				
<p>1.13 Customary rights.</p> <p>Legislation covering customary rights relevant to forest harvesting activities, including requirements covering the sharing of benefits and indigenous rights. (4.1)</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>There are no indigenous peoples in Mozambique according to ACHPR (see list <a href="#">here</a>).</p> <p>Ministerial Order n°93/2005 of 4 May, the state protects the rights of local communities over natural resources, ensuring the implementation of local initiatives to improve the lives of local communities, supporting and encourages local development.</p> <p>This is further covered under the land laws and verifiers raised in Indicator 1.1 above.</p>		
<p>1.14 Free, Prior and Informed Consent.</p> <p>Legislation covering 'free, prior and informed consent' in connection with the transfer of forest management rights, and customary rights to the organization in charge of the harvesting operation. (4.2)</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>This does not apply to plantation forests in regard to their harvesting operations but does apply at the time they acquire land and there it is addressed under indicator 1.1 above with the primary law being the Land Law. Different tools are in place to have frequent stakeholder engagement (communities, local government, etc.) as part of the grievance mechanism, stakeholder engagement plan, social development program.</p>		
<p>1.15 Indigenous peoples' rights.</p> <p>Legislation that regulates the rights of indigenous people as far as it is related to forestry activities.</p>		<p><b>Not Applicable</b></p> <p>There are no indigenous peoples in Mozambique according to ACHPR (see list <a href="#">here</a>).</p>		



Possible aspects to consider are land tenure, and rights to use certain forest related resources and practice traditional activities, which may involve forest lands. (4.3)				
<p>1.16 Classification of species, quantities, qualities.</p> <p>Legislation regulating how harvested material is classified in terms of species, volumes and qualities in connection with trade and transport. Incorrect classification of harvested material is a well-known method to reduce or avoid payment of legally prescribed taxes and fees. (5.1)</p>		<p><b>Not Applicable to Plantation Forest Species</b></p> <p>Decree No. 12/81 establishes the table of logging quota for precious tree species for 2016.</p> <p>Decree 49/2004 regulates commercial activity and states in order to export, all exporters must be licensed by the Ministry of Industry and Commerce.</p> <p>Ministerial Order No. 52-A/2004 on the classification of certain timber species. Decree No. 12/2002 - list of the precious timber species.</p> <p>Article 12 of the 2002 Forest and Wildlife Regulation requires that all designated 1st class species are processed prior to being exported.</p> <p>For plantation forestry the harvesting permit is evidence of authorisation to harvest specific areas, species and volumes of timber from plantations.</p>		<p>Verification of current Harvesting Permit for the specific area where timber is taken from.</p>
<p>1.17 Trade and transport.</p> <p>All required trading and transport permits shall exist as well as legally required transport documents which accompany the</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>The Forest Legality Initiative Website states under Trade Laws:</p> <p>Decree 49/2004 regulates commercial activity and states in order to export, all</p>		

<p>transport of wood from forest operations. (5.2)</p>		<p>exporters must be licensed by the Ministry of Industry and Commerce. Any exporter must require numerous documents prior to exporting:  Receipt of the exported goods.  Bill of Lading;  Certificate of Origin (from the Chamber of Commerce).  Phytosanitary Certificate (from the National Directorate of Wildlife and Forests);  Certificate of Quality.  Manifest. The National Directorate of Wildlife and Forests must also provide exporters with an export permit and must inspect the loading of timber into containers tasked with exporting.</p> <p>Order of the Ministry for Agriculture of 24 March 2004 on timber export. This Order, composed of one article, allows the maximum amount allowed for timber export of the species "Afzelia quanzensis", "Millettia Sthlumanii" and "Pterocarpus angolensis". Export is allowed only to operators with forestry license and forestry concessions. (Not Applicable to plantation forests)</p> <p>Ministerial Order No. 52-A/2004 on the classification of certain timber species. This Ministerial Order, composed of one article, includes the timber species "Afzelia quanzensis", "Millettia Sthlumanii" and "Pterocarpus angolensis" in the list of the precious timber species provided in Decree No. 12/2002. (Not Applicable to plantation forests).</p> <p>The Forest Legality Initiative Website states under Transport Laws:</p> <p>Article 10 of the 2002 Forest and Wildlife Regulation requires that any forest products being transported have a transit guide accompanying it. The Provincial Services of Forests and Wildlife are tasked with providing transit guides, but the Governor of the</p>		<p>Verification of transport permits, export compliance and phytosanitary certificates for timber being received.</p>
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		<p>Province may exempt some forest products from needing guides.</p> <p>IFM would ensure legal compliance documents for trade and transport are legally acquired prior to transport or export of any forest product. These would be available for auditing as part of any Chain of Custody requirements.</p> <p>Timber Transport licenses (one sheet per transport) will be acquired for transport of timber from the supply area at Province Level in compliance with the “Serviços Florestais de Florestas e Fauna Bravia da Direcção Provincial de Desenvolvimento Territorial e Ambiente de Manica / Sofala”.</p> <p>Valid Model 14 / Assistance Reports from customs for the export of timber will be acquired prior to any export of timber.</p> <p>Evidence of the timber transport licences being acquired and Model 14 / Assistance reports are available for IFM supply areas in Manica.</p> <p>Phytosanitary certificates are valid for timber exports.</p> <p>Based on previous evidence IFM complies with all existing laws, but current documentation would need to be verified at the time of receiving timber.</p>		
<p>1.18 Offshore trading and transfer pricing.</p> <p>Legislation regulating offshore trading. Offshore trading with related companies placed in tax havens, combined with artificial transfer prices is a well-</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>Refer to applicable legislation listed in the table of applicable legislation above. IFM has Policies and procedures applicable to fiscal management and compliance with due diligence requirements applicable to their supply area.</p>		

