



Supply Base Report: Tin Nhan Company Limited

Fourth Surveillance Audit

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Completed in accordance with the Supply Base Report Template Version 1.6

For further information on the SBP Framework and to view the full set of documentation see www.sbp-cert.org

Document history

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1 Overview

Producer name: Tin Nhan Company Limited

Producer address: Lot A2, A3, Phu Tai Industrial Zone, Quy Nhon Bac Ward, 63000 Gia Lai, Viet Nam

SBP Certificate Code: SBP-08-23

Geographic position: 13.793959, 109.142966

Primary contact: Trang Do Thi Thu, +84 981 494 929, trang.do@ayobiomass.com

Company website: <http://www.ayobiomass.com/>

Date report finalised: N/A

Close of last CB audit: 28 Aug 2024

Name of CB: Preferred by Nature OÜ

SBP Standard(s) used: SBP Standard 2: Verification of SBP-compliant Feedstock, SBP Standard 4: Chain of Custody, SBP Standard 5: Collection and Communication of Data Instruction, Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.5

Weblink to Standard(s) used: <https://sbp-cert.org/documents/standards-documents/standards>

SBP Endorsed Regional Risk Assessment: Not applicable

Weblink to SBR on Company website: N/A

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations					
Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance	Re-assessment
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

2 Description of the Supply Base

2.1 General description

Feedstock types: Primary, Secondary

Includes Supply Base evaluation (SBE): No

Includes REDII: Yes

Includes REDII SBE: Yes

Includes RED II TOF: No

Feedstock origin (countries): Viet Nam, Uruguay

2.2 Description of countries included in the Supply Base

Country: Viet Nam

Area/Region: Nationwide

Sub-Scope: N/A

Exclusions: Yes, High Conservation Value (HCV)

Company Summary

Tin Nhan Company Limited was founded in 2002 as a wood chips producer for the paper industry. In 2019 it launched a pellet plant and became one of the leading manufacturers of wood pellets in Vietnam. Tin Nhan's wood products are shipped to many markets worldwide.

Tin Nhan Company Limited pellet plant is located in Qui Nhon city in the Binh Dinh province. Qui Nhon city is located in the south-central of Vietnam on the coast of East Vietnam sea. The plant has an annual production capacity of approximately 150,000 tons of wood pellets and they can be shipped through the sea ports in Qui Nhon worldwide.

The pellet plant is strategically located in an industrial zone surrounded by a number of sawmills and furniture producers and not far from the productive forests. Due to the opportune location of the facility, transport distances are relatively short, which reduces costs and CO2 emissions. Tin Nhan Company Ltd. is closely monitoring every step in the production process and optimising energy efficiency. The feedstock dryer, for example, runs on the same type of low-grade biomass that is used for the pellets production.

Tin Nhan Company Ltd. is one of the largest wood processors in the region. It does not perform forest operations itself. Tin Nhan Company Limited uses secondary feedstock (processing residues: sawdust, shavings and offcuts) from wood processing companies whose raw materials originate from Vietnam or Uruguay. Tin Nhan also sources primary feedstock (roundwood) from domestic forest owners (farmer groups or forestry companies).

In the fourth reporting period, the pellet plant processes FSC 100% pellets and FSC controlled wood. In the future pellet plant is going to process SBP-compliant biomass out of SBP-compliant feedstock and SBP-controlled biomass out of SBP-controlled feedstock. The tree species used include Acacia spp. and Eucalyptus spp.

The Supply Base

Located in Southeast Asia, Vietnam's geography spans from northern highlands to the Mekong Delta in the south, featuring a vast coastline and over 10 million hectares of wetlands. The country boasts remarkable biodiversity, particularly in rare and endemic species.

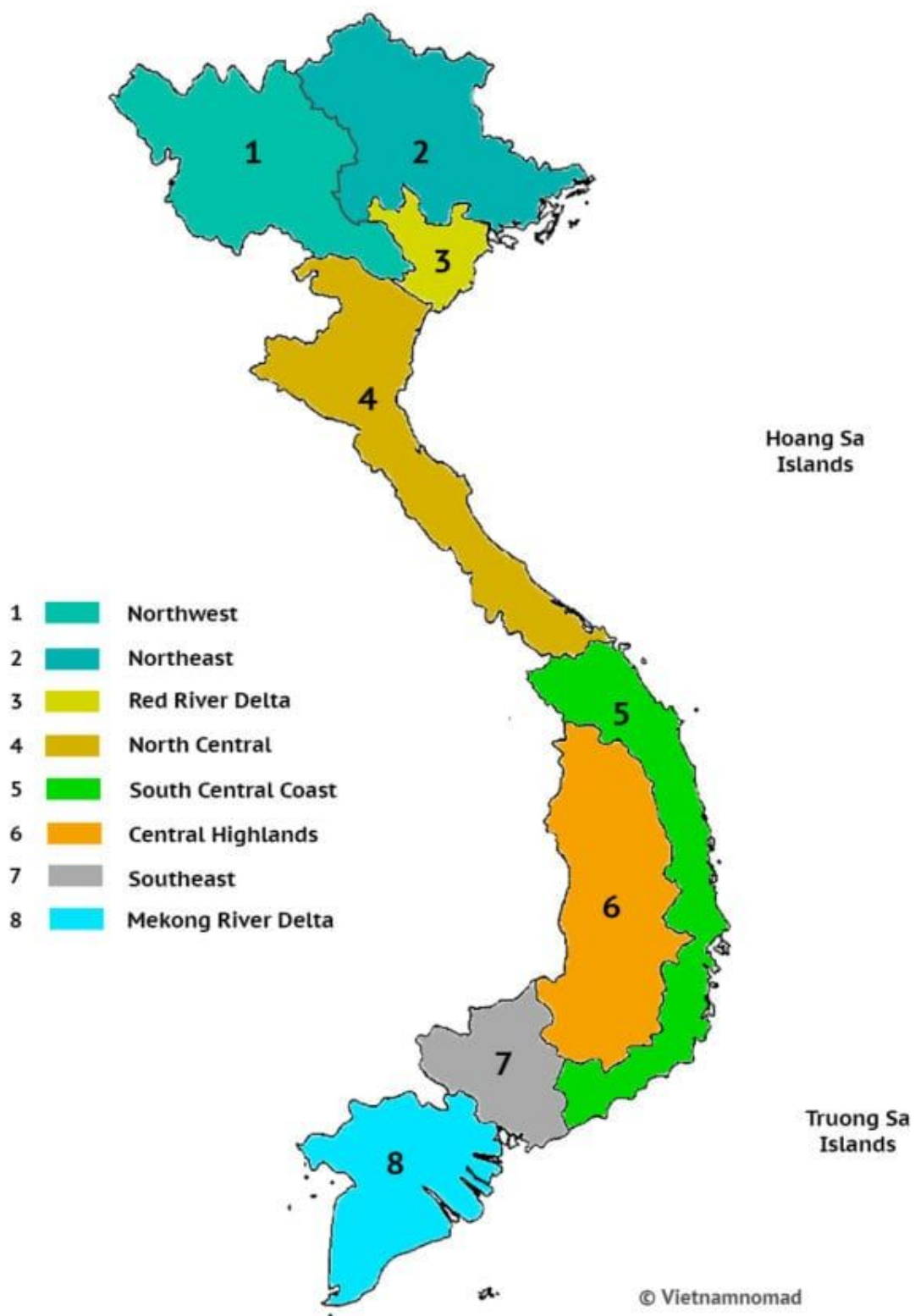


Figure 1: Map of regions of Vietnam

Vietnam's climate is primarily tropical wet-dry, influenced by monsoons, with humid subtropical forests in the northern highlands and a tropical rainy climate along the South Central Coast. The forests, composed of deciduous and coniferous trees, bamboo, and coconut, are found in lowlands, floodplains, hills, and mountains. The semi-arid southern coastal areas, affected by rain shadow from the Annamite Range, are the driest in Vietnam. Evergreen and semi-evergreen forests can still be found on higher coastal hills, though much of the unique low forest community near Phan Rang, Ba Nguoi, and Nha Trang is now degraded.

