

SABS

COMMERCIAL (PTY) LTD

REGIONAL HCV MEETING IN SA

Prepared by

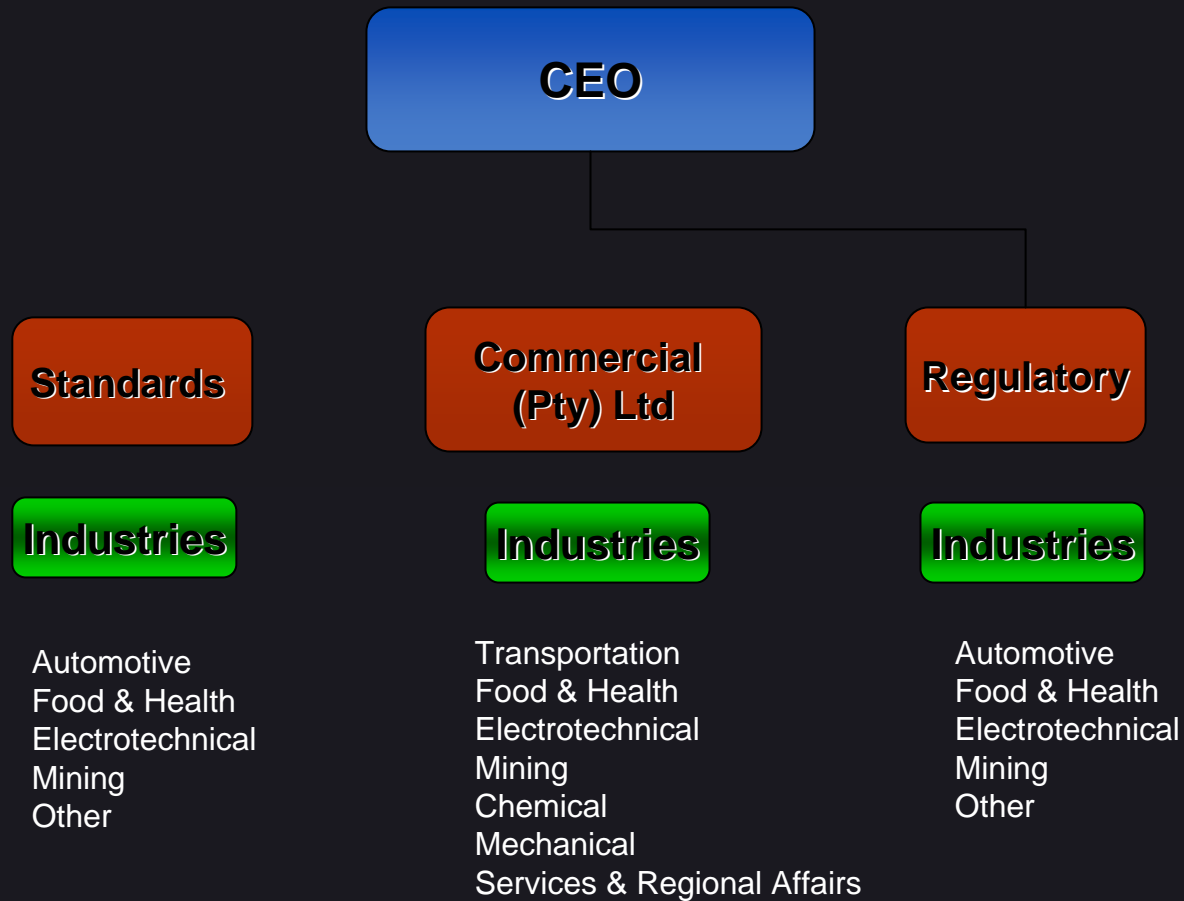
GERRIE PIETERSE

Presented by

CONRAD GELDENHUYS

WHO IS THE SABS?