<p>known way to avoid payment of legally prescribed taxes and fees to the country of harvest and is considered to be an important source of funds that can be used for payment of bribery to the forest operations and personnel involved in the harvesting operation.</p> <p>Many countries have established legislation covering transfer pricing and offshore trading. It should be noted that only transfer pricing and offshore trading, as far as it is legally prohibited in the country, can be included here. (5.3)</p>				
<p>1.19 Custom regulations.</p> <p>Custom legislation covering areas such as export/import licenses and product classification (codes, quantities, qualities and species). (5.4)</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>The Forest Legality Initiative Website states under Trade Laws:</p> <p>Decree 49/2004 regulates commercial activity and states in order to export, all exporters must be licensed by the Ministry of Industry and Commerce. Any exporter must require numerous documents prior to exporting:</p> <p>Receipt of the exported goods.  Bill of Lading;  Certificate of Origin (from the Chamber of Commerce);</p>		<p>Verification of transport permits, export compliance and phytosanitary certificates for timber being received.</p>

		<p>Phytosanitary Certificate (from the National Directorate of Wildlife and Forests); Certificate of Quality; Manifest. The National Directorate of Wildlife and Forests must also provide exporters with an export permit and must inspect the loading of timber into containers tasked with exporting.</p> <p>Order of the Ministry for Agriculture of 24 March 2004 on timber export. This Order, composed of one article, allows the maximum amount allowed for timber export of the species "Afzelia quanzensis", "Milletia Sthlumanii" and "Pterocarpus angolensis". Export is allowed only to operators with forestry license and forestry concessions. (Not Applicable to plantation forests)</p> <p>Ministerial Order No. 52-A/2004 on the classification of certain timber species. This Ministerial Order, composed of one article, includes the timber species "Afzelia quanzensis", "Milletia Sthlumanii" and "Pterocarpus angolensis" in the list of the precious timber species provided in Decree No. 12/2002. (Not Applicable to plantation forests).</p> <p>IFM has demonstrated compliance with all regulatory requirements in the past and would need to ensure legal compliance documents for trade and transport are legally acquired prior to transport or export of any forest product. These would be available for auditing as part of any Chain of Custody requirements.</p>		
<p>1.20 CITES.</p> <p>CITES permits (the Convention on International Trade in Endangered Species of Wild Fauna and Flora,</p>		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p>		

also known as the Washington Convention). (5.5)		<p>Mozambique acceded to and ratified the Convention in 1981.and has 110 species listed.</p> <p>As the supply area is plantation forests of exotic species this indicator would not be directly applicable to the organizations trade in forest products.</p> <p>IFM Policies and procedures would be applicable for any illegal activities by third parties in regard to this indicator.</p>		
1.21 Legislation requiring due diligence/due care procedures. (6.1)		<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1)</b></p> <p>Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.</p> <p>Refer to applicable legislation listed in the table of applicable legislation above. IFM has Policies and procedures applicable to fiscal management .and compliance with due diligence requirements applicable to their supply area.</p>		

## 2 WOOD HARVESTED IN VIOLATION OF TRADITIONAL OR CIVIL RIGHTS

Indicators (1)	Sources of information (2)	Risk determination and specification (if not low risk) Provide numbers of thresholds that are met. JUSTIFY THE OUTCOME (for each threshold). (3)	Functional scale (4)	Control measures (5)
2.1. The forest sector is not associated with violent armed conflict, including that which threatens national or regional security and/or is	<p>E.g. This has applied to Liberia, as of July 2003  <a href="https://rmportal.net/library/content/conflict/ARD-ConflictTimber-Vol3-Asia-Africa-PNACT464.pdf/view">https://rmportal.net/library/content/conflict/ARD-ConflictTimber-Vol3-Asia-Africa-PNACT464.pdf/view</a></p> <p>Global Witness <a href="http://www.globalwitness.org">www.globalwitness.org</a></p>	<p><b>Unspecified Risk at National level</b></p> <p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1), (2), (3), (4) and (5)</b></p>	IFM plantations in Manica and Sofala Province level	

linked to military control.	<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>Human Rights Watch: <a href="https://www.hrw.org/news/2020/12/11/su-bmission-universal-periodic-review-mozambique">https://www.hrw.org/news/2020/12/11/su-bmission-universal-periodic-review-mozambique</a></p> <p>UNDP Human Development Reports: <a href="https://data.un.org/en/data/development-reports">Specific country data   Human Development Reports (undp.org)</a></p>	<p><a href="https://news.un.org/en/search/Mozambique">https://news.un.org/en/search/Mozambique</a> &amp; Global Witness website checked. There is no UN Security Council export ban in the country</p> <p>Liberia, DRC are listed in reference material as sources of conflict timber. Mozambique is not associated with or designated as a source of conflict timber according to latest available research.</p> <p><a href="https://www.hrw.org/news/2020/12/11/su-bmission-universal-periodic-review-mozambique">Submission to the Universal Periodic Review of Mozambique   Human Rights Watch (hrw.org)</a> Human Rights Watch does highlight violations of human rights by some key officials and the security sector. These incidents are not associated with the areas that IFM has under its management.</p> <p>Mozambique is not covered by any International Timber ban.</p> <p>No individuals in Mozambique in the forestry sector are facing UN Sanctions</p> <p>Conflict timber is in no way associated with the supply areas. There has been a resurgence of conflict in the Casa Delgado region of Mozambique, this conflict does not extend into the relevant provinces at this time and IFM is in no way associated or linked to the conflict areas.</p> <p>The UNDP report for Mozambique indicates a stagnation or slight drop in Human Development Index, however this report is generic to Mozambique and evidence was found of improvements in human development in the areas where IFM operates.</p>		
2.2. Labor rights are upheld including rights as specified in ILO Fundamental	FSC Network Partners and Regional Offices contacts <a href="http://www.fsc.org">www.fsc.org</a>	<p><b>Specified Risk at National and District Level</b></p> <p><b>Risk Threshold achieved:</b></p>	National and plantations in Manica	Laws IFM in and

