

RISK ASSESSMENT REPORT

(Theo FSC-CNRA - VN V1-0 EN)

A. The requirements of the due diligence program at:

1. Tan Thang commune, Tan Binh commune, Thang Fear commune, Ham Tan district, Binh Thuan province.

B. SpecialRequirements: Our due diligence program has carried out compliance assessments for với items not considered as low risk in our risk assessment program based on special requirements mentioned in the standard. We carry out assessments for each supplier in the districts as follows:

Stt	Province	Mining locations	Suppliers	Type of wood
1	Binh Thuan (Wood bought directly households and transported directly to Tan My company)	Tan Thang commune, Thang Hai commune, Tan Binh commune, Ham Tan District, Binh Thuan Province.	Ms. Ho Thi Love;	Acacia round wood
2	Binh Thuan (Timber directly purchased land sovereign households and transported directly to Tan My company)	Tan Thang Commune, Thang Hai Commune, Ham Tan District, Binh Thuan Province.	Mr. Liu Changjiang	Acacia round wood
3	Binh Thuan (Timber directly purchased land sovereign households and transported directly to Tan My company)	Tan Thang Commune, Ham Tan District, Binh Thuan Province.	Mr. Tran Xuan Nam	Acacia round wood

I. List of appraisal delegations

The appraisal delegation is established with the following members:

Stt	First and last name	Education/ Industry	Function	Phone
1	Nguyen Huu Quang	Head of Purchasing Department (10 years of wood industry experience)	Delegation leader	
2	Phan Thi Kim Huyen	Staff(2 years of experience in the timber industry)	Members	
3	Lê Thành Trung	Staff(2 years of experience in the timber industry)	Members	
4	Wu Ing-wen	Master of Forestry	Members	

II. Appraisal method

1. Appraisal period: October 30, 2019.
2. Method of appraisal:
 - Determine the geographical coordinates and area of the plantation using GPS equipment.
 - Prepare standard umbrellas, measure and evaluate the status, wood reserves, crop species of forests.
 - Interviewing stakeholders (local authorities, local rangers, forest owners, workers and local people...)
 - Consult related NGOs.
 - Synthesize evidence dossiers, interviews with stakeholders and conclusions.

III. Categories

1. Controlled wood type 1: Illegal logging

The Company demonstrates that the timber sources mined comply with all laws and in accordance with the requirements outlined in table 1 below:

Table 1:

Specify	Legal requirements	Results of field inspections performed controls	Results
1.1	<u>Land management and use rights</u> <ul style="list-style-type: none"> • 45/2013/QH13 • 43/2014/ND-CP • 76/2014/TT-BTC • 46/2014/ND-CP • 27/2018/TT-BNNPTNT • 77/2014/TT-BTC • 43/2014/ND-CP • 07/2011/TTLT-BNNPTNT-BTNMT • 2-CP • 29/2004/QH11 • 38/2007/TT-BNN • 87/2009/TT-BNNPTNT • 68/2014/QH13 • 78/2015/ND-CP • 50/2010/ND-CP • 12/2015/ND-CP • 30/2014/TT-BTNMT • 23/2014/TT-BTNMT • 02/2015/TT-BTNMT Risk identification: Identified risks.	<u>Evaluation of land management and use rights</u> <ul style="list-style-type: none"> - Households with red books, land lease dossiers and land use rights in accordance with Vietnamese law. - The company did not notice the problem of disputes over boundaries and land in the area of land managed by the plantation households. - The evaluation delegation interviewed stakeholders including local authorities, local rangers, forest owners, party boundaries, land management issues, land disputes. 	LOW RISK
1.2	<u>Land lease and transaction permits</u> <ul style="list-style-type: none"> - 45/2013/QH13 	<u>Evaluation of land lease and transaction permits</u>	LOW RISK