We have been in business since 1945



Geographical Representation



Accreditation

SABS



SABS PRODUCTS


SYSTEM CERTIFICATION

- ❑ **ISO 9001:2000**
Quality Management Systems
- ❑ **ISO 14001**
Environmental Management Systems
- ❑ **OHSAS 18001**
Occupational Health and Safety
- ❑ **HACCP/SANS 10330:2006**
Food Hygiene Management Systems
- ❑ **BRITISH RETAIL CONSORTIUM (BRC)**
Global Food Safety
- ❑ **ISO 17799**
Information Security Management Systems

PRODUCT CERTIFICATION

- ❑ **SABS MARK SCHEME**
- ❑ **CONSIGNMENT INSPECTION**
This involves the inspection of batches of products for compliance with the purchaser's requirements
- ❑ **FORESTRY MANAGEMENT & CHAIN OF CUSTODY**

SABS IS BOTH A LEVEL 5 & 6 BBBEE COMPANY



EMPOWERLOGIC
Your Logical Empowerment Solution


Broad Based Black Economic Empowerment Verification Certificate
Issued to
South African Bureau of Standards

Level 5 Contributor

Measured Entity	
Company Name	South African Bureau of Standards
Registration Number	not applicable
VAT Number	not applicable
Address	1 Dr Lategan Road Groenkloof Pretoria

BEE Status	
BBBEE Status Level	Level 5
Element Levels	EO/Not Applicable; MC/Level 1; EE/Level 4; SD/Non-Compliant; PP/Level 7; ED/Level 8; SED/Level 1
Black Ownership (flow through principle)	0% Black Ownership; 0% Black Women Ownership
Value Adding Vendor	Yes
Issue Date	
Expiry Date	
Certificate Number	
Version	Prelim ver 2.0
Applicable Scorecard	Generic
Applicable BBBEE Codes	Codes 100-700 Gazetted on 9 February 2007

BEE Procurement Recognition Levels		
Level	Qualification	%
1	≥ 100 Points	135%
2	≥ 85 but < 100	125%
3	≥ 75 but < 85	115%
4	≥ 65 but < 75	105%
5	≥ 55 but < 65	95%
6	≥ 45 but < 55	85%
7	≥ 30 but < 45	50%
8	≥ 30 but < 40	10%
Non-Compliant		< 30 0%



EmpowerLogic (Pty) Ltd
Reg. No. : 1995/000523/07
BBBEE Verification Agency

Per L Majija
Member - Verification Committee


Enquiries

Tel:
086 111 4003

Fax:
086 505 7284

info@empowerlogic.co.za
www.empowerlogic.co.za

This certificate is the result of an independent and impartial verification of the BBBEE status of the measured entity measured against the Codes of Good Practice on Broad Based Black Economic Empowerment. The objective of our verification is to verify the validity and accuracy of the BBBEE status represented by the measured entity. EmpowerLogic is not responsible for ensuring completeness of information provided to support the BBBEE status.



EMPOWERLOGIC
Your Logical Empowerment Solution


Broad Based Black Economic Empowerment Verification Certificate
Issued to
SABS Commercial (Pty) Ltd

Level 6 Contributor

Measured Entity	
Company Name	SABS Commercial (Pty) Ltd
Registration Number	2000/013581/07
VAT Number	4710108256
Address	1 Dr Lategan Road Groenkloof Pretoria

BEE Status	
BBBEE Status Level	Level 6
Element Levels	EO/Not Applicable; MC/Level 3; EE/Non-Compliant; SD/Non-Compliant; PP/Level 7; ED/Level 8; SED/Level 1
Black Ownership (flow through principle)	0% Black Ownership; 0% Black Women Ownership
Value Adding Vendor	Yes
Issue Date	
Expiry Date	
Certificate Number	
Version	Prelim ver 2.0
Applicable Scorecard	Generic
Applicable BBBEE Codes	Codes 100-700 Gazetted on 9 February 2007

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1. Forestry Programme set up 1992
2. Founding member of FSC
3. Woodmark certification programme –
Forest & chain of custody certification
Training in certification
division of SA Certification, owned by charity