<p>Principles and Rights at Work.</p>	<p>ILO country offices  <a href="http://www.ilo.org/ipeinfo/product/viewProduct.do?productId=2299">http://www.ilo.org/ipeinfo/product/viewProduct.do?productId=2299</a></p> <p>ILO Natlex Database:  <a href="https://www.ilo.org/dyn/natlex/natlex4.countrySubjects?p_lang=en&amp;p_country=MOZ">https://www.ilo.org/dyn/natlex/natlex4.countrySubjects?p_lang=en&amp;p_country=MOZ</a></p> <p>Indigenous Peoples Organizations</p> <p>Local community associations in the district</p> <p>National Sources (e.g. records of land claims negotiation concluded or in progress, summaries of court decisions)</p>	<p><b>At plantation FMU level Low Risk Threshold (10) and (12)</b></p> <p><a href="https://www.ilo.org/ipe/Regionsandcountries/Africa/Mozambique/lang--en/index.htm">https://www.ilo.org/ipe/Regionsandcountries/Africa/Mozambique/lang--en/index.htm</a>  website was checked, Mozambique</p> <p>Lei num. 7/2008 de Promoção e Proteção dos Direitos da Criança. (Elimination of child labour, protection of children and young persons).</p> <p>And</p> <p>Decree. 68/2017, de 17 de Oct, Approves the Hazardous jobs List for Children.</p> <p>The ILO Natlex website was checked and indicates that Mozambique has legislation covering all ILO Fundamental Principles and Rights of Workers. (Refer <a href="https://www.ilo.org/dyn/natlex/natlex4.countrySubjects?p_lang=en&amp;p_country=MOZ">https://www.ilo.org/dyn/natlex/natlex4.countrySubjects?p_lang=en&amp;p_country=MOZ</a>)</p> <p>There are 123 pieces of legislation identified on the website covering ILO requirements.</p> <p>FSC Southern Africa Office was also contacted, a reply was received indicating no concerns.</p> <p>The company has policies and procedures in place to ensure compliance with national laws and ILO conventions.</p> <p>The company checks Identify Cards at the time of employment to verify several attributes including age at time of employment.</p> <p>The IFM Policies and procedures cover non-discrimination in the workplace and there is no evidence or concerns regarding compliance. IFM has defined policies and procedures in place for the resolution of Grievances that is open to all stakeholders. (Refer to the Policies and procedures folder in the Appendix).</p>	<p>Sofala Province level</p>	
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		<p>The company communicates information (in community meetings), does trainings to field human resources and in cases of concern checks identify cards (or voter card) at the time of employment.</p> <p>Although there is some evidence of non-compliance in Mozambique with ILO labour rights, these are not sector specific and there is no evidence of such non-compliance with ILO Fundamental Principles within the supply areas.</p> <p>There is no evidence of compulsory or forced labour within the supply area.</p> <p>Interviews with IFM labour, communities and local government, and field visit observations indicates compliance with legislation and ILO Fundamental principles.</p>		
2.3. The rights of indigenous and traditional peoples are upheld.	<p>FSC Network Partners and Regional Offices contacts <a href="http://www.fsc.org">www.fsc.org</a></p> <p>ILO country offices <a href="http://www.ilo.org/ipecinfo/product/viewProduct.do?productId=2299">http://www.ilo.org/ipecinfo/product/viewProduct.do?productId=2299</a></p> <p>Indigenous Peoples Organizations</p> <p>Local community associations in the district</p> <p>National Sources (e.g. records of land claims negotiation concluded or in progress, summaries of court decisions)</p> <p>Global Forest Watch Data on Indigenous and Community Rights layers: <a href="https://www.globalforestwatch.org/map/">https://www.globalforestwatch.org/map/</a></p> <p>Amnesty International: <a href="https://www.amnesty.org/en/search/?q=&amp;sort=date&amp;country=38618&amp;documentType=Annual+Report">https://www.amnesty.org/en/search/?q=&amp;sort=date&amp;country=38618&amp;documentType=Annual+Report</a></p>	<p><b>Specified Risk at National and District Level</b></p> <p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (17), (19) and (21)</b></p> <p>Currently there are no indigenous peoples registered in any of the supply areas where timber is purchased. All timber purchased is from private companies. GFW was used to remotely assess the presence of indigenous people and traditional community rights, with none evident with the supply areas. (Refer to PMZ population and rights image in the Appendix and Communities Appendix folder), GFW does indicate traditional communities along the coast around Inhambane.</p> <p>There are no indigenous peoples in Mozambique according to the FSC definition.</p>	<p>National Level does not show any Indigenous or Tribal people as defined by UNDRIP.</p> <p>IFM plantations in Manica and Sofala Province level</p>	