	<ul style="list-style-type: none"> - 43/2014/ND-CP - 168/2016/ND-CP - 02/2015/TT-BTNMT - 30/2014/TT-BTNMT <p><u>Risk Determination: Risk offailure</u></p>	<ul style="list-style-type: none"> - Checked red book, land lease dossier, land use right in accordance quy with current law. 	
1.3	<p><u>Management and exploitation plan</u></p> <ul style="list-style-type: none"> • 16/2007/QH14 • 27/2018/TT-BNNPTNT • 28/2018/TT-BNNPTNT • 87/2009/TT-BNNPTNT • 17/2015/QD-TTg • 49/2016/QD-TTg • 38/2014/TT-BNNPTNT <p><u>Risk Determination: Risk offailure</u></p>	<p><u>Evaluation of management and exploitation planning</u></p> <ul style="list-style-type: none"> - Having failedto issue commune officials cán bộ xã and forest owners,, management and exploitation plans assigned to households to plant, care for and exploit in accordance quy with the current law.. 	LOW RISK
1.4	<p><u>Mining licenses</u></p> <ul style="list-style-type: none"> - 27/2018/TT-BNNPTNT <p><u>Risk Determination:</u> Identified risks.;</p>	<p><u>Evaluation of mininglicenses: The evaluation team interviewed.</u></p> <ul style="list-style-type: none"> - Currently, the plantations are about 3 to 4 years old un mined. Having interviewed the households, the households will notify thecommune and make their own forest productslist, the company will control the forest product list of forest plantation households to ensure the timber sources from the supply areas in accordance with the requirements of Vietnamese law and FSC standards. - In addition, hesent supervisors to check periodically or unexpectedly to determine the daily volume of exploitation and of the whole mining process located in the area announced for exploitation. Theexploitation process also has the inspection and supervision of the local ranger force to determine the exploitation boundaries, avoiding the confusion of other sources of inappropriate raw materials. 	LOW RISK
1.5	<p><u>Payment of land rents and harvest fees</u></p> <ul style="list-style-type: none"> - 45/2009/QH12 -71/2014/QH13 	<p><u>Assessment of payment of land rents and harvest fees</u></p> <ul style="list-style-type: none"> - Plantations are exempt from land tax and 	LOW RISK

	<p>-50/2010/ND-CP -2242/QĐ-TTg -330/2016/TT-BTC X risk hedging: Low risk.</p>	<p>mining fees.. Some households also pay taxes if required by the locality, they also keep tax receipts (if any).</p>	
1.6	<p><u>VAT and other sales taxes</u></p> <ul style="list-style-type: none"> • 32/2013/QH13 • 71/2014/QH13 • 218/2013/ND-CP • 31/2013/QH13 <p>Risk identification: N/A</p>	<p><u>Assessment of VAT and other sales taxes</u></p> <ul style="list-style-type: none"> - Households planting forests should not pay VAT and other sales taxes. 	LOW RISK
1.7	<p><u>Income and profit taxes</u></p> <ul style="list-style-type: none"> • 32/2013/QH13 • 71/2014/QH13 • 218/2013/ND-CP • 96/2015/TT-BTC <p>Identifyrisks: N/A</p>	<p><u>Assessment of income and profit taxes</u></p> <ul style="list-style-type: none"> - The State supports people to plant production forests so that households do not pay these income and profit taxes. 	LOW RISK
1.8	<p><u>Logging regulations</u></p> <ul style="list-style-type: none"> • 27/2018/TT-BNNPTNT <p>Risk determination: Low risk.</p>	<p><u>Review of logging regulations</u></p> <ul style="list-style-type: none"> - Having interviewed owners, commune officials and rangers, when exploiting, forest owners must make an application for exploitation with/or without confirmation of the ranger unit according to circular 27/2018/TT-BNNPTNT. - When exploiting, households notify the commune and set up forest product listings, the company will control the forest products list of forest plantation households to ensure the timber sources from the supply area in accordance with the requirements of Vietnamese law and FSC standards. thông báo lên xã và tự lập bảng kê lâm sản 	LOW RISK
1.9	<p><u>Protected areas and species</u></p> <ul style="list-style-type: none"> - 38/2014/TT-BNNPTNT -117/2010/ND-CP -32/2006/ND-CP -186/2006/QĐ-TTg -82/2006/ND-CP - 40/2013/TT-BNNPTNT -74/2008/QĐ-BNN <p>Risk identification: Identified risks</p>	<p><u>Assessment of protected areas and species</u></p> <ul style="list-style-type: none"> - After conducting inspections, field assessments as well as consultation and verification from local authorities and local rangers for the controls put in place, ensuring the protection of animals and plants to be protected. 	LOW RISK

