

MILL ASSESSMENT FRAMEWORK GUIDANCE FOR SITE VISITS



Background

The forest element of the Book Chain Project has two clear objectives:

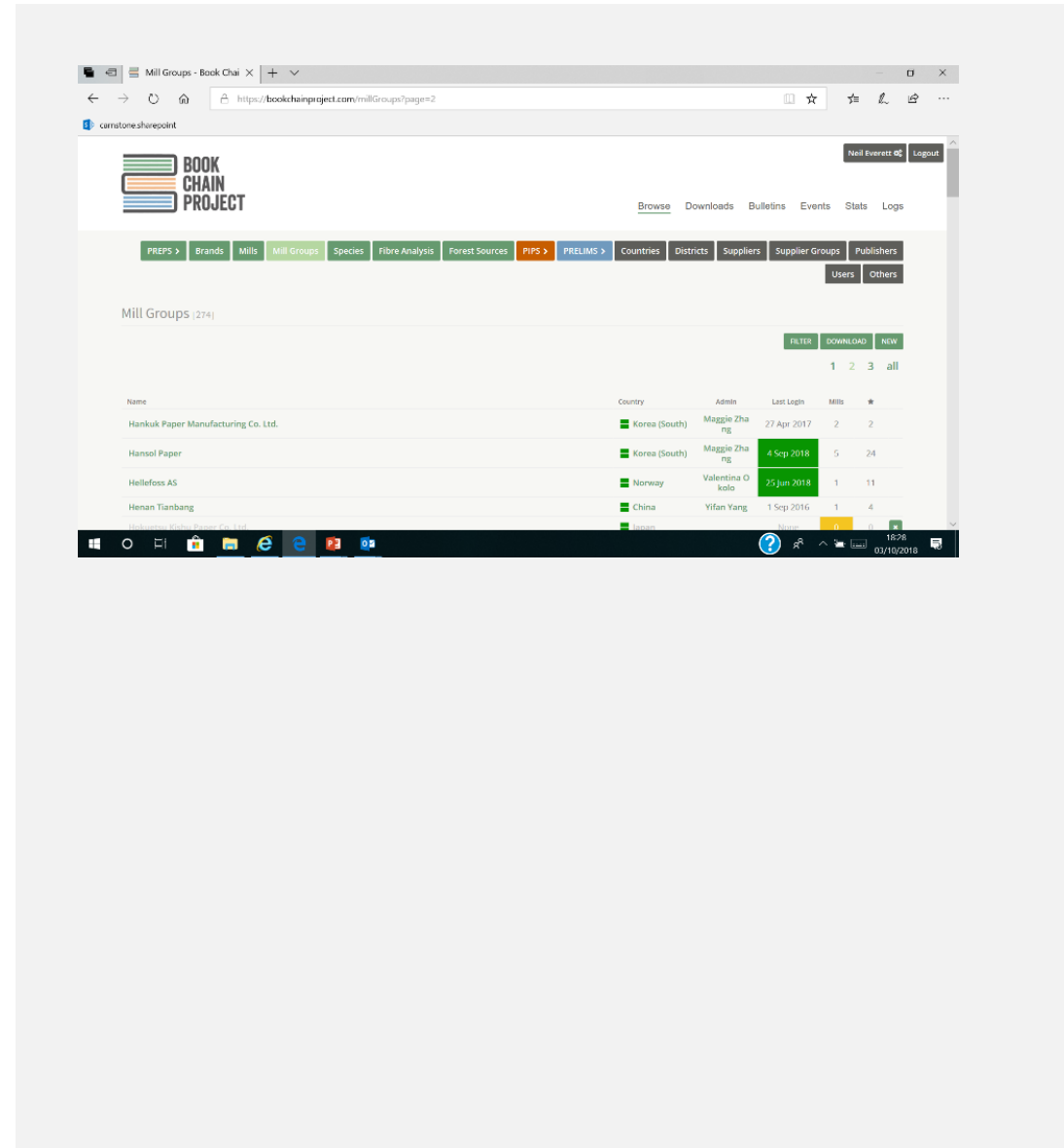
- To give our publishing partners accurate and timely information to help them source paper responsibly; and
- To develop our collective understanding of the impacts of paper sourcing on the world’s forests.