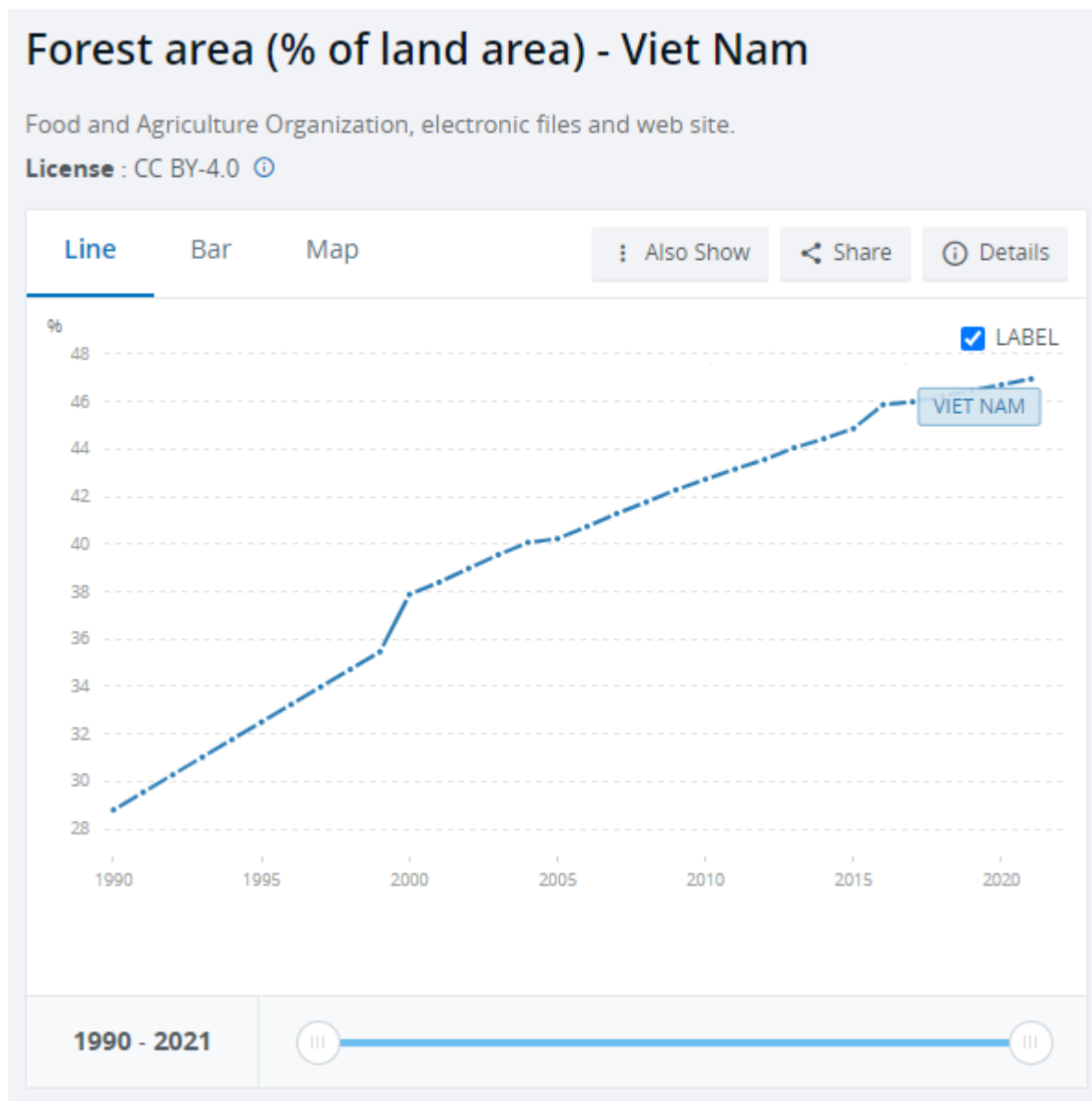
Vietnam ratified CITES in 1994, with two timber species—*Aquilaria* spp. (lignaloos trees) and *Dalbergia cochinchinensis* (Thailand Rosewood)—listed on CITES Appendix II. This listing regulates, but does not ban, international trade, provided the correct documentation is obtained. The harvest and trade of *Aquilaria crassna*, a key species, have been banned since 1992.



Figure 2: Map of national parks and nature conservation areas in Vietnam

Vietnam has several plantations of **Aquilaria crassna**, the products of which can be legally traded with CITES permits. **Thailand Rosewood** is listed as vulnerable on the IUCN Red List, and its population in Vietnam is under threat due to its value in the wood carving and furniture industries.

Vietnam's 2019 decree, "Regulation on the management of protected forests and the implementation of CITES," lists 273 protected species, categorized into two protection classes for flora and fauna. Many tree species listed also hold Near Threatened or Endangered IUCN status. Significant mammals in this ecoregion include the endangered **douc langur**, **red-cheeked gibbon**, **pileated gibbon**, and potentially the **tiger**. The South Vietnamese Lowlands also host two near-endemic bird species.



Figure

3: World Bank Data

According to a report from the Ministry of Agriculture and Rural Development (MARD), in 2023, Vietnam had 14.86 million hectares of forest area, of which 10.13 million hectares were natural forests and 4.73 million hectares were planted ones. Vietnam is the only country in the Mekong region with continuous forest cover growth in recent decades, reaching 42.02% of the country. Forest cover increased by over 15% between 2005 and 2016.

Vietnam's forest expansion supports economic growth, job creation, and poverty alleviation. After declining from 43% to 28% between 1943 and 1993, Vietnam's forest cover began to recover due to policy reforms and replanting programs initiated in the late 1980s. By 2021, forest cover reached 42.02%, putting the country on track to meet its 45% target under the 2021–2030 Target Program on Sustainable Forest Development.

However, deforestation remains a challenge. Between 2011 and 2019, about 22,800 hectares of forests were damaged, including nearly 14,000 hectares from fires and over 9,000 hectares from deforestation. From 2012 to 2017, 89% of natural forest loss was due to forest land conversion for approved projects, while illegal deforestation accounted for 11%.

Vietnam Forest Sector

The forest sector significantly contributes to Vietnam's economy. In 2020, forest product exports exceeded \$13.2 billion, making Vietnam the world's fifth-largest exporter of wood and forest products, and the second-largest in Asia. Vietnam also leads in implementing a payment for forest environmental services (PFES) system, generating nearly \$400 million since 2008.

Forests provide essential goods and services, supporting local livelihoods and playing a critical role in watershed and coastal protection. Recent improvements in forest quantity and quality have fueled economic growth, benefiting communities through increased financial support and job creation.

Forest management in Vietnam is centralized, with 52% of forested land publicly owned, 20% collective, and 28% privately owned. 2021 data on forest ownership states:

- 35.5% Forest Management Boards;
- 22.6% Peoples' Committees;
- 21% Households;
- 11.5% State Forestry Companies;
- 6.7% Communities;
- 1.3% Armed Forces;
- 1.3% Other Economic Organizations;
- 0.1% Other Organizations.

According to 2021 data:

- State forest enterprises manage around 1.69 million ha of forests, 67% of which (1.13 million ha) is natural forest, and the remaining 33% are plantations;
- Forest management boards, belonging to the state, manage more than 5.23 million ha, primarily special-use and protection forests for protection and conservation purposes. About 88% are natural forests, and the remaining 12% are plantations;
- Individual households own about 3.1 million ha, 43% of which (1.32 million ha) are natural forests, and the remaining 57% are plantations;
- Commune People's Committees manage around 3.34 million ha, most of which (2.0 million ha) are natural forests;
- Groups and community organizations such as farmer unions, women and youth groups, manage 1.38 million ha of forests, 81% of which are natural forest.

All policies, laws, and regulations in Vietnam are issued by the government and the National Assembly. Key policies and programs include:

1. **Vietnam Forestry Development Strategy (VFDS) 2021-2030:** Approved by Decision No. 523/QĐ-TTg, this strategy aims for sustainable forest management, maintaining forest coverage at 42-43%, and improving natural forest quality.