		<ul style="list-style-type: none"> - Interviewed stakeholders including forest owners and commune authorities, in Tan Thang commune, Tan Binh commune, Thang Hai commune does not have species to protect. 	
1.10	<p><u>Environmental requirements</u></p> <ul style="list-style-type: none"> • 18/2015/ND-CP • 27/2015/TT-BTNMT • 20/VBHN-BNNPTNT • 19/2015/ND-CP • 38/2014/TT-BNNPTNT <p><u>Risk identification: Identified risks</u></p>	<p><u>Assessment of environmental requirements</u></p> <ul style="list-style-type: none"> - Households in Ham Tan District have submitted their commitment to protect the environment to the Commune People's Committee when applying for permission to exploit. - Having interviewed forest owners and commune officials to identify risks of environmental requirements, there have been no environmental violations in the area from planting to exploitation. - The company has sent a letter to the Office of The International Fund for Nature Protection (WWF) in Hue, Vifores, the forest ranger department to consult on environmental and conservation requirements in the raw material area. The responses of the consultants helped the company to put in place appropriate controls for the mining area, ensuring that it did not affect the mining area environment. - When conducting exploitation, the company sent officers to monitor forest exploitation regularly to ensure no impact on the environment. 	LOW RISK
1.11	<p><u>Safety and health</u></p> <ul style="list-style-type: none"> • Fao's Poverty Reduction (RIL) Guidelines were published in 2007 by the Vietnam Institute of Forestry Administration. • 10/2012/QH13 • 58/2014/QH13 • 96/2008/QĐ-BNN • 07/2016/TT-CPC • 25/2008/QH12 • 45/2013/ND-CP • 11/2014/TT-BCA • 14/1998/TTLT 	<p><u>Health and safety assessments</u></p> <ul style="list-style-type: none"> - Having interviewed forest owners about the implementation of measures in ensuring safety and health, foresters must equip themselves with basic labor safety equipment suitable for each work content. - Observe the scene and interview the forest owner, noting that the forest is currently planting and caring. The planting, care, protection and exploitation of households is carried out due to the main labor of households assigned or hired households together, they equip themselves with appropriate basic labor safety equipment. 	LOW RISK

	<ul style="list-style-type: none"> • 09/2000/APARTMENT • 27/2013/TT-BLDTBXH • 36/2012/TT-CPC • 26/2013/TT-CPC • 05/2012/TT-CPC • 10/2008/CT-TTg • 06/2014/TT-CPC • 4/2014/TT-BLDTBXH • 54/2015/TT-CPC <p>Risk identification: Identified risks</p>	<ul style="list-style-type: none"> - Having interviewed forest owners, <u>the procession</u> when exploiting, households must have reports of employers when exploiting, have a list of employees and commit to ensure labor safety to update in the sales contract. - When conducting exploitation, the company dispatches officers to monitor forest supervision to ensure labor safety when exploiting. 	
1.12	<p><u>Legal labor</u></p> <ul style="list-style-type: none"> • 10/2012/QH13 • 43/2013 /ND-CP • 58/2014/QH13 • 12/2012/QH13 <p>Risk identification: Identified risks</p>	<p><u>Assessment of legal labor</u></p> <ul style="list-style-type: none"> - Interviewed forest owners, realized that the use of labor is the labor of households together. The plantation, care, protection and exploitation of households is carried out by the main labor of the family or the hiring of households together, the payment of salaries based on appropriate agreements with each other, on-duty labor or the hiring of securities to pay for social insurance and health insurance. This amount has been included in the salary. - Currently, the raw material forests are planted and cared for, the households keep a list of the timely workers clearly titled, address, specific contact information, and ensure the employer complies with the laws of Vietnam. - Before exploitation, the assigned households have reported the use of labor when exploiting, committing to ensure the legitimate use of labor in the contract of sale and purchase.. - When conducting exploitation, the company dispatches officers to monitor forest exploitation regularly to ensure that households use legal labor: fair treatment and full working age. 	LOW RISK
1.13	<p><u>Customs rights</u></p> <ul style="list-style-type: none"> • 178/2001/QD-TTg • 45/2013/QH13 • 38/2014/TT-BNNPTNT <p>Risk identification: identified risks</p>	<p><u>Evaluating customs and customs</u></p> <ul style="list-style-type: none"> - Currently, in the procurement communes inhabited by ethnic minorities: Interviewed the chairman of Thang Hai commune, in the communes there are kinh, Cham, Nung, Khmer, and Chau Ro (including 15 Cham households and the remaining 15 ethnic households). In the interview with Tan Thang commune, there 	LOW RISK