	<p>Country Indicators for Foreign Policy:  <a href="https://carleton.ca/cifp/?s=Mozambique">https://carleton.ca/cifp/?s=Mozambique</a></p> <p>CIFPR:  <a href="https://www.cifor.org/knowledge/publication/5759/?pub=5759">https://www.cifor.org/knowledge/publication/5759/?pub=5759</a></p> <p>Global Witness:  <a href="https://www.globalwitness.org/en/all-countries-and-regions/">https://www.globalwitness.org/en/all-countries-and-regions/</a></p> <p>FAO Gender and Land Rights Database:  <a href="https://www.fao.org/gender-and-land-rights-database/">General Introduction   Gender and Land Rights Database   Food and Agriculture Organization of the United Nations (fao.org)</a></p> <p>USAID: <a href="https://www.usaid.gov/our-work/land-links/">What Corporations and Smallholder Farmers Have in Common: Addressing the Challenge of Land Rights in Emerging Markets   LandLinks (land-links.org)</a></p>	<p>There are no indigenous peoples in Mozambique according to ACHPR (<a href="#">see list here</a>).</p> <p>Local communities do exist in association with the plantation management units, these communities have land use rights and all land acquired by IFM is done through a voluntary process where communities and members cede land for IFM long term lease purposes. (Refer to the Communities Appendix.) While these communities do not fit within the definitions of Indigenous Peoples or Traditional Peoples, using a precautionary approach this risk assessment has considered that their presence may be considered as Traditional People regarding the specific Threshold 17.</p> <p>CIFOR undertook a study in 2015 that found the reforms to legislation particularly the DUAT and EIA processes enhanced public participation in sustainable land-use investments, but noted 4 key weaknesses:</p> <ol style="list-style-type: none"> <li>1)Weak enforcement of environmental and social safeguards.</li> <li>2)Lack of incentives in the legal framework.</li> <li>3)Insecure land tenure.</li> <li>4)Low public awareness and limited access to information.</li> </ol> <p>Mozambique has systems in place for resolving conflicts that may cumulate in the countries courts.</p> <p>Current land tenure practices require that DUATs for land are acquired and EIA's completed (See DUAT Appendix and Environmental Appendix for relevant DUATs and EIA licences). During these processes consultation with communities is undertaken and only land that is uncontested is supposed to be granted DUATs and EIA licences. (Refer to the Community consultations folder in the DUAT Appendix folder for consultations with these</p>		
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		<p>communities). There are known incidences in Mozambique where this process has not been followed and there are areas that are contested. However, there is no evidence that these are within the supply areas covered by this risk assessment.</p> <p>IFM has procedures in place to investigate and resolve these complaints (Refer to Appendix). There is no evidence that these processes may not be culturally appropriate or that there are any significant outstanding concerns of local communities.</p> <p>IFM land acquisition policies and processes specifically attempt to acquire land that is not inhabited or to identify and resolve land conflict prior to acquisition. Other procedures outline conflict resolution mechanisms.</p> <p>FSC Regional Office was also contacted, with no concerns raised.</p> <p>There is no evidence of violations or current concerns within the supply areas.</p> <p>There is no evidence of significant unresolved conflicts at FMU Plantation level.</p>		
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### 3 WOOD HARVESTED FROM FOREST IN WHICH HIGH CONSERVATION VALUES ARE THREATENED BY MANAGEMENT ACTIVITIES

Indicators (1)	Sources of information (2)	Risk determination and specification (if not low risk) Provide numbers of thresholds <sup>26</sup> that are met. JUSTIFY THE OUTCOME (for each threshold). (3)	Functional scale (4)	Control measures (5)
<p>3.0 Data available are sufficient for:</p> <p>a) Determination of HCV presence for each HCV,</p> <p>AND</p>	<p>FSC documentation on HCVs: <a href="http://www.fsc.org">www.fsc.org</a></p> <p>FSC Network Partners and Regional Offices contacts <a href="http://www.fsc.org">www.fsc.org</a></p> <p>Eco-region definition and information:</p>	<p><b>Specified Risk at National Level</b></p> <p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1) and (2)</b></p> <p>The World Bank "Rule of Law" index for 2021 shows that while there have been overall</p>	<p>IFM plantations in Manica and Sofala Province level</p>	

<p>b) The assessment of the threats to HCVs from forest management activities</p>	<p><a href="http://www.worldwildlife.org/science/ecoregions.cfm">http://www.worldwildlife.org/science/ecoregions.cfm</a> (outdated, replaced with One Earth data as per below link)</p> <p><a href="#">Afrotropics   One Earth</a></p> <p>Signatory to the Convention on Biological Diversity <a href="https://www.biodiv.org">https://www.biodiv.org</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 (<a href="http://www.cbd.int">www.cbd.int</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 “critical/endangered.” (<a href="http://www.worldwildlife.org/science/wildfinder">www.worldwildlife.org/science/wildfinder</a>)</p> <p>Those regions identified by the World Conservation Union (IUCN) as a Centre of Plant Diversity</p> <p>Those regions identified by Conservation International as a High Biodiversity Wilderness Area that are forests and</p>	<p>declines across most indicators there have been recent improvements (last 3 years) (See <a href="https://databank.worldbank.org/source/worldwide-governance-indicators">https://databank.worldbank.org/source/worldwide-governance-indicators</a>)</p> <p>Currently WWF (<a href="#">Coastal East Africa   Places   WWF (worldwildlife.org)</a>) indicates Coastal East Africa as an area of concern, this does not indicate any areas within the supply areas.</p> <p>The organization undertook ESIA's across their land holdings and have received approval for these through the issuance of EIA certificates. (Refer to Appendix Documents folder, Environmental Folder). These provide data and expert input sufficient to identify HCV areas and threats to these HCV areas from management activities.</p> <p>GFW data for primary forest, biodiversity significance and intensity, biodiversity Hotspots, Key Biodiversity Areas, Endemic Bird Areas, Intact Forest Landscapes and Tree Cover where assessed (Refer Appendix). There is no evidence to indicate concern within the areas of supply. Part of the plantations fall within a GFW Intact Biodiversity area, although the intactness is indicated at a lower level of intactness. Checking this against the Intact Forest Landscapes, protected areas, and hotspot layers, nothing is evident near the plantations. Checking the Google Earth Search Engine Time lapse for the area, it would appear many of these areas are old farmlands or forest logging concessions from pre-1994 that have since been put under a slash and burn / shifting agriculture, with many of the areas having been farmed for many years. There is some biodiversity significance in the area, however this would not be threatened during the establishment</p>		
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	<p>contain contiguous forest ecosystems greater than 500 km<sup>2</sup>.</p> <p>Those regions identified by the World Resources Institute as a Frontier Forest Intact Forests Landscapes, as identified by Greenpeace (<a href="http://www.intactforests.org">www.intactforests.org</a>)</p> <p>Legal Compliance Company Environmental Impact Assessments</p> <p>Global Forest Watch Data on Biodiversity and Land Cover layers: <a href="https://www.globalforestwatch.org/map/GEF-Mozambique">https://www.globalforestwatch.org/map/GEF-Mozambique</a> (<a href="http://sibmoz.gov.mz">sibmoz.gov.mz</a>)</p>	<p>and harvesting of exotic plantation species, particularly considering the landscape approach including conservation areas being used by IFM.</p> <p>This same website was used to check for intact forest landscapes with none being found at district level.</p> <p>WWF and <a href="#">Biofund</a>, in “<a href="#">Mozambique habitats mapping</a>” shows that the plantations around Gondola are established on modified habitats while the plantations at M26 and Galinga are shown as natural habitat.</p> <p>During infield assessment of the areas, it was noted the areas are heavily transformed, with very little remaining natural habitat and some of this consists of what local communities refer to as “farm bush”, this is woodland and grassland areas that have been used for many years for forest products and periodic clearing as part of shifting cultivation. While a limited number of these areas have potential to recover, it is highly unlikely in most cases as many of the key attributes of natural ecosystems are missing, this particularly applies to fauna species but also many flora species, especially where complexity and structure is considered.</p> <p>Emerging anecdotal evidence presented to the expert from other regions in Africa may suggest that plantation development in these highly degraded landscapes benefits Microclimate providing cooler conditions and more stable rainfall. If this anecdotal evidence has any grounding there is potential that IFM plantations may help mitigate climate change at local levels..</p> <p>Further to the above all supply areas have had legislated ESIA's completed with Environmental Management Plans (EMP's) put in place to manage any areas that may</p>		
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		<p>be considered as meeting FSC and IFC definitions of HCV.</p> <p>The closest Key Biodiversity Area is the Gorongosa-Marromeu Complex.</p> <p>IFM have a land selection and Duat process document that describes how they select areas for planting and conservation, this would also cover an area identified as potential HCV. (Refer Policies and procedures folder in the Appendix). To date no areas of high conservation significance have been identified within their Forest Management Units. Environmental Management Plans (EMP's) have put in place to manage any areas that may be considered as meeting FSC definitions of HCV or less significant conservation areas.</p>		
3.1 HCV 1	<p>Legal Compliance Company Environmental Impact Assessments</p> <p>Global Forest Watch Data on Biodiversity and Land Cover layers: <a href="https://www.globalforestwatch.org/map/">https://www.globalforestwatch.org/map/</a></p>	<p><b>Specified Risk at National and District Level</b></p> <p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (6)</b></p> <p>According to FSC-PRO-60-002a Annex B HCV assessment guidance (informative) under HCV 1 "In addition, risk for this HCV can be assessed using functional scale. An example of functional scale might be plantations of exotic tree species (see above), where the risk of finding either species or concentrations of species would be low."</p> <p>Through the company EIA's there are no areas identified as HCV 1. The supply areas do not contain critical temporal, seasonal, or</p>	IFM plantations in Manica and Sofala Province level	