Ultimately, Book Chain Project has always been, and will always continue to be, about enabling publishers to make beautiful books using responsible fibre sources.

One of our core values is to collect information from source where we can have greater confidence in its accuracy. We do this by going directly to the paper makers themselves, bypassing intermediate actors in the supply chain. The collaborative voice, and combined commercial influence, of the publishers involved with the Book Chain Project makes this direct approach possible.

Up to now our focus has been to collect forest source data. We ask our paper mill partners to share the tree species and country of origin of the forest sources used in their paper brands. In higher risk locations we also request the region where the trees were harvested. With this we map forest sources from the paper mill, back to the pulp mill, and eventually to the forest itself. We use a publicly available risk tool to highlight sources of concern. These high-risk sources require third party certification (either FSC or PEFC) in order for the overall paper rating to achieve what we call Grade 5: ‘Known and Responsible’.

This Project has run for more than ten years. In that time, we’ve challenged the way we collect and assess forest sources to ensure that we use best practice and make consistently rigorous assessments with the information we have available. In pursuit of this continuous evolution we are now trialling a new Mill Assessment Framework.



The Mill Assessment Framework

We ask paper mills to provide forest source information, but we currently have no clear understanding of their capacity to practically manage responsible sourcing of their forest products. We know from our experience and the insights from our key opinion formers that the patterns of sourcing forest materials are constantly changing, the issues of deforestation are often complex and inter-linked, and that while third party certification remains the best measure of ensuring responsible sourcing it does have its limitations.

At 2018's Book Chain Project Seminar in London WWF explained that forest loss in 2016 was the highest on record. They, along with others in civil society, are challenging us all to act, to demonstrate how we can live up to the strong claims many organisations have made to halt deforestation. A civil society group have established the Accountability Framework to challenge companies to be clear about their claims and transparent about how they are working towards targets of around deforestation and protection of indigenous rights.

In putting this Mill Assessment Framework (MAF), we have learned from the draft documents of the Accountability Framework which aims to accelerate progress to halt deforestation, protect other natural ecosystems, respect community land rights, and protect human rights and labour rights. The MAF makes specific reference to the Operational Guidance on Monitoring and Verification and Supply Chain Management (Preliminary Draft July 2018)². By introducing the MAF to the Book Chain Project we hope to improve our understanding of:

- The **capability** of mills to implement responsible sourcing in their supply chains;
- The **commitments** mills are making to achieve responsible fibre sourcing; and
- The **systems and processes** mills have in place to manage their fibre sourcing, including: risk assessment, supplier engagement, monitoring and verification, and follow up action.

The approach

This is the first step in a long process of deeper engagement with paper mills. We do not expect them to have all the answers right away, but we want this process to set out our long-term expectations and start a dialogue. By identifying mills with the desire and intent to improve, the outputs from this initiative will help us to better support their development.

Our engagement in Year 1 (Oct 18 - Sept 19) will establish a baseline of mill performance and the challenges they face. In late 2019 we will bring mills together to explore some of these challenges, share good practice among the mills we have visited, and invite external experts to explore possible solutions.

We want this to raise the standard of all the paper mills we work with. Longer-term this initiative will inform new indicators visible to the publishers, giving their buyers more context for where their paper is from.

² <https://accountability-framework.org/framework/contents/#guidance>

How the MAF should be used

This framework, alongside the supporting scoring system, will support you to conduct a thorough assessment at the mill.

We want to strengthen our relationships with the mills, and it is therefore important that the visit forms the basis of a conversation with the mill; exploring each issue and accepting that the mill may not have all the answers. The mill should feel encouraged to openly explain their approach to fibre sourcing, sharing insights where possible. We should also communicate that the visit is a way for us to improve our collective understanding, so we can better support them moving forward. We plan to use the findings from these conversations to inform the design of a practical workshop in late 2019 to share guidance and good practice for the benefit of all the paper mills involved.

This said, we should be clear that this is an assessment and that the results (once approved by the mill) will be shared with the publishers of the Book Chain Project. The mills should be informed in advance of the topics we want to explore with them, and that we will be wanting to see verification in the form of data/documentation where applicable. After the assessment is complete, we will be scoring them against each of the framework elements to help them understand where they are performing well and where they need to focus their energies on improving.

Content of MAF (v1)

MAF (v1) has six steps to guide discussions when visiting a paper mill.