2. **Forest Law 2017:** Effective from 2019, it focuses on strict natural forest management, sustainable forest management (SFM), forest business promotion, improved forest tenure, national forestry planning, and control of forest products through the Vietnam-EU Voluntary Partnership Arrangement (VPA).
3. **Planning Law (2017):** Mandates integrated and sustainable planning, incorporating climate change and environmental considerations, and increasing transparency between central and local levels.
4. **VPA-FLEGT Agreement:** Signed with the EU in 2018, this agreement aims to combat illegal logging and promote trade in legal timber products while developing Vietnam's Timber Legality Assurance System (VNTLAS).
5. **PFES Scheme (2010):** Provinces implement Payment for Forest Environmental Services, the main source of forestry finance.
6. **Vietnam's NDC:** Forestland is projected to reduce carbon emissions by 53.1 million tons of CO₂e by 2030.
7. **National REDD+ Action Plan (2017):** Identifies 11 work packages for forest and non-forest interventions to address REDD+ targets.
8. **Directive 13 (2017):** Strengthens management of forest use conversions, including hydropower and rubber plantation projects.

The **Forest Protection and Development Law** bans unplanned and unpermitted timber logging. Under the **Land Law**, forests are classified as agricultural land and divided into three types: production forests (52%), protection forests (33%), and special-use forests (15%).

According to **Transparency International's 2023 Corruption Perceptions Index**, Vietnam scored 41 points, ranking 83rd out of 180 countries, down from 77th in 2022, indicating a high level of corruption.

Forest Management Certification in Vietnam

FSC forest certification has been effective in combating corruption and protecting HCV forests and red-list species. As of August 2024, 86 companies in Vietnam hold FSC FM/CoC certificates, covering 355,994 hectares, and 1,830 companies hold FSC CoC certificates.

Vietnam has PEFC endorsed national forest certification system since 2021. 179,606 ha in Vietnam are PEFC certified and 127 PEFC COC certificates are active, as of September 2024.

Country:Uruguay

Area/Region: Nationwide

Sub-Scope: N/A

Exclusions: Yes, High Conservation Value (HCV)

Uruguay's forest

Uruguay's forest area covers 2 million hectares, representing 11.6% of its total land area. Between 1990 and 2020, forest area grew by 1.2 million hectares, a 154% increase (FAO, 2022). Located on the same latitude as major forestry regions like Australia, New Zealand, and South Africa, Uruguay bases its forestry development on renewable plantations, meeting the rising demand for sustainably produced wood.

Uruguay's forests are composed of planted forests and naturally regenerating forests. Since 1987, rapid growth species for pulpwood and sawn wood have driven forest plantation expansion, with 70% of plantations being eucalyptus and 30% pines.

Social and Economic Aspects

Uruguay, traditionally a livestock-producing country, saw a significant increase in forest plantations from 25,000 hectares in 1987 to over 800,000 by 2008, spurred by the **Forestry Law No. 15.939** (1987). The law promoted forest sector growth through two mechanisms: protecting native forests and encouraging new plantations with selected species, supported by subsidies and tax incentives.

Since the mid-1990s, Uruguay has expanded its forestry exports, particularly eucalyptus round wood and, more recently, wood chips to Asia. In 2020, forestry product exports exceeded \$989 million, with paper, cardboard, and round wood previously making up over 80% of total exports.

As of 2015, the forestry and logging sector in Uruguay employed 8,000 people. Uruguay ranks highly on the **Worldwide Governance Indicator** for rule of law and control of corruption, with a **Corruption Perception Index** score of 73 points, ranking 16th globally in 2023.

Forest Management

Uruguay's National Forestry policy is overseen by the Ministry of Livestock, Agriculture, and Fisheries, with the General Forestry Directorate (DGF) as its implementing body. The mission is to promote sustainable forestry through the development and management of forest resources and industries. Forest plans are based on field assessments, soil studies, and inventories aligned with commercial goals.

Pulpwood plantations require minimal management post-establishment, with clearcutting at 9-10 years. Solid wood plantations undergo pruning and thinning to optimize the final 250-300 trees. Post-harvest, the company assesses whether to coppice or replant based on growth, genetics, and health conditions.

Uruguay relies on sawmill and forestry residues for bioenergy, with minimal wood energy plantations. FSC certified forest areas cover 1,277,350 hectares, with 30 CoC and 25 FM certificates. PEFC certified areas totaled 334,937 hectares in 2022. The FSC National Risk Assessment indicates no specified risks.

Protected Species and Conservation Areas

While Uruguay has CITES and IUCN red list species, none are tree species. The National System of Protected Natural Areas was established by Law 17,234 (2000) to safeguard biodiversity and habitats. Four protected area categories include National Parks, Natural Monuments, Protected Landscapes, and Protection Sites. Conflict zones with conservation areas are mapped, and plantation activities are adjusted to preserve ecosystems.

Uruguay has four National Parks.

2.3 Actions taken to promote certification amongst feedstock supplier

Since obtaining FSC FM group certification for 992.5 hectares in partnership with 279 households in Tay Son District during 2021-2022, Tin Nhan Company has made significant strides in sustainable forestry. This achievement has improved local livelihoods and strengthened our certified supply chain amid limited access to certified materials.

While we have not yet acquired the additional 500 hectares planned for expansion by 2024, we remain committed to supporting communities and promoting environmental stewardship. Our ongoing efforts aim to benefit more farmers and foster sustainable regional development.

2.4 Quantification of the Supply Base

Supply Base

- a. **Total Supply Base area (million ha):** 16.53
- b. **Tenure by type (million ha):** 5.87 (Privately owned), 2.96 (Community concession), 7.71 (Public)
- c. **Forest by type (million ha):** 16.53 (Tropical)
- d. **Forest by management type (million ha):** 1.53 (Plantation), 10.90 (Managed natural)
- e. **Certified forest by scheme (million ha):** 1.53 (FSC), 0.48 (PEFC)

Describe the harvesting type which best describes how your material is sourced: Clearcutting

Explanation: Clearcutting decisions, whether by plot, row, or the entire area, are made by the forest owners. For state-funded plantations, a cutting plan must be approved by the authorities. The timber is cut using electric chainsaws and transported by truck.

Was the forest in the Supply Base managed for a purpose other than for energy markets? Yes - Majority

Explanation: Forest plantations primarily supply wood for furniture production and pulp and paper manufacturing. Biomass production also consumes plantation wood but to a lesser extent. Acacia is used for furniture, pulp and paper, with thinned wood and harvesting residues directed to biomass production. Eucalyptus is similarly used for furniture, pulp and paper, with essential oil extracted from leaves, and thinned wood and residues also contributing to biomass production.

For the forests in the Supply Base, is there an intention to retain, restock or encourage natural regeneration within 5 years of felling? Yes - Majority

Explanation: Eucalyptus can regenerate by sprouting up to three times before stumps are removed and new stands are established. Acacia is replanted immediately after harvesting, with the option to remove stumps.

Was the feedstock used in the biomass removed from a forest as part of a pest/disease control measure or a salvage operation? No

Explanation: Currently, no biomass is removed from forests for pest or disease control measures or salvage operations.

What is the estimated amount of REDII-compliant sustainable feedstock that could be harvested annually in a Supply Base (estimated): 100000.00 tonnes

Explanation: Depend on the availability of feedstocks of suppliers.