Woodmark accredited in first wave in 1996

Since then has issued 600 forest management and chain of custody certificates (over 9 million ha of forest)

Certificates currently issued in 31 countries world-wide

Woodmark Global Partners

AMITA – Japan

SABS – South Africa

SSC - Sweden

MUTU – Indonesia

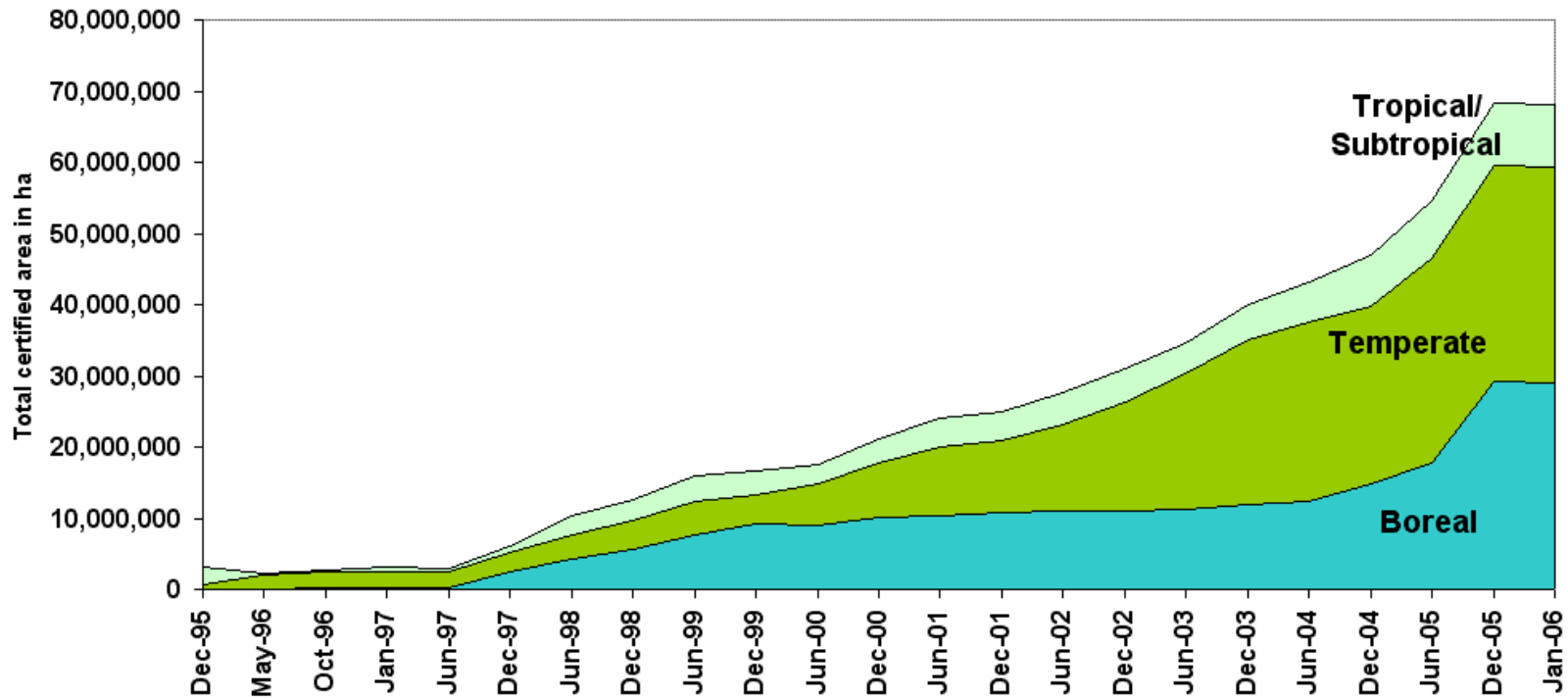
Orbicon – Denmark

Sativa – Portugal

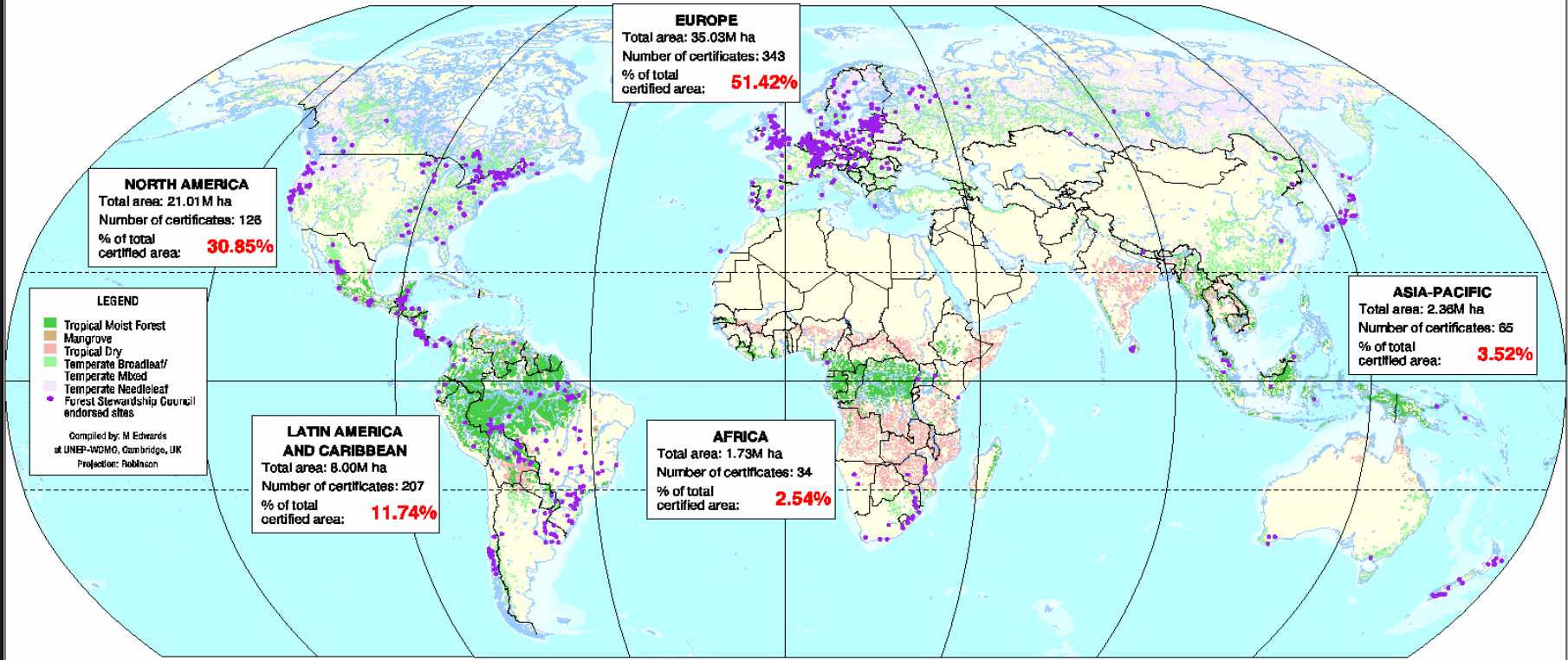
Ligna – UK COC

China & others – Under discussion

Rate of Increase of FSC Endorsed Forest Over Time
(Dec '95 - Jan '06)