		<p>are Cham, Tay, Han, Chess Ho, Chau Ro and Nung ethnic groups (including 585 Cham households, and the other few ethnic households). Interviewing the police chief in Tan Binh commune, there were no natives, only a few Cham and Chess-Ho households migrated. The State respects the rights of ethnic minorities and has policies to support ethnic minorities.</p> <ul style="list-style-type: none"> – Local authorities have a fair trial between Kinh and ethnic minorities when disputes and lawsuits occur. 	
1.14	<p><u>Voluntarily agree in advance and be provided with information</u> Risk identification: N/A</p>	N/A	N/A
1.15	<p><u>Indigenous rights</u> Risk identification: N/A</p>	N/A	N/A
1.16	<p><u>Classification of species, quantity, quality</u></p> <ul style="list-style-type: none"> • 2198/CNR • 27/2018/TT-BNNPTNT • 87/2009/TT-BNNPTNT <p>Risk Determination: Risk offailure</p>	<p><u>Evaluation of species classification, quantity, quality</u></p> <ul style="list-style-type: none"> – According to the records and actual observations, all the forests produce tubers a household, households are just acacia woodforests, no other woodspecies. 	LOW RISK
1.17	<p><u>Trade and transportation</u></p> <ul style="list-style-type: none"> • 27/2018/TT-BNNPTNT • 68/2014/QH13 • 43/2013/ND-CP • 67/2014/QH13 • 173/2013/TT-BTC • 29/2014/ND-CP • 23/2010/TT-BTP • 107/2007/QĐ-BNN • 37/2014/TT-BCT <p>Risk identification: Identified risks</p>	<p><u>Review of Trade and Shipping</u></p> <ul style="list-style-type: none"> – Currently the forest is planting and caring so there is no commercial and transportation activities. However, in order to evaluate the interview with the concerned party, the transport papers include the forest products list according to Circular 27/TT-BNNPTNT declared by the forest owner or the contract for transporting acacia wood for outsourced vehicles. – Having interviewed the commune president and forest owners when exploiting and transporting forest products, forest owners must notify the commune People's Committee of the exploitation and making of forest product lists according to Circular 27/2018/TT-BNNPTNT. – Interviewed with forest owners, the purchase and sale of timber is usually agreed directly between buyers and 	LOW RISK

		<p>sellers.</p> <ul style="list-style-type: none"> - The company also controls sales contracts with forest owners and must have a list of forest products when selling. - During transportation, in addition to the accompanying papers and checked by the responsible forces: rangers, authorities the mixing of raw materials during transportation can occur due to the exploitation can take place simultaneously, with high density. 	
1.18	<p><u>Foreign transactions and transfer prices</u></p> <ul style="list-style-type: none"> - 66/2010/TT-BTC -201/2013/TT-BTC -08/2015/ND-CP -04/2015/TT-BNNPTNT -205/2013/TT-BTC <p>Risk identification: Identifiedrisks</p>	<p><u>Reviews of foreign transactions and transfer prices</u></p> <ul style="list-style-type: none"> - The Company only buys raw materials from domestic suppliers so this risk does not apply to the Company. 	LOW RISK
1.19	<p><u>Customs regulations</u></p> <ul style="list-style-type: none"> - 04/2015/TT-BNNPTNT - 274/2016/TT-BTC - 08/2015/ND-CP - 13/2014/TT-BTC <p>Risk identification: Identifiedrisks</p>	<p><u>Review of customs regulations</u></p> <ul style="list-style-type: none"> - The company only buys raw materials from domestic suppliers so the company will comply with the provisions of Vietnamese law issued. 	LOW RISK
1.20	<p><u>CITES compliance</u></p> <ul style="list-style-type: none"> • CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora). • 09/VBHN-BCT • 04/2014/TT-BCT • 32/2006/ND-CP • 82/2006/ND-CP • 40/2013/TT-BNNPTNT <p>Risk identification: Identifiedrisks</p>	<p><u>CITES regulatory complianceassessment</u></p> <ul style="list-style-type: none"> - Checking records and observing the scene found that the wood the company bought was acacia, not on CITES's prohibited list. 	LOW RISK
1.21	<p><u>Legally required due diligence/care processes</u></p> <p>Risk identification: N/A</p>	N/A	N/A

Result:Low risk.