Feedstock

Reporting period from: 01 Jun 2023

Reporting period to: 31 May 2024

- a. **Total volume of Feedstock:** 1-200,000 tonnes
- b. **Volume of primary feedstock:** 1-200,000 tonnes
- c. **List percentage of primary feedstock, by the following categories.**
 - Certified to an SBP-approved Forest Management Scheme: 80% - 100%
 - Not certified to an SBP-approved Forest Management Scheme: 0%
- d. **List of all the species in primary feedstock, including scientific name:** Acacia auriculiformis (Acacia); Eucalyptus camaldulensis (Eucalyptus); Pinus kesiya (Pinus);
- e. **Is any of the feedstock used likely to have come from protected or threatened species?** No

- Name of species: N/A
- Biomass proportion, by weight, that is likely to be composed of that species (%):
- f. **Hardwood (i.e. broadleaf trees): specify proportion of biomass from (%):**
- g. **Softwood (i.e. coniferous trees): specify proportion of biomass from (%):**
- h. **Proportion of biomass composed of or derived from saw logs (%):**
- i. **Specify the local regulations or industry standards that define saw logs: N/A**
- j. **Roundwood from final fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%):**
- k. **Volume of primary feedstock from primary forest: 90974 tonnes**
- l. **List percentage of primary feedstock from primary forest, by the following categories. Subdivide by SBP-approved Forest Management Schemes:**
 - Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: 80% - 100%
 - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: 0%
- m. **Volume of secondary feedstock: 1-200,000 tonnes**
 - Physical form of the feedstock: Chips, Sawdust, Offcuts
- n. **Volume of tertiary feedstock: 0 N/A**
 - Physical form of the feedstock:
- o. **Estimated amount of REDII-compliant sustainable feedstock that could be collected annually by the BP: 200000.00tonnes**

Proportion of feedstock sourced per type of claim during the reporting period				
Feedstock type	Sourced by using Supply Base Evaluation (SBE) %	FSC %	PEFC %	SFI %
Primary	0.00	100.00	0.00	0.00
Secondary	0.00	100.00	0.00	0.00
Tertiary	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00

3 Requirement for a Supply Base Evaluation

Note: Annex 1 is generated by the system if the SBE is used without Region Risk Assessment(s). Annex 2 is generated if RED II SBE is in the scope.

Is Supply Base Evaluation (SBE) is completed? No

N/A

Is REDII SBE completed? Yes

N/A

4 Supply Base Evaluation

Note: Annex 2 is generated if RED II is in the scope.

4.1 Scope

Feedstock types included in SBE:

SBP-endorsed Regional Risk Assessments used: Not applicable

List of countries and regions included in the SBE:

4.2 Justification

N/A

4.3 Results of risk assessment and Supplier Verification Programme

N/A

4.4 Conclusion

N/A

5 Supply Base Evaluation process

N/A

6 Stakeholder consultation

N/A

6.1 Response to stakeholder comments

7 Mitigation measures

7.1 Mitigation measures

7.2 Monitoring and outcomes

N/A

8 Detailed findings for indicators

Detailed findings for each Indicator are given in Annex 1 in case the Regional Risk Assessment (RRA) is not used.

Is RRA used? N/A

9 Review of report

9.1 Peer review

N/A

9.2 Public or additional reviews

N/A

10 Approval of report

Approval of Supply Base Report by senior management			
Report Prepared by:	Nguyen Ngoc Han	SBP Manager	20 Aug 2024
	Name	Title	Date
Report Prepared by:	Le Thi Ngoc Bang	Director	20 Aug 2024
	Name	Title	Date
The undersigned persons confirm that I/we are members of the organisation's senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalisation of the report.			

Annex 1: Detailed findings for Supply Base Evaluation indicators

N/A

Annex 2: Detailed findings for REDII

Section 1. RED II Supply Base Evaluation

Country: Viet Nam	
(i) The legality of harvesting operations	
Type of Risk Assessment used	<input type="checkbox"/> Level A – proof at national or sub-national level <input checked="" type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	<p>1. Applicable laws and regulations:</p> <ul style="list-style-type: none"> Land law 2013 - chapter III administrative boundaries and base investigation on land <https://thuvienphapluat.vn/van-ban/Bat-dong-san/Luat-dat-dai-2013-215836.aspx> Decree No. 156/2018/ND-CP dated 16/11/2018 on detailed regulation to implement the Forestry Law 2017 - Chapter III forest allocation and lease, conversion of forest types, forest repurposing and forest appropriation – Section 4, Article 27, Point 2a <i>“Forest owners shall make their own investment or run forest development projects under joint- venture or association agreement and perform production activities within the area of forests or land for production forests allocated by the State or lease out such land area as per law provisions”</i> <https://thuvienphapluat.vn/van-ban/Tai-nguyen-Moi-truong/Decree-156-2018-ND-CP-on-enforcement-of-a-number-of-articles-of-the-Law-on-Forestry-411294.aspx?tab=1> Circular No. 26/2022/TT-BNNPTNT, dated 30/12/2022 on management and tracing of forest products. - Carry out declaration of forest product origin according to regulations in Chapter III lawful forest product dossiers <https://thuvienphapluat.vn/van-ban/Linh-vuc-khac/Circular-26-2022-TT-BNNPTNT-management-and-tracing-of-forest-products-564938.aspx?tab=1> <p>2. Actual compliance</p> <p>Organizations and individuals who are allocated land/ forest or lease land/ forest will be granted a certificate of land use rights/ forest use rights or a land/ forest lease contract. Land use/forest use certificate or land/forest lease contracts will include information on area, location, and geographical map measured by the local natural resources and environmental agency.</p> <p>Types and scales of maps serving preparation of SFMPs:</p> <ul style="list-style-type: none"> Types of maps: forest status map (according to TCVN 11565:2016); current land use map (according to regulations laid down by the Ministry of Natural Resources and Environment);

- Scales of maps: 1/5.000 or 1/10.000 or 1/25.000 or 1/50.000 using VN 2000 reference system. The investor shall select a map scale that corresponds to forest area.

For forest owners who are state agencies, businesses, and organizations, the forest boundaries assigned management have been clearly defined.

For forest smallholders, in fact, there are still cases of overlapping forest land with agricultural land or overlapping forest land of households due to the measurement process. However, when forest owners develop sustainable forest management plans according to Circular 28/2018/TT-BNNPTNT or according to FSC/PEFC standards, they will have to conduct surveys and develop forest management maps. For areas that overlap with other households, the forest owners need to coordinate with local authorities to redefine the boundaries before the forest management plan is approved. Normally, small forest owners will join together to form forest owner groups with a defined entity to implement sustainable forest management plans and forest certification.

All boundaries for harvested areas must be clearly marked on maps (harvesting map is at 1:5000 scale) and ground-truthed. In fact, forest owners can use landmarks and contours to mark boundaries, in addition, natural boundaries can also be used (for example: natural flows, etc.). All must be clearly showed on the harvesting plan regulated in the Circular No. 26/2022/TT-BNNPTNT.

For forest owners with FSC FM certificate, they shall comply with standards FSC-STD-VN-01-2018, Principle 1, Criterion 1.2. *“The Organization*shall* demonstrate that the legal* status of the Management Unit*, including tenure* and use rights*, and its boundaries, are clearly defined.”*

For forest owners with VFCS/PEFC FM certificate, they shall comply with standards VFCS/PEFC 1003:2019, Principle 1, Criterion 1.1.3 *“Boundaries on forest land and forests shall be clearly identified on maps and sites.”*

When auditing, auditors can check the compatibility between the forest management map provided by the forest owner and the cadastral map of the local management agency, the actual boundary markers. Google maps and satellite images can also be used.

*** Actual Compliance of Tin Nhan Company:**

The company uses raw materials from FSC FM certified suppliers with 100% FSC declaration.

