

Bracell

Timber and pulp assessment

Total score:

54.3%

Latest update: July 2019

Next scheduled: July 2020

About this company:

A subsidiary of RGE Group, and sister company to [APRIL Group](#) and [Asian Agri Group](#), Bracell is headquartered in Hong Kong. With plantations in Brazil, the company is engaged in pulpwood and dissolving pulpwood production.

Parent company:

RGE Group

Landbank

144,000 hectares

Thomson Reuters ticker:

Private company

Bloomberg ticker:

Private company

Activities:

Pulpwood production, dissolving wood pulp production

Locations:

Brazil (Bahia)

Headquarters:

Hong Kong

Related companies:

Sister company of APRIL and Asian Agri (SPOTT palm oil company)

Parent website:

<http://www.rgei.com/>

Website:

<http://www.brazilcellulose.com>
[Sustainability report \(2017\)](#)

Total:

63 / 116

54.3%



> Sustainability policy and leadership

55 / 90 61.1%

2 media reports

1. Sustainable forestry policy or commitment for all its operations?

✓

1 / 1 [Source](#)

2. Sustainability policy or commitment applies to all sourcing?

✗

0 / 1 [Source](#)

3. High-level position of responsibility for sustainability?

The company has an Institutional Relations and Sustainability manager

✓

1 / 1 [Source](#)

4. One or more board members have responsibility for sustainability?

This indicator is disabled as the company is not publicly listed

5. Percentage or number of women board members?

This indicator is disabled as the company is not publicly listed

6. Percentage or number of women in senior management team?

28%

✓

1 / 1 [Source](#)

<p>7. Sustainability report published within last two years? 2,017</p>	✓	1 / 1	Source
<p>8. Member of multiple industry schemes or other external initiatives to improve forest management or transparency? The company's subsidiary, Copener Florestal, is an FSC member</p>	P	0.5 / 1	Source
<p>9. Activities with government, NGOs or academic institutions to improve the sustainability of forest products? The company is involved in various activities with academic institutions (e.g. biodiversity monitoring, riparian forests, pests and diseases), NGOs (e.g. environmental education programme) and local government (e.g. sustainable water use)</p>	✓	1 / 1	Source
<p>10. Climate risks assessment available?</p>	✗	0 / 1	Source
<p>11. Natural capital assessment available?</p>	✗	0 / 1	Source



> Landbank, mills and traceability

10.5 / 19 55.3%

⚠ 1 media report

<p>12. Lists countries and operations? Brazil (plantations, production facilities)</p>	✓	1 / 1	Source
<p>13. Total area of natural forest designated for wood/wood fibre production (ha)? This indicator is disabled as the company reports that it only produces wood/wood fibre from plantation forests</p>			
<p>14. Total area of forest plantation (ha)? 144,000 - In 2019, the company manages a total area of 234,000 ha which includes 144,000 ha of eucalyptus plantations (including around 15,000 ha within outgrower schemes)</p>	✓	1 / 1	Source
<p>15. Area of plantation/natural forest within outgrower schemes (ha)? 14,530 - In Bahia, the company's outgrower schemes cover an area of 9,320 hectares, including 9,015 ha of eucalyptus plantations. In Sao Paulo, the company's outgrower schemes cover an area of 5,210 ha of plantations. (2018 and 2019 figures)</p>	✓	1 / 1	Source
<p>16. Unplanted (areas designated for future development as plantation forest) (ha)? 0 - The company manages a total area of 234,000 ha, including 144,000 ha of plantations and 83,000 ha set aside for environmental preservation. It reports that the 7,000 remaining hectares are roads and other infrastructure. There is no area unplanted that can potentially be planted in the future</p>	✓	1 / 1	Source
<p>17. Conservation set-aside and/or HCV area (ha)? 83,000 - Data as of 2019</p>	✓	1 / 1	Source
<p>18. Area of Intact Forest Landscape (ha)?</p>			

This indicator is disabled as the company has informed ZSL that it doesn't have any Intact Forest Landscapes within its landbank

	P	0.5 / 1	Source
19. Number of Forest Management Units (FMUs)? 383 - The company's FSC and PEFC certification documents list 157 FMUs (farms/fazendas) in Bahia and 226 FMUs (farms/fazendas) in Sao Paulo. However, this only covers a total area of 226,209 ha which does not represent the company's total landbank (234,000 ha)			
	P	0.5 / 1	Source
20. Maps of forest management units (FMUs)? The company's PEFC (Cerflor) certification lists 157 FMUs with geo-coordinates but this certification does not cover the company's whole area			
	✓	1 / 1	Source
21. Forest management plans available for all FMUs?			
	P	0.5 / 1	Source
22. Monitoring of forest management plan implementation? Some monitoring information of the company's Forest Management Plans are available in FSC and PEFC audit reports, however, the scope of these reports does not cover all the company's FMUs			
23. Company has provided valid legal documents to Open Timber Portal on use rights (at the time of SPOTT assessments)? This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this			
24. Company has provided valid legal documents to Open Timber Portal on forest management (at the time of SPOTT assessments)? This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this			
25. Company has provided valid legal documents to Open Timber Portal on timber harvesting (at the time of SPOTT assessments)? This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this			
	✓	1 / 1	Source
26. Number of company owned pulp and paper mills? 2			
	✓	1 / 1	Source
27. Maps or addresses of company owned pulp and paper mills?			
28. Number of company owned sawmills? This indicator is disabled as the company reports that it doesn't own sawmills			
29. Maps or addresses of company owned sawmills? This indicator is disabled as the company reports that it doesn't own sawmills			
	✗	0 / 1	Source
30. Number of supplier mills?			