FOREST CERTIFICATES ENDORSED BY FSC, 9 January 2006



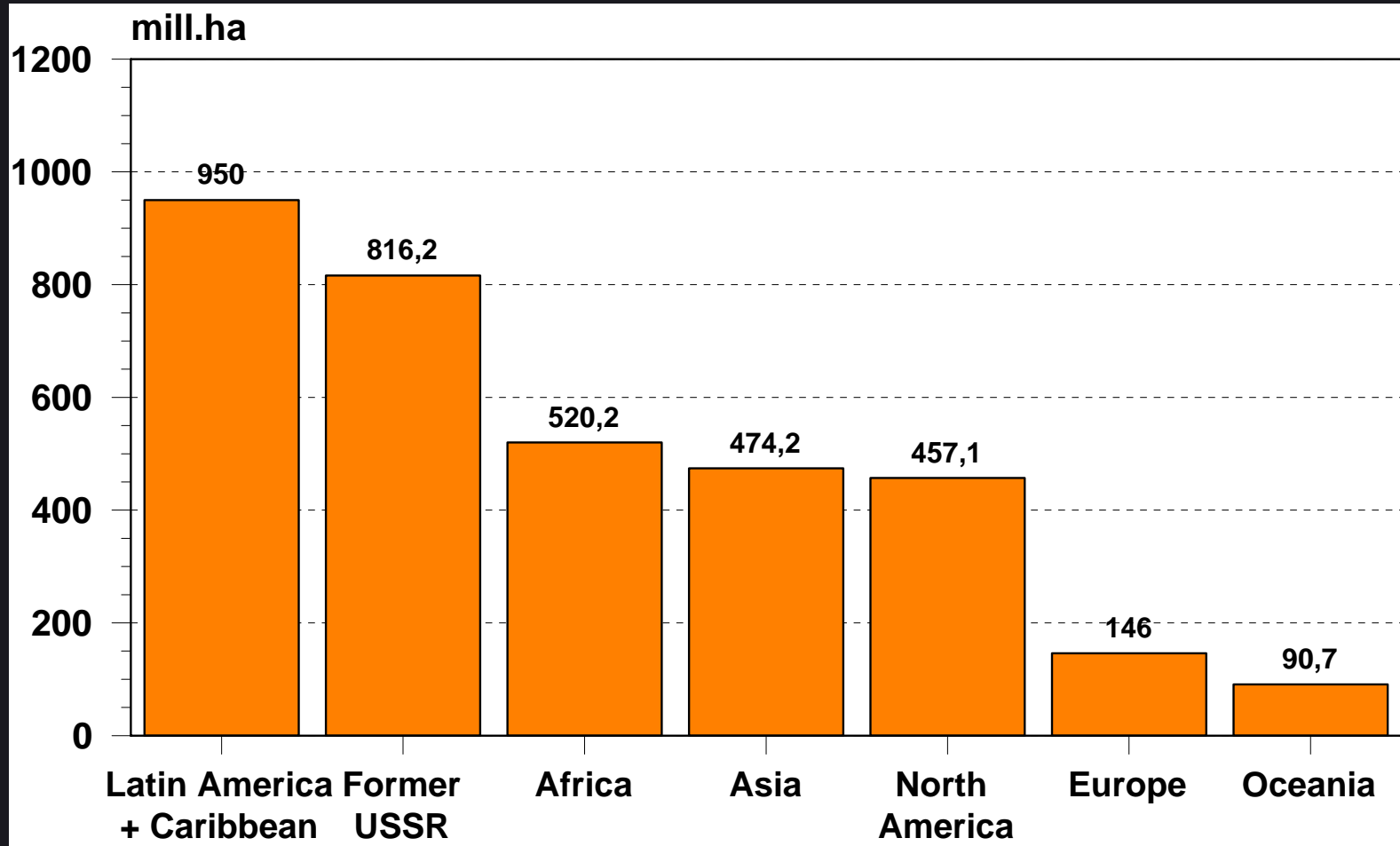
Printed: January 2006

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Total Area Certified:
68.13 Million ha
Number of Countries: 66
Total Number of Certificates: 775



The material and the geographical designations in this report do not imply the expressions of any opinion whatsoever on the part of WWF or UNEP-WCMC concerning the legal status of any country, territory, or area, or concerning the delimitation of its frontiers or boundaries.