The company has also carried out FSC CoC certification with controlled wood, which the verification of compliance with Land tenure and management rights requirements by CB shows that:

- There is no dispute about the boundary, the land on the land of the afforestation households.
- The company checked the records and interviewed the stakeholders to exclude some households whose legal status is unclear according to legal requirements and FSC standards.
- In consultation with stakeholders, all comments from them are

	<p>reviewed, investigated, resolved and responded to.</p> <ul style="list-style-type: none"> No violations occurred during the field inspection and consultation with suppliers and local authorities. <p>3. Risk Conclusion: Low risk</p>
(ii) Forest regeneration of harvested areas	
Type of Risk Assessment used	<p><input type="checkbox"/> Level A – proof at national or sub-national level</p> <p><input checked="" type="checkbox"/> Level B – management system at forest sourcing area level</p>
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	<p>1. Applicable laws and regulations:</p> <p>Announcement No. 511/TB-VPCP, dated 01/11/2017, the Prime Minister announced to apply logging ban on natural forests nationwide. <i>“Local governments shall strictly implement the cessation of primary exploitation and household exploitation of natural forests, salvage and salvage exploitation; Strictly control the settlement of salvage exploitation for projects that are allowed to change forest use purposes according to the provisions of Resolution No. 71/NQ-CP dated August 8, 2017, to prevent loss and waste. forest resources, but also not to take advantage of exploitation outside the permitted area, completely preventing local benefits.”</i> <https://thuvienphapluat.vn/van-ban/Tai-nguyen-Moi-truong/Thong-bao-511-TB-VPCP-2017-ket-luan-cua-Thu-tuong-Tang-cuong-quan-ly- bao-ve-rung-366120.aspx></p> <p>Decree No. 156/2018/ND-CP dated 16/11/2018 on detailed regulation to implement the Forestry Law 2017: Article 12: Exploitation of forest products of reserve forests; Article 20: Exploitation of forest products in protection forests; Article 28: Exploitation of forest products in natural production forests; Article 29: Exploitation of forest products in planted production forests <https://thuvienphapluat.vn/van-ban/Tai-nguyen-Moi-truong/Decree-156-2018-ND-CP-on-enforcement-of-a-number-of-articles-of-the-Law-on-Forestry-411294.aspx?tab=1></p> <p>Circular No. 28/2018/TT-BNNPTNT, dated 16/11/2018 on sustainable forest management – Annex 1 Standard on SFM, Principle 4, Criterion 4.1 <i>“All forestry practices shall be implemented as prescribed in the sustainable forest management plan.”</i> and Criterion 4.3 <i>“Forest owners shall apply silviculture techniques which are suitable for objectives of sustainable forest management plan.”</i> <https://thuvienphapluat.vn/van-ban/Tai-nguyen-Moi-truong/Circular-28-2018-TT-BNNPTNT-sustainable-forest- management-431327.aspx?tab=1></p> <p>Circular No. 26/2022/TT-BNNPTNT, dated 30/12/2022 on management and tracing of forest products: Chapter II procedures for harvesting ordinary forest plants and ordinary forest animals; Chapter III lawful forest product dossiers <https://thuvienphapluat.vn/van-ban/Linh-vuc-</p>

khac/Circular-26-2022-TT- BNNPTNT-management-and-tracing-of-forest-products-564938.aspx?tab=1>

Degree No. 102/2020/NĐ-CP, dated 01/09/2020 on Vietnam timber legality assurance – *Chapter II Management of imported and exported timber*
Article 4

- Imported timber must be legal, undergo all import procedures, be inspected and monitor by the customs in accordance with customs laws.
- Risk management principles shall apply to management of imported timber to prevent, discover, stop and deal with violations of law, ensuring timber is imported legally while encouraging organizations and individuals to comply with law

Article 8:

- Exported timber must be legal, undergo all export procedures, be inspected and monitor by the customs in accordance with customs laws.
- Exported timber shall have CITES permits, FLEGT licenses or packing list prescribed by this Decree.
- A shipment of exported timber that has been granted a FLEGT license will be prioritized while following customs procedures as prescribed by customs laws

<<https://thuvienphapluat.vn/van-ban/Thuong-mai/Decree-102-2020-ND-CP-Vietnam-Timber-Legality-Assurance-System-453730.aspx?tab=1>>

2. Actual compliance

According to the 2017 forestry law, Vietnam has classified forest land into 03 types with different definitions and functions, including: special-use forests, protection forests and production forests. In there:

- Special-use forests are used mainly for the purpose of conservation and providing forest ecological services
- Protection forests are used mainly to protect water sources, protect soil, prevent erosion, landslides...
- Production forests are used mainly to provide forest products; combined production and business of forestry, agriculture and fishery
- Natural forest: Announcement No. 511/TB-VPCP dated 01/11/2017, the Prime Minister announced to apply logging ban on natural forests nationwide.
- Plantation: Plantation is managed by state forest owners that state forest owners is not invested, but invested by government programs, harvesting plan needs to be approved by DARD. Whereas, plantation is managed by forest owner that forest owner is self-invested, harvesting plan is approved by themselves following Article 6 of the Circular No. 26/2022/TT-BNNPTNT.

“Article 6. Approval for plans for harvesting ordinary forest plants

1. Cases of approval for a harvesting plan:

- a) Salvage logging of ordinary forest plant species from natural forests;
- b) Full utilization of ordinary forest plant species from natural forests;

- c) Harvesting of non-timber forest plants from ordinary forest plant species from natural forests which are classified as reserve forests;
- d) Collection of ordinary forest plant specimens serving scientific and technological researches from reserve forests;
- e) Harvesting of ordinary forest plant species from planted forests whose ownership is represented by the State;
- f) Harvesting of ordinary forest plant species from planted protection forests whose investment is stimulated by organizations, individuals, household businesses, and residential community.

2. Authorities having power to approve (hereinafter referred to as “approving authorities”):

- a) The Ministry of Agriculture and Rural Development shall approve the harvesting plan in the cases prescribed in Points a, b, c, d and dd Clause 1 of this Article for forest area controlled by the Ministry of Agriculture and Rural Development;
- b) The district-level People’s Committees shall approve the harvesting plan in the case prescribed in Point dd Clause 1 of this Article invested by individuals, household businesses, residential community; plans for salvage logging and full utilization of timber from production forests which are natural forests managed by individuals, household businesses, residential community;
- c) The Department of Agriculture and Rural Development shall approve the harvesting plan in cases other than those prescribed in Points a and b of this Clause;

3. A dossier shall include:

- a) The original application for approval for harvesting plan using Form No. 10 in the Appendix enclosed herewith;
- b) The original harvesting plan using Form No. 11 in the Appendix enclosed herewith;
- c) A copy of the decision on forest repurposing or copy of the decision on approval for the silviculture project or documents proving the implementation of silviculture measures or scientific research program/project that has been approved by a competent authority in the cases prescribed in Points a and d Clause 1 of this Article.

4. Procedures:

- a) The forest owner or the organization/individual who is authorized by the forest owner shall submit in person or via postal service or by an electronic mean 01 dossier prescribed in Clause 3 of this Article to the approving authority prescribed in Clause 2 of this Article. In case the dossier is submitted via an electronic mean, it shall comply with the regulations in Decree No. 45/2020/ND-CP .
- b) Time limit for informing the applicant of the validity of the dossier:
In case the dossier is submitted in person, the aproving authority shall check documents of the dossier and immediately inform the forest owner or the organization/individual authorized by the forest owner of the validity of the dossier.
In case the dossier is submitted via postal service or an electronic mean, within 01 working day after receiving the dossier, the approving authority shall consider the validity of the documents of the dossier; if the dossier is invalid as prescribed, a written notification specifying reasons for the invalidity shall be sent.
- c) Within 10 working days from the day on which a valid dossier is received, the approving authority shall approve the harvesting plan and return results to the forest owner or the organization/individual authorized

	<p>by the forest owner. In case of rejection, a written notification specifying reasons thereof shall be given.</p> <p>4. The approving authority which has approved the harvesting plan shall:</p> <p>For forest owners with FSC FM certificate, they shall comply with standards FSC-STD-VN-01-2018, Principle 1, Criterion 1.3 “The Organization* shall have legal rights to operate in the Management Unit, which fit the legal* status of The Organization and of the Management Unit, and shall comply with the associated legal obligations in applicable national and local laws and regulations and administrative requirements. The legal rights shall* provide for harvest of products and/or supply of ecosystem services from within the Management Unit. The Organization shall pay the legally prescribed charges associated with such rights and obligations.”</p> <p>For forest owners with VFCS/PEFC FM certificate, they shall comply with standards VFCS/PEFC 1003:2019, Criterion 4.1 “<i>All forestry practices shall be implemented as prescribed in the sustainable forest management plan.</i>” and Indicator 7.3.3 “<i>A system to manage the files/documents of forest products including all steps from harvesting, transporting, processing (if available) and selling products to ensure traceability of forest products shall be available.</i>”</p> <p>In addition, to ensure the integrity of the supply chain, all certified imported materials (wood logs, saw timbers, wood residues, etc.) must have enough relevant certificates and documents according to FSC and PEFC standards.</p> <p>* Actual Compliance of Tin Nhan Company:</p> <p>The company uses raw materials from FSC FM certified suppliers with 100% FSC declaration. The supplier with FSC certificate shall strictly follow the requirements of harvesting operation of FSC standard and national legality.</p> <p>The company controlled the logging license of the forest growers by making forest land ownership records and logging records according to the circular. 27/2018/TT-BNNPTNT, to ensure that the source of timber from the supply area complies with the requirements of Vietnamese law and FSC standards.</p> <p>3. Risk Conclusion: Low risk</p>
<p>(iii) That areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands and peatlands, are protected unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes</p>	
Type of Risk Assessment used	<p><input type="checkbox"/> Level A – proof at national or sub-national level</p> <p><input checked="" type="checkbox"/> Level B – management system at forest sourcing area level</p>
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	<p>1. Applicable laws and regulations: Forestry law 2017, Article 5 Forest classification “Article 5. Forest classification 1. According to their primary use purposes, natural and planted forests</p>

shall be divided into three following types:

- a) Reserve forests;
- b) Protection forests;
- c) Production forests.