		<p>ephemeral habitats/resources such as sites for roosting, breeding, hibernation, shelter and migration. (Refer Environmental Appendix in the Appendix folder)</p> <p>Mozambique is a signatory to the CBD (Refer to Appendix 21 and 22 for CBD report and Strategy and Action Plan). The next report on achieving CBD Targets is currently due, but Mozambique has currently set aside 26% of its area for conversation.</p> <p>IFM has policies and procedures in place to manage areas identified as having conservation or cultural significance. To date no areas of high conservation significance have been identified within their Forest Management Units. Environmental Management Plans (EMP's) have put in place to manage any areas that may be considered as meeting FSC definitions of HCV.(Refer to Policies and procedures folder in the Appendix folder)</p> <p>Infield observations indicate that natural ecosystems with the supply area are highly degraded.</p>		
3.2 HCV 2	<p>Intact Forests Landscapes, as identified by Greenpeace (<a href="http://www.intactforests.org">www.intactforests.org</a>)</p> <p>Global Forest Watch Data on Intact Forest Landscapes layer: <a href="https://www.globalforestwatch.org/map/">https://www.globalforestwatch.org/map/</a></p>	<p><b>Specified risk at National Level</b></p> <p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (9)</b></p> <p>Both the IFL and GFW databases were checked, there are no IFL's within the area under assessment.</p> <p>According to FSC-PRO-60-002a Annex B HCV assessment guidance (informative) under HCV 2 "Functional scale can be used to identify areas of 'low risk' for these HCVs, for example large areas of industrial forests or plantations will be 'low risk'."</p>	IFM plantations in Manica and Sofala Province level	

<p>3.3 HCV 3</p>	<p><a href="#">Endemism - Simple English Wikipedia, the free encyclopedia</a></p> <p>Global Forest Watch Data on Biodiversity and Land Cover layers: <a href="https://www.globalforestwatch.org/map/">https://www.globalforestwatch.org/map/</a></p> <p>Legal Compliance Company Environmental Impact Assessments</p>	<p><b>Specified Risk at National Level</b></p> <p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (14)</b></p> <p>According to FSC-PRO-60-002a Annex B HCV assessment guidance (informative) under HCV 3 “An example of functional scale might be plantations of exotic tree species, where the risk would be low of finding rare forest communities or old-growth native trees. In some cases plantations can contain native vegetation ecosystems remnants within in them. If these remnants are protected or not harvested then plantations will be ‘low risk’ for these HCVs.”</p> <p>Mozambique is not listed for endemism.</p> <p>There are a number of National Parks and protected areas in Mozambique, to link these specifically to FSC HCV classifications is not possible, but some of these protected areas would fit the FSC classification. (Refer Appendix folder)</p> <p>Mozambique has set targets to achieve the Aichi targets and progress towards these is reported in the CBD reports, primarily Mozambique increased its area under protection from 11% to 26%. To date Mozambique has not yet secured all these areas as “secure” conservation areas, but this is part of their current Strategy and action plan. There are no nationally protected areas within the surrounding landscapes of directly linked to the supply areas. (Refer to <a href="https://www.globalforestwatch.org/map/">https://www.globalforestwatch.org/map/</a>)</p> <p>IFM has policies and procedures in place to manage areas identified as having conservation or cultural significance. To date no areas of conservation significance have been identified within their Forest Management Units. Environmental</p>	<p>IFM plantations in Manica and Sofala Province level</p>	
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		<p>Management Plans (EMP's) have put in place to manage any areas that may be considered as meeting FSC definitions of HCV. (Refer to Appendix)</p> <p>Field observations confirm that the chance of finding any such areas within the landscapes in the supply area are extremely low, therefore potential to cause damage to any such area would also be considered as low. (Refer to statements in section 3.1)</p>		
3.4 HCV 4	<p>Global Forest Watch Data on Biodiversity and Land Cover layers: <a href="https://www.globalforestwatch.org/map/">https://www.globalforestwatch.org/map/</a></p> <p>Google Earth Imagery of the area with shapefiles of the supply area loaded.</p> <p>Legal Compliance Company Environmental Impact Assessments</p>	<p><b>Specified Risk at National and District Level</b></p> <p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (19)</b></p> <p>There are no HCV 4 areas within the supply areas. Forests within the region would be considered as influencing floods and erosion and regulating stream flow and quality. However, these forests are far from the area under assessment and the management activities within the supply area will not impact on these forests. (Refer to Environmental Appendix folder and shapefiles in the Appendix folder).</p> <p>IFM has policies and procedures in place to manage areas identified as having conservation or cultural significance. To date no areas of conservation significance have been identified within their Forest Management Units. Environmental Management Plans (EMP's) have put in place to manage any areas that may be considered as meeting FSC definitions of HCV.</p> <p>In order to prevent any impact on water quantity and quality IFM follow legal compliance recommendations in the Law n°</p>	IFM plantations in Manica and Sofala Province level	