These are guidelines, not a checklist so use judgment to decide on appropriate topics to raise during your meeting.

1. Right people, right conversation
2. Capability & resourcing
3. Supply chain assessment and management
4. Supplier engagement
5. Ambition & commitment
6. Waste water effluent *[optional if time allows. Can be used as a positive conclusion if there is little activity on fibre sourcing]*

The following pages explain each step in more detail. Use this information to help prepare for your visit.

A note on scoring

We have developed a comprehensive 5-star scoring system to accompany this framework (Whereby 1 star indicated poor performance and 5 star indicates best practice). You should review this scoring system in advance of your field visit, and complete it immediately after finalising the visit, based on the conversations you have had, the documentation you have seen and the notes you have taken.

The scoring system allows us to provide comprehensive and objective feedback to the mills and communicate performance in a meaningful way to the publishers. Spotting consistent knowledge gaps will help us prepare a more helpful event for mills in 2019.

Step 1: Right People, Right Conversation

We often talk to sales people or account managers at paper mills. We accept they have an important role to play as an early point of contact, but we should quickly ask to speak to the people who can provide detailed answers to the questions we are asking here.

Before the visit be clear about what you would like to learn during the meeting and indicate the sort of people you would like to meet. Also, what preparation you expect from them in advance of the visit (e.g. collation of documentation). Job titles may differ between companies; some mills will have dedicated people looking after fibre sourcing while others will not. This will help them to prepare and bring the right people to the room.

Do not send them this guidance document. All this will do is overwhelm them and make your visit feel like an audit, which it is not.

Ask to meet people who can talk about topics (they may not have that topic in their job title). This might include:

- People responsible for buying fibre or pulp (perhaps a Procurement Manager)
- People responsible for selecting fibre or pulp suppliers
- People responsible for working with raw timber suppliers (if applicable) to ensure quality (perhaps a Quality or Forestry Manager)
- People responsible for setting standards and/or guidance for fibre or pulp suppliers
- Senior managers that approve those standards
- People responsible for the systems and processes managing fibre arriving at the mill. This includes people responsible for the maintenance of any forest chain of custody (CoC) certification (PEFC or FSC)
- People responsible for managing the mill's environmental performance (perhaps an Environment Manager or HSE Manager)

Explain at the start what the Book Chain Project does and our level of influence:

- We work with 27 global book and journal publishers (make sure you mention the publishers that are linked to that mill)
- Many of the world's largest book printers access our system to check paper grades (list the printers on BCP that are in the country you are visiting)
- We are here representing those publishers and the requirements they are looking for in responsible fibre sourcing

Emphasise this is not a new process and we have visited paper mills since the Book Chain Project began in 2006. Be clear the purpose of the meeting is to better understand how they provide forest source information to us. We also want to hear their challenges and build a closer working relationship as they are an important stakeholder for the Book Chain Project. Be open to any questions during the interview. Be interested in what they do, not just the management of forest sources but their whole business (use this as an opportunity to understand the context of their fibre sourcing challenges). Remember, they will want to hear any insights you have on what publishers want and the state of the publishing industry (read [FOTPB](#) for useful background).

Step 2: Capability and resourcing

Ease into the conversation steadily. Start by asking open questions to understand how their fibre supply chain works. Explore who is responsible and their level of capability.

The conversation might go like this ...

- Please can you explain how your fibre supply chain works?
 - Is it an integrated³ mill or do you buy market pulp? Or is it a combination of both? If so, what percentage do you buy of each?
 - Who is responsible for buying your fibre? Do you know which countries the fibre comes from?
 - How do you buy the fibre? Do you go directly to pulp mills or use third party agents?
 - What criteria do you use when choosing fibre suppliers? Who is responsible for setting those criteria? (Ask to see if there's any standard document, supplier guideline, supplier CoC etc.)
 - How long have you been working with your fibre suppliers? How often do your suppliers change?
 - Is there anyone on the site who specifically owns your procedure for responsible fibre sourcing?
 - If the mill has a PEFC or FSC CoC certificate, then who is responsible for maintaining it?

Make note of the names and job titles. Are these the people in the room? If not, ask if you can meet them as your meeting continues.