2. Reserve forests shall be mostly used to conserve natural forest ecosystems, genetic resources of forest organisms, carry out scientific research and preserve historical - cultural relics, beliefs, places of scenic beauty associated with ecotourism; hospitality and entertainment except for strictly protected sub-zones of reserve forests; and provide forest environmental services including:

- a) National parks;
- b) Natural reserves;
- c) Species – habitat reserves;
- d) Landscape protection areas including forests used for preserving historical - cultural relics and places of scenic beauty; belief forests; forests protecting environment of urban areas, industrial parks, export- processing zones, economic zones and high-tech zones;
- e) Forests used for scientific research or experiment purposes; national botanical gardens; national forest nurseries.

3. Protection forests shall be mainly used to protect water resources and soil, prevent erosion/landslides/floods, combat desertification, limit disasters, regulate climate, contribute to protect the environment and national security associated with ecotourism, hospitality and entertainment; provide forest environmental services; and are classified according to their importance including:

- a) Watershed protection forests; forests protecting water resources for communities; bordering protection forests;
- b) Wind/sand shielding protection forests; protection forests for tide shielding or sea encroachment prevention.

4. Production forests shall be primarily used for provision of forest products; combined forestry-agricultural-fishery production and trade; ecotourism, hospitality and entertainment; and provision of forest entertainment services.

5. The Government shall specify criteria for forest determination and classification and regulations on forest management.

6. The Minister of Agriculture and Rural Development shall specify criteria for determining the importance of protection forests.”

<<https://thuvienphapluat.vn/van-ban/Tai-nguyen-Moi-truong/Law-16-2017-QH14-on-forestry-375845.aspx?tab=1>>

Decree No. 43/2015/ND-CP dated May 6, 2015, providing the establishment and management of water source protection corridors“

Article 5. Principles of establishment and management of water source protection corridors

1. To satisfy the water source protection requirements and concurrently harmonize the lawful rights and interests of related organizations and individuals.

2. The boundaries of water source protection corridors shall be demonstrated on the maps of land use master plans and plans.

3. Land use master plans and plans and other specialized master plans must ensure the maintenance and development of the approved functions of water source protection corridors.

4. The establishment of water source protection corridors must ensure

publicity and democracy.”

<<https://thuvienphapluat.vn/page/tim-van-ban.aspx?keyword=43%2F2015%2FN%C4%90-CP&match=True&area=0>>

Decree No. 156/2018/ND-CP dated 16/11/2018 on detailed regulation to implement the Forestry Law 2017

Article 12: Exploitation of forest products of reserve forests Article 20:

Exploitation of forest products in protection forests

Article 28: Exploitation of forest products in natural production forests

Article 29: Exploitation of forest products in planted production forests

<<https://thuvienphapluat.vn/van-ban/Tai-nguyen-Moi-truong/Decree-156-2018-ND-CP-on-enforcement-of-a-number-of-articles-of-the-Law-on-Forestry-411294.aspx?tab=1>>

Circular No. 28/2018/TT-BNNPTNT, dated 16/11/2018 on sustainable forest management – Annex 1 Standard on SFM: Principle 6

“Principle 6: Maintenance, conservation and enhancement of forest biodiversity

6.1. Forest owners shall identify and demarcate forest areas with ecological importance to be needed for the purposes of protection and conservation.

6.2. Forest owners shall protect fauna and flora in compliance with legal law.

6.3. Forest owners shall protect or conserve forest areas with ecological importance and high conservation values.

6.4. Forest owners shall undertake measures to maintain and enhance the ecological values and the biodiversity of forests.

6.5. Forest owners shall strictly control exotic tree species to avoid negative impacts on forest ecosystems.

6.6. Forest owners shall not directly or indirectly convert natural forest and forest areas with ecological significances to forest plantation or other land use purposes.”

<<https://thuvienphapluat.vn/van-ban/Tai-nguyen-Moi-truong/Circular-28-2018-TT-BNNPTNT-sustainable-forest-management-431327.aspx?tab=1>>

Circular No. 26/2022/TT-B NNPTNT, dated 30/12/2022 on management and tracing of forest products.

Chapter III lawful forest product dossiers <<https://thuvienphapluat.vn/van-ban/Linh-vuc-khac/Circular-26-2022-TT-BNNPTNT-management-and-tracing-of-forest-products-564938.aspx?tab=1>>

Degree 102/2020/NĐ-CP Vietnam timber legality assurance

<<https://thuvienphapluat.vn/van-ban/Thuong-mai/Decree-102-2020-ND-CP-Vietnam-Timber-Legality-Assurance-System-453730.aspx?tab=1>>

Technical guideline: landscape and biodiversity

conservation <<https://vfcs.org.vn/wp-content/uploads/2022/04/Guideline-on-Landscape-and-biodiversity-conservation.pdf>>

Technical guideline: forest functional zoning for smallholder forest owners according to the sustainable forest management standards under VFCS <<https://vfcs.org.vn/wp-content/uploads/2022/04/Guideline->

on-forest- function-zoning.pdf>

2. Actual compliance:

According to the 2017 forestry law, Vietnam has classified forest land into three types with different definitions and functions, including: special-use forests, protection forests and production forests. In there:

- Special-use forests are used mainly for the purpose of conservation and providing forest ecological services
- Protection forests are used mainly to protect water sources, protect soil, prevent erosion, landslides...
- Production forests are used mainly to provide forest products; combined production and business of forestry, agriculture and fishery

Natural forest: Announcement No. 511/TB-VPCP dated November 1, 2017, the Prime Minister announced to stop logging natural forests nationwide

Plantation: Plantation is managed by state forest owners that state forest owners is not invested, but invested by government programs, harvesting plan needs to be approved by DARD. Whereas, plantation is managed by forest owner that forest owner is self-invested, harvesting plan is approved by themselves following Article 6 of the Circular No. 26/2022/TT-BNNPTNT.

The land use rights certificate and forest management map of the local management agency clearly show the forest type, origin and purpose of use. Forest owners are only allowed to exploit planted forests on productive land areas.

For forest owners with FSC FM certificate, they shall comply with standards FSC-STD-VN-01-2018, Principle 6 (especially Criterion 6.5) and Principle 9

“Criterion 6.5 The Organization shall identify and protect Representative Sample Areas of native eco-systems and/or restore them to more natural conditions. Where Representative Sample Areas do not exist or are insufficient, The Organization shall restore a proportion of the Management Unit to more natural conditions. The size of the areas and the measures taken for their protection or restoration, including within plantations, shall be proportionate to the conservation status and value of the ecosystems at the landscape level, and the scale, intensity and risk of management activities.” “Principle 9. The Organization shall* maintain and/or enhance the High Conservation Values* in the Management Unit* through applying the precautionary approach.”*

For forest owners with VFCS/PEFC FM certificate, they shall comply with standards VFCS/PEFC 1003:2019, Principle 6

“Principle 6: Maintenance, conservation and enhancement of forest biodiversity

6.1. Forest owners shall identify and demarcate forest areas with ecological importance to be needed for the purposes of protection and conservation.