		<p>20/97: Environment Law and subsidiary legislation governing riparian buffer zones.</p> <p>During field observations riparian zones were noted as potential to meet this criterion for water flow and quality. However, it should be noted that IFM buffer all these areas from their plantations but does not have any legal control over some of these areas that have been retained under community control. Due to the proximity to water and high nutrient and soil fertility in these riparian zones these areas are highly valued by the local communities. While socio-economic conditions persist in the districts at survival livelihoods, these areas are unlikely to be ceded even where high levels of environmental and social awareness might be achieved.</p>		
3.5 HCV 5	<p>Legal Compliance Company Environmental Impact Assessments Company Policies and procedures</p>	<p><b>Specified Risk at National Level</b></p> <p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (23)</b></p> <p>Land Acquisition processes include voluntary land assessment by individuals, families and communities, and considers resources that should be retained as essential for their subsistence, in this way land that is acquired is generally the most highly degraded areas. It helps facilitate the assessment for values that may be considered as HCV 5, if these were identified they would not form part of any IFM land acquisition. (Refer the Policies and procedures folder in the Appendix folder), this means that forest management activities within the supply area will not impact on these types of HCV.</p> <p>IFM has policies and procedures in place to manage areas identified as having conservation or cultural significance. To date no areas of conservation significance have</p>	<p>IFM plantations in Manica and Sofala Province level</p>	

		<p>been identified within their Forest Management Units. Environmental Management Plans (EMP's) have put in place to manage any areas that may be considered as meeting FSC definitions of HCV. (Refer to Appendix)</p> <p>This means the requirement for Local Community engagement is met through the compliance with Mozambique legal requirements.</p>		
3.6 HCV 6	<p>Legal Compliance Company Environmental Impact Assessments Company Policies and procedures</p>	<p><b>Specified Risk at National and District Level</b></p> <p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (27)</b></p> <p>There are no areas that may be considered as HCV 6 identified within the supply areas. (Refer to the Environmental Appendix in the Appendix folder and the Community Appendix folder in the Appendix folder)</p> <p>Land Acquisition processes assess for values that may be considered as HCV 6, if these were identified they would not form part of any IFM land acquisition. (Refer to the Environmental folder in the Appendix folder and the Community folder in the Appendix folder), this means that forest management activities with the supply area will not impact on these types of HCV.</p> <p>IFM has policies and procedures in place to manage areas identified as having conservation or cultural significance. To date no areas of conservation significance have been identified within their Forest Management Units. Environmental Management Plans (EMP's) have put in place to manage any areas that may be considered as meeting FSC definitions of HCV. (Refer to Appendix)</p>	<p>IFM plantations in Manica and Sofala Province level</p>	

		This means the requirement for Local Community engagement is met through the compliance with Mozambique legal requirements.		
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#### 4 WOOD HARVESTED FROM AREAS BEING CONVERTED FROM FORESTS AND OTHER WOODED ECOSYSTEMS TO PLANTATIONS OR NON-FOREST USES

Indicators (1)	Sources of information (2)	Risk determination and specification (if not low risk) Provide numbers of thresholds that are met. JUSTIFY THE OUTCOME (for each threshold). (3)	Functional scale <sup>27</sup> (4)	Control measures (5)
<p>4.1 Conversion of natural forests to plantations or non-forest use in the area under assessment is less than 0.02% or 5000 hectares average net annual loss for the past 5 years (whichever is less),</p> <p>OR</p> <p>Conversion is illegal at the national or regional level on public and private land</p> <p>Note: The following changes are not considered applicable conversion according to the indicator: (legal) road construction, logging landings and infrastructure development to</p>	<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. College Park, Maryland: The Global Land Cover Facility.</p> <p>National data sources</p>	<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1) and (3)</b></p> <p>The primary drivers of conversion are subsistence agriculture and urbanisation and sources of energy (in rural areas).</p> <p>The primary laws governing the legality of conversion (land use change) are:</p> <p>Law n° 19/97: Land Law, and</p> <p>Law n° 20/97: Environment Law</p> <p>Decree n° 54/2015: Regulation on the Process of Environmental Impact Assessment</p> <p>According to last FAO report (See attached Appendix 10 FAO Report)</p> <p><a href="http://www.fao.org/countryprofiles/index/en/?iso3=MOZ">http://www.fao.org/countryprofiles/index/en/?iso3=MOZ</a> Mozambique is one of the southern African countries that still has a considerable area of native forest and other woody formations, composed mainly by Miombo, Mécrouse and Mopane ecosystems. These dry tropical forests are subject to a high rate of deforestation and forest degradation, due to their fragility and the high demand for goods and services to which they are subject</p>	<p>IFM plantations in Manica and Sofala Province level</p>	<p>If new areas are added in the M26 area after this assessment, these areas would need to be assessed for conversion prior to taking timber from these new areas.</p>