2. Controlled wood 2: Harvested wood violates tradition and human rights

Specify	Requirements	Results of field inspections performed controls	Results
2.1	<p><u>The forestry sector is not tied to violent armed conflict, including threats to national or regional security and/or related to military control</u></p> <p>- Guide:</p> <ul style="list-style-type: none"> • Is it a country banned from export by the United Nations? • Is it another international order on timber exports? • Are there individuals or organizations involved in the forestry sector who are facing UN sanctions? <p>Risk identification: Low risk</p>	<p><u>Checked and detected as FSC has evaluated as stated in the draft CNRA VN, including:</u></p> <ul style="list-style-type: none"> - KK does not have a ban by the United Nations Security Council on the export of timber from Vietnam. - Vietnam is not part of any other international ban on timber exports. - No individuals or organizations related to the forestry sector in Viet Nam are facing UN sanctions. 	<p>LOW RISK</p>
2.2	<p><u>Respected labour rules include rights setc quy định trong các nguyên tắc out in ILO workplace principles and employment rights</u></p> <p>- Guide:</p> <ul style="list-style-type: none"> • C Are social rights regulated by relevant laws and enforced in the relevant countries or regions? (Refer to controlled wood type 1). • Are the freedoms of association and collective negotiatety respected? • Is there evidence to confirm there is no compulsory labor and/or coercion? • Is there evidence to confirm non-discrimination in employment and/or occupation, and/or gender? • Is there evidence to confirm that child labor is not used? • Is the signer of relevant international labour organization conventions? • Is there evidence that any group (including women) feels adequately protected in relation to the rights mentioned above? • Are any violations of labor rights restricted to specific areas? <p>Risk Determination: Identified risks.</p>	<p><u>Checked and noticed:</u></p> <ul style="list-style-type: none"> - The government does not discriminate between ethnic minorities and Kinh people. Currently, in the procurement communes inhabited by ethnic minorities: Interviewed the chairman of Thang Hai commune, in the communes there are kinh, Cham, Nung, Khmer, and Chau Ro (including 15 Cham households and the remaining 15 ethnic households). In the interview with Tan Thang commune, there are Cham, Tay, Han, Chess Ho, Chau Ro and Nung ethnic groups (including 585 Cham households, and the other few ethnic households). Interviewing P. Police chief in Tan Binh commune, there were no natives, only a few Cham households, Flag Ho migrated. The rights of ethnic minorities are protected and respected by the state. - Has done the consultation of stakeholders (<i>with the list saved</i>). - Forest owners guarantee traditional rights, local employers, no discrimination. xư. - Forest owners have a list of employers to ensure the legal use of labor, clearly identify names, years of birth, ID numbers, places of employment, work agreements and pay between forest owners and employees are implemented in the original consensus. - Working time is about 08 hours per day. Work includes transporting seedlings, hoes and planting trees when planting forests; ingation of weeds and care for pruning, fertilization; lowering trees, cutting chunks 	<p>LOW RISK</p>