6.2. Forest owners shall protect fauna and flora in compliance with legal law.

6.3. Forest owners shall protect or conserve forest areas with ecological importance and high conservation values.

6.4. Forest owners shall undertake measures to maintain and enhance the

	<p>ecological values and the biodiversity of forests.</p> <p>6.5. Forest owners shall strictly control exotic tree species to avoid negative impacts on forest ecosystems.</p> <p>6.6. Forest owners shall not directly or indirectly convert natural forest and forest areas with ecological significances to forest plantation or other land use purposes.”</p> <p>* Actual Compliance of Tin Nhan Company: The company uses raw materials from FSC FM certified suppliers with 100% FSC declaration. The supplier with FSC certificate shall strictly follow the requirements of nature protection of FSC standard and national legality. The company also conducted a site inspection of HCV areas, in which HCV4 and HCV5 areas were verified The material area is verified during harvesting to find out if there are any species on the CITES list and no such species is found from the field verification. Along with the field inspection, stakeholder consultation was conducted to find out if there were any negative impacts from the operation. All stakeholder comments are reviewed, investigated, addressed and responded to (local authorities, local rangers, etc.) plants and animal species need to be protected. The company also propagates and updates information for forest owners and harvesting units to ensure the implementation.</p> <p>3. Risk conclusion: Low risk.</p>
(iv) That harvesting is carried out considering the maintenance of soil quality and biodiversity with the aim of minimising negative impacts	
Type of Risk Assessment used	<input type="checkbox"/> Level A – proof at national or sub-national level <input checked="" type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	<p>1. Applicable laws and regulations: Decree No. 43/2015/ND-CP dated May 6, 2015, providing the establishment and management of water source protection corridors “Article 5. Principles of establishment and management of water source protection corridors 1. To satisfy the water source protection requirements and concurrently harmonize the lawful rights and interests of related organizations and individuals. 2. The boundaries of water source protection corridors shall be demonstrated on the maps of land use master plans and plans. 3. Land use master plans and plans and other specialized master plans must ensure the maintenance and development of the approved functions of water source protection corridors. 4. The establishment of water source protection corridors must ensure publicity and democracy.”</p>

<<https://thuvienphapluat.vn/page/tim-van-ban.aspx?keyword=43%2F2015%2FN%C4%90-CP&match=True&area=0>>

Decree No. 156/2018/ND-CP dated 16/11/2018 on detailed regulation to implement the Forestry Law 2017

Article 12: Exploitation of forest products of reserve forests Article 20: Exploitation of forest products in protection forests

Article 28: Exploitation of forest products in natural production forests

Article 29: Exploitation of forest products in planted production forests

<https://thuvienphapluat.vn/van-ban/Tai-nguyen-Moi-truong/Decree-156-2018-ND-CP-on-enforcement-of-a-number-of-articles-of-the-Law-on-Forestry-411294.aspx?tab=1>

Circular No. 28/2018/TT-BNNPTNT, dated 16/11/2018 on sustainable forest management – Annex 1 Standard on SFM: Principle 5

“Principle 5. Environmental management and protection in forestry activities

5.1. Forest owners shall identify and analyze any potential impacts of forest management activities on the environment in accordance with the national laws.

5.2. Forest owners shall carry out measures to protect soil and water sources during the implementation of forestry activities.

5.3. Forest owners shall strictly control the use of chemicals and fertilizers and ensure to be safe for the environment and people’s health.

5.4. Forest owners shall control hazardous waste and ensure to be safe for the environment and people’s health.”

<<https://thuvienphapluat.vn/van-ban/Tai-nguyen-Moi-truong/Circular-28-2018-TT-BNNPTNT-sustainable-forest-management-431327.aspx?tab=1>>

Technical guideline: landscape and biodiversity

conservation <<https://vfcs.org.vn/wp-content/uploads/2022/04/Guideline-on-Landscape-and-biodiversity-conservation.pdf>>

Technical guideline: low impact logging <<https://vfcs.org.vn/wp-content/uploads/2022/04/Guideline-on-timber-low-impact-logging.pdf>>

2. Actual compliance:

Forest owners shall carry out forestry production activities according to the approved sustainable forest management plan as prescribed in Circular 28/2018/TT-BNNPTNT, in which:

Based on Principle 5, Annex 1: Forest owners shall conduct an assessment and analysis of the environmental impact of forestry activities, identify areas with the function of protecting soil and water resources, and identify adverse impacts occurring on the land and water sources and Plan and implement measures to minimize environmental impacts before implementing forestry activities (including: Soil environment, water, hazardous waste, etc.)

Based on principle 2 and principle 3: Forest owners must respect the rights of residential communities and local people, ensure the rights and working conditions of workers and have an appropriate complaint resolution mechanism.

Based on the initial EIA & SIA report, forest owners shall include an environmental and social impact monitoring plan in their sustainable forest

	<p>management plan.</p> <p>RIL can be used as a measure to reduce the impact of forest exploitation. However, RIL has only been developed as a technical guide and has not been issued as a legal document.</p> <p>For forest owners with FSC FM certificate, they shall comply with standards FSC-STD-VN-01-2018, Criterion 6.1, 6.2, 6.3, 6.4, 6.7, 8.2. Forest owners shall implement RIL according to the FSC requirement. For forest owners with VFCS/PEFC FM certificate, they shall comply with standards VFCS/PEFC 1003:2019, Criterion 5.1, 5.2 and Principle 6. Forest owners shall follow the circular No. 26/2022/TT-B NNPTNT, dated 30/12/2022 on management and tracing of forest products. The RIL can be apply as mitigation measure.</p> <p>* Actual Compliance of Tin Nhan Company:</p> <p>The company uses raw materials from FSC FM certified suppliers with 100% FSC declaration. The supplier with FSC certificate shall strictly follow the requirements of environment protection of FSC standard and national legality.</p> <p>The plantations in supply area were randomly checked during the extraction process to monitor negative impacts on the environment, if any. Consult stakeholders to improve and protect the environment. No violations occurred during the field inspection.</p> <p>3. Risk conclusion: Low risk</p>
(v) That harvesting maintains or improves the long-term production capacity of the forest.	
Type of Risk Assessment used	<input type="checkbox"/> Level A – proof at national or sub-national level <input checked="" type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	<p>1. Applicable laws and regulations: Decision 1288/QĐ-TTg dated 01/10/2018 on approval of sustainable forest management project and forest certification “Article 1. Approval of the Sustainable Forest Management and Forest Certification Plan (hereinafter referred to as the Project) with the following contents: Objectives and orientation a) Objective Sustainable management and use of forest resources, biodiversity conservation, ecological environment protection and forest environmental service values; promote forest certification in Vietnam to meet the requirements of the domestic and world markets on legal wood origin; Create a source of raw wood from planted forests in forests that practice sustainable forest management, meeting at least about 80% of the demand for export wooden products; Increase the value of planted forest wood, contributing to hunger eradication and poverty reduction for forest workers and increasing added value for the forestry industry.” https://thuvienphapluat.vn/van-ban/Tai-nguyen-Moi-truong/Quyet-dinh-1288-QD-TTg-2018-phe-duyet-De-an-Quan-ly-rung-ben-vung-va- </p>

Chung-chi-rung-395899.aspx>

Circular No. 28/2018/TT-BNNPTNT, dated 16/11/2018 on sustainable forest management – Annex 1 Standard on SFM: Principle 4, Criterion 4.7 *“Forest owners shall appropriately harvest forest products in order to maintain forest resources in long term.”*

<<https://thuvienphapluat.vn/van-ban/Tai-nguyen-Moi-truong/Circular-28-2018-TT-BNNPTNT-sustainable-forest-management-431327.aspx?tab=1>>

TCVN 11366-1:2016 Plantation - Site requirements - Part 1: Acacia mangium and acacia hybrid <<https://thuvienphapluat.vn/TCVN/Nong-nghiep/TCVN-11366-1-2016-Rung-trong-Yeu-cau-ve-lap-dia-Phan-1-Keo-tai-tuong-916393.aspx>>

TCVN 11366-2:2016 Plantation - Site requirements - Part 2: Eucalyptus hybrid <<https://thuvienphapluat.vn/TCVN/Nong-nghiep/TCVN-11366-2-2016-Rung-trong-Yeu-cau-ve-lap-dia-Phan-2-Bach-dan-lai-916396.aspx>>