support forestry operations.	<p>FSC Network Partners and Regional Offices contacts <a href="http://www.fsc.org">www.fsc.org</a></p> <p>Google Earth Engine – Timelapse: <a href="https://earthengine.google.com/timelapse/">https://earthengine.google.com/timelapse/</a></p> <p>Global Forest Watch: <a href="https://www.globalforestwatch.org/">Interactive World Forest Map &amp; Tree Cover Change Data   GFW (globalforestwatch.org)</a></p> <p>Google Earth Imagery <a href="http://sibmoz.gov.mz/gef-mozambique">GEF-Mozambique (sibmoz.gov.mz)</a></p>	<p>and the fact that they are the main livelihood of the rural population.</p> <p>The forest in Mozambique is defined considering 1 hectare of minimum mapping area, 30% of minimum canopy cover and 3 meters of minimum tree height on maturity. According to data from the <a href="#">national forest inventory carried out in 2017</a>, the country has about 32 million hectares of natural forests, which cover 40% of the national territory. Miombo is the dominant forest formation, with about 21 million hectares, representing 62% of the forest area. Miombo growth is slow, estimated at 0.5 to 1 m<sup>3</sup>/ha/year. Forestry is selective and covers 20% of the 119 forest species identified and the remaining 80% are secondary, with little market demand.</p> <p>However, there is no recent data related to forest loss in the FAO FRA 2020. The rates of deforestation represented in the FAO report reflect extrapolation for prior to 2013.</p> <p>The plantations in the Gondola area are in the Chimoio Moist Miombo ecosystem, Google earth historical imagery shows these areas have been deforested from at least the earliest imagery available going through varying phases of land use over time, with subsistence agriculture being the primary land use prior to IFM taking over management control of these areas. The GFW forest Integrity layer confirms this through indications of low integrity.</p> <p>The plantations in Galinha area are in the Cheringoma Coastal Moist Miombo ecosystem. Google Earth historical imagery shows clearing of these woodland forests from the earliest of this imagery in 1980's, this clearing continued until all the ridge-land forests were totally degraded, more recent land use had included clearing remnant forests for charcoal production and use of the degraded grasslands for subsistence</p>		
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		<p>agriculture. Note that once the forest area areas are cleared, grassland habitat replaces the previous forest habitat. While the GFW Forest Landscape integrity layer shows some areas as being relatively intact, checking this on the historical google earth imagery shows that there are only forest remnants along the riparian zones.</p> <p>The plantations in M26 area are in the Cheringoma Plateau Moist Miombo ecosystem. Comparing Google Earth Imagery and Global Forest Watch data for tree loss there is a linkage of deforestation over +-10 year periods for subsistence agriculture, resulting in degraded “farm bush” of extremely low ecological value. In all areas currently developed by IFM this degradation is evident prior to their management control, with active charcoal operations in associated neighbouring areas in existing farm bush. The forest integrity layer on GFW shows the areas as highly degraded.</p> <p>Global Forest Watch Assessment shows from 2001 to 2021, Mozambique lost 27mha of <b>natural forest</b>, equivalent to 13% of its total tree cover loss in the same time period. While tree cover loss in 2021 was 0,96%. For the period 2017 to 2021 (5 years) tree cover loss was 4,4% of the 2000 forest area.</p> <p>GFW analysis of tree loss drivers indicates that primary causes are shifting agriculture, however from in-field observations in some areas charcoal production may also be considered a driver, as can historically logging from more than 30 years ago. FAO in their 2020 Forest Resource Assessment highlights that much of the shifting agriculture classification is now permanent and identifies this loss driver as subsistence agriculture. GFW tree loss layers were also assessed for tree cover loss over the last 5 years, however two factors affect the accuracy and authenticity of this type of assessment in</p>		
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		<p>these areas: 1) shifting agriculture in the areas prior to IFM acquiring management control distorts this, and; 2) Cyclones that have affected the area have affected the tree cover loss in existing plantation areas. This type of analysis was therefore discarded.</p> <p>All plantation areas were checked on Goggle Earth with each area being assessed, imagery indicates that all areas where in a highly degraded state prior to IFM developing the land. Further to this plantation development across all plantations have had set aside areas of natural ecosystems and linking corridors set aside prior to the plantation compartment establishment. (Refer to imagery in the Appendix).</p> <p>All supply areas were also checked using the Google Earth Engine – Time-lapse to assess land use changes since 1984.</p> <p>Plantations have been fully established for a number of years with natural areas set asides.</p> <p>The mosaic model implemented by IFM, results in a spatial organization in a landscape with different land uses, also having protection areas (both from an environmental and social point of view).</p> <p>IFM undertake procedures prior to establishment to identify any existing forests / woodlands / areas needing to be set aside for conversation. (Refer to the Polices folder in the Appendix folder)</p> <p>Adding to the above analysis the primary justification for declaration of low risk is that conversion of natural forests to plantations or non-forest use in the area under assessment is less than 5000 hectares average net annual loss for the past 5 years.</p>		
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## 5 WOOD FROM FORESTS IN WHICH GENETICALLY MODIFIED TREES ARE PLANTED