		<p>(with chainsaws), plucking branches, peeling, pulling x drinking roadsides and loading on vehicles when exploiting. Acacia wood is small and cut short so it is not too heavy. Mostly simple and not too hard work is suitable for on-site craft labor. The movement of workers to work by motorbike, bicycle.</p> <p>- Wages of workers in Tan Binh commune, Tan Thang commune, Thang Hai commune: planting trees 1,250,000d/ha; fire-resistant plowing 600,000d/ha/time (02 times per year); public works, pruning 1,000,000d/ha/time (01 times per year); fertilization work care 1,000,000d/ha /timelần (01 time / year), cutting and peeling about 200,000d - 220,000d/tấn, attacking the substance on the car 50,000d /ton and carrying to the place of purchase 200,000d / ton.</p> <p>- Currently, the forest is planting, observing the fact that there is no forced labor or child labor for Kinh or ethnic minority workers. The work and remuneration agreements between forest owners and employees are done on the principle of voluntary consensus. Seasoned workers or employees who hire securities to pay for social insurance and health insurance, this amount is included in the salary.</p> <p>- Having interviewed forest owners, they did not conduct exploitation, the company inspected and monitored forest exploitation activities to ensure the use of legal labor, not to discriminate labor exploitation.</p>	
<p>2.3</p>	<p><u>Rights of indigenous peoples and national traditions are upheld</u></p> <p>- Guide:</p> <ul style="list-style-type: none"> • Are there indigenous peoples and/or traditional peoples in the region assessed? • Do there are provisions of the ILO Convention 169 and UNDRIP enforced in the relevant region? (Refer to controlled wood type 1). • Are there any signs of violations of the legal rights and customs of indigenous peoples/traditional peoples? 	<p><u>Checked and noticed:</u></p> <p>- Interviewed by the president of Thang Hai commune, there are Kinh, Cham, Nung, Khmer, and Chau Ro ethnic groups (including 15 Cham households and the remaining 15 ethnic households). In the interview with Tan Thang commune, there are Cham, Tay, Han, Chess Ho, Chau Ro and Nung ethnic groups (including 585 Cham households, and the other few ethnic households). Interviewing P. Police chief in Tan Binh commune, there were no natives, only a few Cham households, Flag Ho migrated.</p>	<p>LOW RISK</p>

	<ul style="list-style-type: none"> • Are there any notable inconsistencies regarding the rights of indigenous peoples and/or traditional peoples and/or local communities with traditional rights? • Are there any recognized laws and/or regulations and/or processes to address significant conflicts of rights of indigenous peoples or traditional peoples and/or communities with traditional rights? • What evidence can prove the enforcement of the laws and regulations identified above? (Refer to controlled wood type 1). • Is conflict resolution widely accepted by stakeholders reasonable and fair? <p><u>Risk Determination: Identified risks.</u></p>	<ul style="list-style-type: none"> - Having interviewed the commune authorities, ethnic minority people who are supported by the state for health insurance, tuition exemption for children studying, poor households, near-poor households, newly exited poor households are supported to develop agricultural production, build houses and gifts on holidays. The rights of ethnic minorities are protected and respected by the state. • The assessment team found no conflicts related to land ownership or land use rights of ethnic minorities or indigenous groups with forest owners assigned land; there is no dispute over the boundaries of plots of forest owners differing in ethnicity. The rights of ethnic minorities are protected and respected, including non-working holidays/festivals of their own faith. Ethnic minorities have the custom of worshipping, organizing festivals according to indigenous superstition customs several times a year, there are sacred areas such as sacred forests, sacred streams near the place of living. This practice is respected by stakeholders. • When conducting exploitation, the company sent officers to supervise forest exploitation activities to ensure legal labor rights, legal employers, not to discriminate against labor exploitation oppression. 	
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Conclusion: Low risk

3. Controlled timber 3: Wood from forests of high conservation value threatened by management activities

Specify	Requirements	Resultsoffield inspections performed controls	Results
3.0	<p>The data available is sufficient to:</p> <ul style="list-style-type: none"> a) Determine the presence of HCV for each HCV, và b) Assessing threats to HCV from forest management activities. <p><u>Risk identification: Low risk</u></p>	<p><u>Checked and noticed:</u></p> <p>Checked the assessment samples according to the corresponding contents of CNRA VN (draft), with appropriate actual records.</p>	LOW RISK