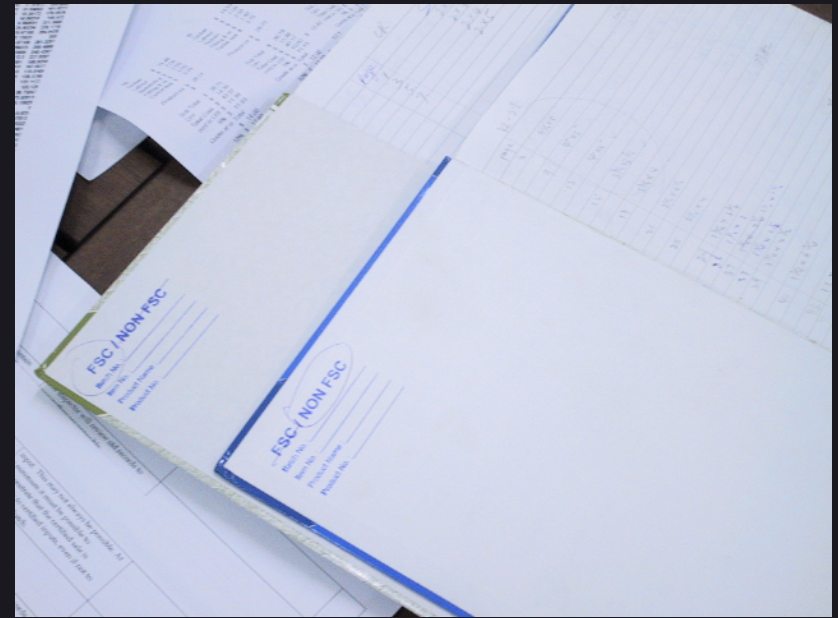
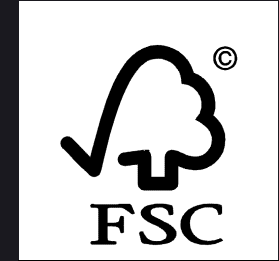
Africa

1. Throughout most of Africa the market is not well developed, the exception being South Africa. Some interest from East and West Africa.
2. Total FSC. 2.1m ha FM. 110 COC.
3. Woodmark 643k ha FM, 11 COC.

- 1. Americas.** Total FSC. 32m ha FM. 451 COC. Woodmark 60kha. 14 COC. Market in S/C America, USA and Canada is reasonably well established
- 2. Asia Pacific** Total FSC 2.4m ha FM. 526 COC. Woodmark 168k ha FM, 78 COC. Fast growth of COC in Japan and China. Many plantations are certified in New Zealand and growth in Australia
- 3. Central and Eastern Europe (Inc Russia)** Total FSC 20.6 m ha. 615 COC. Woodmark 3.3 m ha FM, 55 COC. Key region with well established forest management and steady FSC growth.
- 4. Western Europe (Inc Scandinavia)** Total FSC 13.9 m ha FM, 1551 COC. Woodmark 5.1m ha FM, 81 COC. A key area in terms of certification generally as it is a key region driving commercial and government procurement policy.



Soil Association Woodmark



1. Uncertified wood that has been evaluated to exclude wood from:
 - Forest areas where traditional or civil rights are violated
 - Uncertified forests with threatened HCV's
 - Genetically modified (GM) trees
 - Forest areas which have been illegally harvested
 - Natural forests cleared for plantation or other use

1. FSC Mixed accounting systems developed to improve flow of FSC material through the supply chain.
2. Such systems allow FSC label on products which may not originate from an FSC certified forest
3. Stakeholders need assurance that this could not include material from controversial sources.