Indicators (1)	Sources of information (2)	Risk determination and specification (if not low risk) Provide numbers of thresholds that are met. JUSTIFY THE OUTCOME (for each threshold). (3)	Functional scale (4)	Control measures (5)
5.1. There is no commercial use of genetically modified trees.	<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:</p> <p><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><a href="https://allianceforscience.cornell.edu/blog/2018/05/mozambique-ready-gmo-crops-already-eating/">https://allianceforscience.cornell.edu/blog/2018/05/mozambique-ready-gmo-crops-already-eating/</a></p>	<p><b>Risk Threshold achieved:</b></p> <p><b>At plantation FMU level Low Risk Threshold (1) or (2) and (3)</b></p> <p>Countries currently involved in GM Tree research according to this site</p> <p>Italy, Belgium, Sweden, UK, Finland, New Zealand, Japan, China, Germany, Canada, France, South Africa, United States, Brazil, Indonesia, Uruguay, Chile, Ireland, Norway, Australia, Malaysia, Vietnam, Thailand, India, Spain, Portugal, Lithuania, Russia, Kenya.</p> <p>According to the latest available FAO study ("Preliminary review of biotechnology in forestry, including genetic modification", 2004. (available at <a href="http://www.fao.org/docrep/008/ae574e/ae574e00.htm">http://www.fao.org/docrep/008/ae574e/ae574e00.htm</a>)) there is no commercial usage of any GM trees in the country. Commercial usage of GM trees is only taking place in China according to the FAO data.</p> <p>Decree No 71/2014 and Decree No 6/2007 govern GMO use in Mozambique.</p> <p>There is no evidence of unauthorised use of GMO's in Mozambique.</p> <p>Alliance for science reported in 2018 that Mozambique had begun trials on Water Efficient Maize for Africa (WEMA). However, there are no trials on GMO trees.</p>	IFM plantations in Manica and Sofala Province level	



## 6 GENERAL

Indicators (1)	Sources of information (2)	Risk determination and specification (if not low risk) Provide numbers of thresholds that are met. JUSTIFY THE OUTCOME (for each threshold). (3)	Functional scale (4)	Control measures (5)
General search on the company	Web search of companies	<b>Low Risk</b> Internet searches were done on: Investimento Florestal de Mozambique Mozambique Tree farming Mozambique Fibra There were no adverse reports found.	IFM plantations in Manica and Sofala Province level	

## 7. List and contact details of experts involved in the risk assessment

Name of Expert	Contact Details	Area Under Assessment
Stuart Valintine	<a href="mailto:svalintine@zol.co.zw">svalintine@zol.co.zw</a>	Mozambique

Stuart Valintine was used as the expert to undertake this risk assessment. Mário Paulo Falcão [mariopaulofalcao1@hotmail.com](mailto:mariopaulofalcao1@hotmail.com) was also consulted as an expert for some of the indicators and findings.

### Expert Qualifications:

I attained a Diploma in Forestry from the Zimbabwe College of Forestry in 1983 and have worked in forestry since then. I passed the Criterion Referenced Instruction course in 1994, then the Advanced Environmental Management System Auditing course in 1997 and the Integrated Environmental Management course in 1997 run by University of Cape Town. I have also completed numerous FSC / FSC auditor courses since the first one in 1997. I started working on international certification standards in the mid-90's where I developed management systems and assisted Border Timbers Limited to attain certification to FSC Forest Management Standards and ISO 14001 in a single audit. I acquired a Bachelor of Technology (Forestry) from Nelson Mandela Metropolitan University in 1998. I continued managing Border Timbers certification and SHEQA systems until 2006. During this time, I completed numerous courses relating to risk assessment across several fields of work. I have completed both ISO auditor and FSC training courses, conducting many internal (2<sup>nd</sup> Party) audits, I do not do 3<sup>rd</sup> party audits. Following this I have assisted organizations across 12 African countries and Papua New Guinea to developing management systems for International Forest Stewardship standards.

I have been contracted by Assurance Services International (ASI) as a local specialist during a Certification Body assessment in South Africa, primarily focusing on local legal and social requirements for FSC Forest Stewardship standards, this indicates expertise acknowledged for CW

Category 1 and 2. I was contracted by NEPCo (now Preferred By Nature) in 2017 to undertake a Centralised National Risk Assessment (CNRA) for Swaziland (now Eswatini) for Controlled Wood Categories 1, 2, 4 and 5. This gives an indication of both a Certification Body and FSC acknowledgement of expertise in the categories of the CNRA undertaken. (Refer to the General requirements for FSC accredited certification bodies FSC-STD-20-001 V4-0 EN, Box 2: Key considerations for selection of audit team members for forest management audits (refers to auditors and technical experts) (normative) on page 44 of 46). I have also conducted either Company Risk Assessments (CRA) or Extended Company Risk Assessments (ECRA) across 6 African countries, with some of these being approved by at least three different Certification Bodies.

I have been directly involved in conducting High Conservation Value Assessments across 10 African countries, either as the lead assessor, assessor or in other direct ways. Refer to the Environmental Evaluation Unit, University of Cape Town Course passed in 1997 for qualifications. This has included work for both forest clients and NGO's in non-certification assessments.

Among my clients I was contracted to FSC as Chairman and drafter of their Motion 7 Working Group and Technical Working Groups that developed the FSC Policy, procedures and normative framework documents to address how FSC manages conversion among their certification standards. I have been involved with FSC in this regard since 2015. I have also conducted numerous conversion assessments across the sub-Saharan Africa.

Considering the requirements as listed in Annex C Minimum requirements for expert qualifications of Requirements for Sourcing FSC® Controlled Wood FSC-STD-40-005 V3-1 EN:

- 1) For all categories I refer to experience in previously approved Company and Extended Company Risk Assessments;
- 2) For Category 1 refer to experience with ASI and the conducting of a CNRA where expertise was required at national/regional levels;
- 3) For Category 2 refer to experience with ASI and the conducting of a CNRA where expertise and knowledge of Indigenous People and/or Traditional People was required at national/regional levels;
- 4) For Category 3 refer to qualifications in forestry, experience working in forestry in Africa and experience undertaking High Conservation Value Assessments;
- 5) For Category 4 refer to qualifications in forestry, experience working in forestry in Africa and expertise acknowledged by FSC; and,
- 6) For Category 5 no specific expert knowledge is required.

**End of report**