		<ul style="list-style-type: none"> The presence and threats to HCV are often identified in Vietnam. 	
3.1	<p><u>HCV 1: Species Diversity</u></p> <p>- Guide:</p> <ul style="list-style-type: none"> Does the area assessed contain HCV 1? In the event of no certainty of HCV positions, are there tools available to identify HCV1 while still approaching preventive methods? Does the area assessed contain or may contain breeding, hibernation, shelter and migration? Is HCV1 threatened by management activities? <p>The following threats will be considered:</p> <ol style="list-style-type: none"> Elimination of habitat. Habitat fragmentation. Take on foreign/ invasive species. <ul style="list-style-type: none"> Is it a signatory of the Biodiversity Convention and has achieved its biodiversity goals? (Refer to type 1 assessment). Are there any effective protection programs covering areas with biodiversity focus? Can threat management be managed effectively with management tools? <p>Risk identification: N/A</p>	<p>N/A- It is forbidden to logging in natural forests.</p> <p>The source of the timber that the company buys is from the plantation. Acacia planting area of households not belonging to protected areas, protective forests, natural forests and banned from exploitation in natural forests.</p>	LOW RISK
3.2	<p><u>HCV 2: Landscape - ecosystem and insyst levels</u></p> <p>- Guide:</p> <ul style="list-style-type: none"> Is there HCV 2 in the area being evaluated? <p>To determine the presence of HCV 2, follow the HCV using a map at http://intactforests.org.</p> <ul style="list-style-type: none"> Does the region with HCV 2 cross regional or national boundaries? Is the FSC risk indicated for parts outside national borders? Is HCV2 threatened by management activities? <p>The following threats will be considered:</p> <ol style="list-style-type: none"> Fragmentation, including sugar making. Exploitation for commercial purposes. <p>Risk identification: N/A</p>	<p>N/A- It is forbidden to logging in natural forests.</p> <p>The source of the timber that the company buys is from the plantation. Acacia planting area of households not belonging to protected areas, protective forests, natural forests and banned from exploitation in natural forests.</p>	LOW RISK
3.3	<p><u>HCV 3: Ecosystem and habitat</u></p> <p>- Guide:</p>	<p>N/A- It is forbidden to logging in natural forests.</p>	LOW RISK

	<ul style="list-style-type: none"> • Which regional/country ecosystems are considered HCV 3? • Are there any national/regional protection programs that can be used to assess the presence of HCV and threats to them? • Is HCV 3 threatened by forest management activities? <p>The following threats will be considered: 1. Lack of effective protection HCV 3.</p> <p>Risk identification: N/A</p>	<p>The source of the timber that the company buys is from the plantation. Acacia planting area of households not in protected areas, protective forests, natural forests and banned from exploitation in natural forests..</p>	
<p>3.4</p>	<p><u>HCV 4: Important ecological services</u></p> <p>- Guide:</p> <ul style="list-style-type: none"> • Is there HCV 4 in the area being evaluated? • Are there forested areas in the area that are important for encroachment or control overflow adjustment and water quality? • Are there effective regulatory and/or regulatory tools that can ensure that these forests can continue to perform their functions? • Is HCV 4 threatened by forest management activities? <p>The following threats will be considered: 1. Reduce water quality/quantity. 2. Negative impact on human health.</p> <p>Risk identification: N/A</p>	<p><u>Checked and noticed:</u></p> <ul style="list-style-type: none"> • The source of the wood that the company buys is from plantations. The terrain of planting, care and exploitation is not complicated, does not affect the ecological area. • In Vietnam, production forests are assigned to households away from HCV to protect and develop forest resources. • In the areas surveyed in consultation with stakeholders, there is no management of natural forest area with HCV4 value. The land area assigned to households is not located in the natural forest area and is clearly assigned on the map. • The procurement communes in Ham Tan District are a land-eroding state. People plant immediately after harvesting, clearing clean grass when exploiting, strengthening protection of protective forests, strengthening production plantations, people do not burn garbage after exploitation to self-index trees to contribute to reducing soil erosion in the area. Planting hybrid acacia plants (belonging to the Family of Beans) improves the soil better. 	<p>LOW RISK</p>
<p>3.5</p>	<p><u>HCV 5: N hu basic bridge community</u></p> <p>- Guide:</p> <ul style="list-style-type: none"> • Is there HCV 5 in the area being evaluated? 	<p><u>Checked and noticed:</u></p> <p>1. Use of chemicals:</p>	<p>LOW RISK</p>