- Now can we talk about how responsible fibre sourcing works?
 - How do you define responsible fibre sourcing? [*Listen out for: legal harvesting, protection of high conservation forests, respect for the human rights of affected communities especially their land rights*]
 - How do you stay up-to-date with the issues of responsible fibre sourcing or the risks of deforestation in your fibre supply chain? Does someone have responsibility for doing this?
 - Are you talking to external stakeholders with links near your operations (e.g. local government or civil society) to help inform your approach to responsible fibre sourcing? Are you involved with any industry collaborations or initiatives looking specifically at responsible fibre sourcing?
 - Do you provide any specific staff training? Do you use any third-party information sources or organisations to stay up to date? (Ask to see the training materials they are using)

³ Integrated paper mills normally sit in, or very close to, the forest supplying their fibre. They can also buy in unprocessed round wood logs and/or wood chips. Their mill has the machinery to process this wood to make pulp ready for the paper-making process.

- Do you have staff with environmental and social expertise? If so, do they have the necessary policies and budgets to enable them to protect high conservation values and respect human rights?

Step 3: Supply chain assessment and management

Now you know who is involved, guide the conversation to start understanding what they know about the deforestation risks associated with fibre sourcing. Direct your questions to the most appropriate people you identified in steps 1 and 2. This is likely to be procurement staff or people deciding on supplier contracts.

Where is your fibre from? Traceability & supply chain mapping

- Do you collect tree species and country of origin information for all the fibres you buy? If yes, what level of detail do you collect [*country, region/state/province, forest concession*]? (Ask to see the record, could be their internal system, hard copy files or just an excel document)
- When you buy fibre indirectly – e.g. from pulp suppliers or agents – do you collect information on the control mechanisms they use to trace fibre back to the forest? Does this include information on social impacts, and evidence that the Free, Prior and Informed Consent of affected communities has been obtained? If yes, can you explain how this is done? What challenges do you have collecting this information?

Spotting high risk sources: Risk assessment

- How do you assess risks of exploitative, illegal or destructive logging practices in your fibre supply chain?
 - What indicators do you use? Are there guidance documents for staff? Do you use third party tools (e.g. the Book Chain Project risk tool, or NEPCON country guides) (Ask to see the guidance document or the tool, also ask the mill to show the risk assessment results if possible)
- Who is responsible for doing these risk assessments, and what training do they receive?

Mitigating risks

- Have you identified the potential risks in your fibre supply chain? What do you think these risks are?
- How have you mitigated these risks? For example:
 - Third party verification such as forest certification
 - Documented evidence of mitigation by the fibre supplier such as legality verification documentation
 - Visits to specific forest areas or use of technology e.g. geospatial tracking to monitor harvesting boundaries or third-party mapping via services such as Global Forest Watch
- What challenges do you face when mitigating risks? For example: checking documentation in foreign languages, lack of response from suppliers

Collecting information

- How do you collect and store your fibre sourcing information? Is this part of a wider procurement process or a stand-alone procedure?
- What information do you store? For example, this might include: supply chain data, risk assessment results, evidence of mitigation, and final decisions. (Ask to see the information stored)

Ask to see the systems and understand how they work. Ask questions as you go to understand how decisions are made.

Score: *Are they Learning, Developing or Leading in this area (see note on p4)?*

Step 4: Supplier engagement

- How do you communicate your requirements on responsible fibre sourcing to your fibre suppliers?

Responses might include details of: (Ask to see the documents for these if they mention any of them)

- *Policies*
- *Standards*
- *Providing guidance*
- *Direct engagement using visits*

Step 5: Ambition and commitment

- Have you set any targets or objectives around responsible forest sourcing? *This might include: targets for certified fibre, achieving CoC certificates, plans for systems, or training.* (Ask about their previous targets for the past 5/10 years and how they've performed against them, what they did, what challenges they've faced and what they've learned. This gives us a sense if they do have a serious target or they're just giving us a random answer)

Step 6: Mill waste water effluent treatment [optional if time allows]

- Do you measure the volume of water used? Can you tell me how this is measured (e.g. cubic metres per tonne of paper)?
- Have you set targets to reduce the amount of water used? What is this target and how have you performed over the past three years?
- Do you face challenges with water supply?
- How do you treat your waste water? (Ask to visit the ETP facility if possible)
- Do you discharge waste water directly to local waterways after treatment?
- How do you monitor your waste water discharge? Are you testing it, and if so when and how is it tested?