TCVN 11570-1:2016 Forest cultivar - Acacia plant - Part 1: Acacia mangium <<https://thuvienphapluat.vn/TCVN/Nong-nghiep/TCVN-11570-1-2016-Giong-cay-lam-nghiep-Cay-giong-keo-Phan-1-Keo-tai-tuong-916318.aspx>>

TCVN 11570-2:2016 Forest cultivar - Acacia plant - Part 2: Acacia hybrid <<https://thuvienphapluat.vn/TCVN/Nong-nghiep/TCVN-11570-2-2016-Giong-cay-lam-nghiep-Cay-giong-keo-Phan-2-Keo-lai-916320.aspx>>

TCVN 11570-3:2017 Forest tree cultivar- Acacia sapling -Part 3: Acacia crassiparva A.cunn.ex Benth, Acacia auriculiformis A.cunn.ex Benth <<https://thuvienphapluat.vn/TCVN/Nong-nghiep/TCVN-11570-3-2017-Giong-cay-lam-nghiep-Cay-giong-keo-Phan-3-919167.aspx>>

TCVN 11567-1:2016 plantation - Large timber plantation transformed from small wood - Part 1: Acacia hybrid (A.mangium x A- auriculiformis) <<https://thuvienphapluat.vn/TCVN/Tai-nguyen-Moi-truong/TCVN-11567-1-2016-Rung-trong-Rung-go-lon-chuyen-hoa-tu-rung-trong-go-nho-916273.aspx>>

TCVN 11567-2:2016 Plantation - Large timber plantation transformed from small wood - Part 2: Acacia mangium willd <<https://thuvienphapluat.vn/TCVN/Nong-nghiep/TCVN-11567-2-2016-Rung-trong-Rung-go-lon-chuyen-rung-go-nho-Phan-2-Keo-tai-tuong-916313.aspx>>

TCVN 11567-3:2017 Plantation - Large timber plantation transformed from small wood - Part 3: Eucalyptus urophylla S.T.Blake <<https://thuvienphapluat.vn/TCVN/Nong-nghiep/TCVN-11567-3-2017-Rung-trong-Rung-go-lon-Phan-3-Bach-dan-urophylla-917375.aspx>>

TCVN 11366-1:2016 Plantation - Site requirements - Part 1: Acacia mangium and acacia hybrid <<https://thuvienphapluat.vn/TCVN/Nong-nghiep/TCVN-11366-1-2016-Rung-trong-Yeu-cau-ve-lap-dia-Phan-1-Keo-tai-tuong-916393.aspx>>

TCVN 11366-2:2016 Plantation - Site requirements - Part 2: Eucalyptus hybrid <<https://thuvienphapluat.vn/TCVN/Nong-nghiep/TCVN-11366-2-2016-Rung-trong-Yeu-cau-ve-lap-dia-Phan-2-Bach-dan-lai-916396.aspx>>

TCVN 11571-1:2016 Forest cultivar - Eucalyptus plant - Part 1: Eucalyptus hybrid <<https://thuvienphapluat.vn/TCVN/Nong-nghiep/TCVN-11571-1-2016-Giong-cay-lam-nghiep-Cay-giong-bach-dan-Phan-1-Bach-dan-lai-916322.aspx>>

TCVN 11571-2:2017 Forest tree cultivar - Eucalyptus sapling - Part 2: Eucalyptus urophylla S.T.Blake, Eucalyptus camaldulensis Dehnh <<https://thuvienphapluat.vn/TCVN/Nong-nghiep/TCVN-11571-2-2017-Giong-cay-lam-nghiep-Phan-2-Bach-dan-urophylla-camaldulensis-917377.aspx>>

Technical guideline: Silviculture Techniques for Forest Planting, Tending and Protection <<https://vfcs.org.vn/wp-content/uploads/2022/04/Guideline-on-forest-planting-and-tending.pdf>>

Technical guideline: forest tree cultivars – forest tree nursery <<https://vfcs.org.vn/wp-content/uploads/2022/04/Guideline-on-Nursery-and-seedling-production.pdf>>

Technical guideline: forest surveys and assessment of volume, productivity, and quality of planted forests for smallholders group <<https://vfcs.org.vn/wp-content/uploads/2022/04/Guidelines-on-plantation-investigation-for-smallholders.pdf>>

2. Actual compliance:

Forest owners shall develop sustainable forest management plan and implement accordingly as prescribed in Circular 28/2018/TT-BNNPTNT. When developing a SFMP, forest owners will have to conduct a yield survey on the managed forest area to plan appropriate forest exploitation and management. Information on forest yield, planting, tending and exploitation plans must be presented in the SFMP. National standards on site requirements, silviculture techniques and cultivar needed to be respected.

In fact, technical standards may not be complied with by individual small forest owners due to limited awareness, technical knowledge and resources. However, groups of small forest owners with FSC FM or PEFC FM certification are required to comply with the technical requirements. For forest owners with FSC FM certificate, they shall comply with standards FSC-STD-VN-01-2018, Criterion 5.2 “The Organization shall normally harvest products and services from the Management Unit* at or below a level which can be permanently sustained.”

For forest owners with VFCS/PEFC FM certificate, they shall comply with standards VFCS/PEFC 1003:2019, Criterion 4.7 “*Forest owners shall appropriately harvest forest products in order to maintain forest resources in long term.*”

*** Actual Compliance of Tin Nhan Company:**

The company uses raw materials from FSC FM certified suppliers with 100% FSC declaration. The supplier with FSC certificate shall strictly

	<p>follow the requirements of FSC standard and national legality on sustainable forest production.</p> <p>3. Risk conclusion: Low Risk</p>
LULUCF criteria 29(7)	
Type of Risk Assessment used	<p><input checked="" type="checkbox"/> Level A – proof at national or sub-national level</p> <p><input type="checkbox"/> Level B – management system at forest sourcing area level</p>
Level A risk assessment description	SBP-endorsed REDII Level A risk assessment for Article 29(7) LULUCF
Level B management system at the level of the forest sourcing area	N/A

Section 2. RED II detailed findings for secondary and tertiary feedstock

10.1 Verification and monitoring of suppliers

Tin Nhan conducts a comprehensive verification process for all secondary feedstock suppliers (Tin Nhan does not purchase tertiary feedstock). For each supplier, Tin Nhan records the supplier's name, address, type (e.g., purchaser, collector, trader), categories of feedstock supplied, and the level of control required. These controls include visual inspections upon receipt and regular supplier audits. Additionally, each supplier provides a self-declaration confirming that the feedstock qualifies as processing residue or waste under RED II definitions.

Tin Nhan monitors supplier compliance with SBP definitions and purchasing specifications through annual verification trips, document checks, and process reviews. A contingency plan is in place to address any non-compliant feedstock, ensuring that all materials procured meet sustainability standards.

10.2 Feedstock inspection and classification upon receipt

N/A

10.3 Supplier audit for secondary and tertiary feedstock

Before entering into any contracts and purchasing secondary feedstocks (processing residues), Tin Nhan conducts a detailed validation of the FSC FM/COC certification of its suppliers. This validation ensures that suppliers adhere to both FSC sustainability criteria and the RED II requirements for secondary and tertiary feedstock.

As part of this audit process, Tin Nhan verifies that each supplier maintains the necessary documentation, including feedstock samples, pictures, quality analysis reports, invoices, delivery notes, and shipping documents. This documentation is subject to regular inspection by the Certification Body.

Additionally, if any discrepancies are found in feedstock compliance or invoice quantities, immediate corrective actions are taken, and these are recorded and reported during the annual audit.

Section 3. RED II detailed findings for TOF feedstock

NOTE: For “Trees outside forests (TOF) – Urban and landscape feedstock¹” no REDII sustainability requirements apply, only the GHG savings criteria apply (SBP REDII Bridging ID Section 4.2). The land use category in this case is neither forest land nor agricultural land. For “Trees outside forests (TOF) – Agricultural land feedstock” the applicable criteria are Article 29 paragraphs (2)-(5).

N/A