1. There are three ways a company can control its non FSC-certified wood sources:
 - Purchase controlled wood from FSC COC certified suppliers
 - Purchase controlled wood from a Forest that has been verified by an FSC accredited CB
 - Internally verify wood sources through sampling & evaluation
2. The company must have written systems and procedures for all of the above

1. Determine & list the **district of origin** of all incoming wood & fibre
2. Identify & record documents from suppliers (should include legally required transport docs and proof of purchase from the FMU of origin).
3. Check that the info is correct by checking a sample of documents with the issuing authority
4. Carry out a **risk assessment** of suppliers (ANNEX B)

1. 'Definition of district is based on interaction with closest FSC official entity or on a technically viable basis upon which the categories relevant to FSC controlled wood can be consistently monitored?'
2. The definition of district should at an appropriate scale for the risk assessment and subsequent monitoring (the company may contact FSC for guidance).

The district of origin may be considered low risk in relation to illegal harvesting when all the following indicators related to forest governance are present: "

1. Evidence of enforcement of logging related laws in the district FSC National Initiatives
2. There is evidence in the district demonstrating the legality of harvests and wood purchases that includes robust and effective systems for granting licenses and harvest permits.
3. There is little or no evidence or reporting of illegal harvesting in the district of origin.
4. There is a low perception of corruption related to the granting or issuing of harvesting permits and other areas of law enforcement related to harvesting and woodtrade.

The district of origin may be considered low risk in relation to the violation of traditional, civil and collective rights when all the following indicators are present:

1. There is no UN Security Council ban on timber exports from the country concerned;
- 2 The country or district is not designated a source of conflict timber (E.g USAID Type1 conflict timber);
3. There is no evidence of child labour or violation of ILO Fundamental Principles and Rights at work taking place in forest areas in the district concerned
4. There are recognized and equitable processes in place to resolve conflicts of substantial magnitude pertaining to traditional rights including use rights, cultural interests or traditional cultural identity in the 6district concerned ; "
5. There is evidence of no violation of the ILO Convention 169 on Indigenous and Tribal Peoples taking place in the forest areas in the district concerned. "

The district of origin may be considered low risk in relation to threat to high conservation values if: a) indicator 1. is met; or b) indicator 2. eliminates (or greatly mitigates) the threat posed to the district of origin by non-compliance with 1.

1. Forest management activities in the relevant level (eco-region, sub-eco-region, local) do not threaten ecoregionally significant high conservation values.
2. A strong system of protection (effective protected areas and legislation) is in place that ensures survival of the HCVs in the ecoregion.

1. "The district of origin may be considered low risk in relation to conversion of forest to plantations or non-forest uses when the following indicator is present: [Note: the change from plantations to other land uses is not considered as conversion]. "
2. "There is no net loss AND no significant rate of loss ($> 0.5\%$ per year) of natural forests and other naturally wooded ecosystems such as savannah taking place in the eco-region in question. "

1. The district of origin may be considered low risk in relation to wood from genetically modified trees when one of the following indicators is complied with:
 - a) There is no commercial use of genetically modified trees of the species concerned taking place in the country or district concerned. OR
 - b) Licenses are required for commercial use of genetically modified trees and there are no licenses for commercial use OR
 - c) It is forbidden to use genetically modified trees commercially in the country concerned.

1. For all wood sources not confirmed as low risk the company must either;
 - 1/ Treat the material as uncontrolled and segregate from FSC and controlled wood
 - 2/ ask the supplier to get controlled wood certification from an FSC CB
 - 3/ include the FMU in the **company verification program**



1. The company verification program must comply with the requirements of FSC-STD-40-005 Annex 3 and **must be audited by a CB** at least annually.
2. Basic requirements;
 - experienced audit personnel
 - at least annual audit
 - stakeholder consultation
 - interviews with staff and field visits
 - sampling of sets of similar FMU's
 - Field verification by certification body (annually)

*As a result of the evaluation, identify the wood source as **controlled** or **uncontrolled**.*

1. Allows companies to:

- Avoid the risk of purchasing non FSC wood from environmentally & socially damaging sources
- Communicate business to business about uncertified wood sources
- Meet gov & other procurement specifications for legal timber harvesting
- Meet FSC COC requirements for mixing uncertified wood in FSC product groups

Raising the African Standard

Thank You