	<ul style="list-style-type: none"> • Is HCV 5 threatened by forest management activities? <p>The following threats will be considered:</p> <p>1. Compromise (impact) on the fundamental needs of indigenous peoples and local communities through management activities based on whether community rights are legally recognized.</p> <p><u>Risk Determination: Identified risks.</u></p>	<ul style="list-style-type: none"> • Having interviewed forest owners from planting to caring, they do not use chemicals such as pesticides, herbicides in plantations; the exclusion of weeds is carried out by hand such as hand-plucking or using a knife to ingging around the seedlings; fertilizers when planting forests only use NPK fertilizers, or DAP fertilizers in small quantities. • Waste discharged by workers while working in forests (planting forests and mining) is mainly household waste including nylon, bottles, paper ... collected and transported to a public landfill. • Interviewed the forest owner about seedlings at the nursery in Dong Nai Dong Nai do not use chemicals. <p>2. Road infrastructure.</p> <ul style="list-style-type: none"> • Interviewed forest owners (householders) when exploiting will follow the old trail, in an area that only makes roads once for many forest cycles and follows that trail, when planting forests or exploiting the following cycles only to maintain maintenance simply does not affect the plant system on both sides of the road. • The opening of planting/exploitation routes (if any) of forests does not affect the 	
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		natural flow of rivers and streams in the forest.	
3.6	<p><u>HCV6: Cultural values</u></p> <p>- Guide:</p> <ul style="list-style-type: none"> • Is there HCV 6 in the area being evaluated? • Are there important cultural characteristics created deliberately by humans that have been identified? • Have outstanding natural landscapes appeared due to social, economic, administrative and/or religious requirements? • Are there enough buffers applied to cultural values when needed? • Is HCV 6 threatened by forest management activities? <p>The following threats will be considered:</p> <ol style="list-style-type: none"> 1. Limiting and/or tampering with the rights/values determined by existing HCV 6 based on whether community rights are legally recognized. <p>Risk identification: Low risk</p>	<p>Checked according to the corresponding contents of CNRA VN (draft), with appropriate actual records.</p> <p>According to the records and actual observations, all production forests are not related and affect hcv type 6 including households or households..</p>	LOW RISK

Conclusion: Low risk.

4. Controlled timber 4: Wood from natural forests is converted into plantations or for outdoor use.

Specify	Requirements	Resultsoffield inspections performed controls	Results
4.1	<p><u>Land lease and transaction permits</u></p> <ul style="list-style-type: none"> - 16/2007/QH14 - 168/2016/ND-CP - 18/2015/ND-CP - 43/2014/ND-CP - 27/2018/TT-BNNPTNT <p>Risk identification: Identified risks</p>	<p><u>Evaluation ofland lease and transaction permits</u></p> <ul style="list-style-type: none"> - Households with red books and land use right lease contracts in accordance with Vietnamese law. - The assessment delegation interviewed and consulted stakeholders: local rangers, local authorities and observed the fact that they did not record issues of disputes over the right to use and boundaries of forest land. 	LOW RISK

Conclusion: Low risk.

5. **Controlled wood 5: wood from plants of genetically modified (genetically modified) type**

Specify	Requirements	Resultsoffield inspections performed controls	Results
5.1	<p>- Applicable laws:</p> <ul style="list-style-type: none"> • November 2006/QĐ-TTg. • 69/2010/ND-CP. • 69/2009/TT-BNNPTNT. • 72/2009/TT-BNNPTNT. • 21/2012/TT-BKHHCN. • 08/2013/TT-BTNMT. • 02/2014/TT-BNNPTNT. <p>Risk determination: Lowrisk.</p>	<ul style="list-style-type: none"> • There is no commercial use of GM trees in forestry in Vietnam khu vực and other areas to be assessed and otheravailable evidence does not affect the confirmation of 'low risk'. • There are a number of current legal documents in Vietnam regulating the use of GMO (Decision No. 11/2006 / QĐ-TTg, Decree No. 69/2010 / ND-CP, Circular 69/2009 / TT-BNNPTNT, Circular 72 / 2009 / TT-BNNPTNT, Circular 21/2012 / TT-BNNPTNT, Circular No. 08/2013 / TTBKHHCN, Circular No. 08/2013 / TT-BTNMT and Circular No. 02/2014 / TT-BNNPTNT. The law does not include a ban on the use of GMO. • There is no evidence of unauthorized use of GM trees or the use of any GM plants. There are currently no reports of any testing of GM trees in Vietnam. The law requires a license to commercially use the GM tree, but no license has yet been issued for the GM tree. 	LOW RISK

Conclusion: **LOW RISK**

On... May ... Year...
Head of evaluation team