31. Maps or addresses of supplier mills?	✗	0 / 1	Source
32. Procedures to trace raw materials to country of harvest? The company has CoC certificates which do not cover all its supply	P	0.5 / 1	Source
33. Procedures to trace raw materials to FMU level? The company has CoC certificates which do not cover all its supply	P	0.5 / 1	Source
34. Percentage of supply traceable to country level (above 80%)? The company has CoC certificates which cover some of its supply. However, the percentage of supply covered by certification cannot be calculated	✗	0 / 2	Source
35. Percentage of supply traceable to FMU level (above 75%)? The company has CoC certificates which cover some of its supply. However, the percentage of supply covered by certification cannot be calculated	✗	0 / 2	Source



> Deforestation and biodiversity

9 / 10 90%

⚠ 2 media reports

36. Commitment to zero conversion of natural forest?	✓	1 / 1	Source
37. Zero conversion commitment applies to all sourcing? The company has a commitment to zero conversion which applies to the supply of its operations in Sao Paulo only	✓	1 / 1	Source
38. Commitment to minimise the impact of logging roads? This indicator is disabled as the company reports that it only produces wood/wood fibre from plantation forests			
39. Commitment to protect forest areas from illegal activities?	✓	1 / 1	Source
40. Evidence of monitoring deforestation?	✓	1 / 1	Source
41. Amount of deforestation recorded?	✗	0 / 1	Source
42. Commitment to biodiversity conservation?	✓	1 / 1	Source
43. Examples of species and/or habitat conservation management?	✓	1 / 1	Source
44. Implementing a landscape-level approach to biodiversity conservation?	✓	1 / 1	Source

✓	1 / 1	Source
45. Identified species of conservation concern referencing international or national system of species classification?		
46. Commitment to sustainably manage the use of non-timber forest products (NTFPs)? This indicator is disabled as the company reports that it only produces wood/wood fibre from plantation forests		
✓	1 / 1	Source
47. Commitment not to use genetically modified organisms? The company has committed to not be directly or indirectly involved in the introduction of genetically modified organisms in forestry operations. This commitment is made through the FSC Policy for Association (FSC-POL-01-004)		



> HCV, HCS and impact assessments		
3 / 8	37.5%	
✓	1 / 1	Source
48. Commitment to conduct High Conservation Value (HCV) assessments?		
P	0.5 / 1	Source
49. HCV commitment applies to all sourcing? The company has committed to not be directly or indirectly involved in the destruction of High Conservation Values in forestry operations. This commitment is made through the FSC Policy for Association (FSC-POL-01-004). For this half points are awarded		
50. Commitment to only use licensed High Conservation Value (HCV) assessors accredited by the HCV Resource Network's Assessor Licensing Scheme (ALS)? This indicator is disabled until sufficient number of HCV ALS licensed assessors are available for the location where the company operates		
✗	0 / 1	Source
51. High Conservation Value (HCV) assessments available?		
P	0.5 / 1	Source
52. High Conservation Value (HCV) management and monitoring plans available? The company published some information about monitoring HCVs, but no management plans could be found		
✗	0 / 1	Source
53. Commitment to the High Carbon Stock (HCS) Approach?		
✗	0 / 1	Source
54. High Carbon Stock (HCS) assessments available?		
✓	1 / 1	Source
55. Commitment to conduct social and environmental impact assessments (SEIAs)?		
✗	0 / 1	Source
56. Social and environmental impact assessments (SEIAs) available?		
57. Company has provided valid legal documents to Open Timber Portal on impact assessments (at the time of SPOTT assessments)? This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this		



> Soils, fire and GHGs

5 / 11 45.5%

 1 media report

	✓	1 / 1	Source
58. Commitment to best management practices for soils and/or peat?			
59. Commitment to reduced impact logging? This indicator is disabled as the company reports that it only produces wood/wood fibre from plantation forests			
60. Commitment to no planting on peat of any depth? This indicator is disabled as the company has informed ZSL that it doesn't have landbank on peat			
	✗	0 / 1	Source
61. Commitment on peatland planting applies to all sourcing?			
62. Landbank or planted area on peat (ha)? This indicator is disabled as the company has informed ZSL that it doesn't have landbank on peat			
	✓	1 / 1	Source
63. Evidence of best management practices for soils and/or peat? The company provides examples of best management practices for soil and has informed ZSL that it doesn't have landbank on peat			
	✓	1 / 1	Source
64. Commitment to zero burning?			
	✗	0 / 1	Source
65. Commitment to zero burning applies to all sourcing?			
	✓	1 / 1	Source
66. Evidence of management and monitoring fires?			
	P	0.5 / 1	Source
67. Details/number of hotspots/fires in FMUs controlled by the company? 499 - The company published the area affected by fire in 2017: 233 ha within its operations in Bahia and 266 ha within its operations in Sao Paulo (71 fires). Half a point has been awarded as the figures are two years old			
	✗	0 / 1	Source
68. Time-bound commitment to reduce GHG emissions intensity? The company commits to reduce carbon dioxide and other greenhouse gases from its operations, but this commitment is not time-bound and does not refer to a GHG intensity target. The company also has a target for TRS emissions from its lime kiln and boiler in Bahia, which is too limited in scope for a point to be awarded			
	P	0.5 / 1	Source
69. Progress towards reducing GHG emission intensity? 0.83 - The company reports a reduction in GHG intensity of 0.834 kg of carbon dioxide equivalent (CO2e) per kg of dissolving wood pulp in 2017, but no target is in place			
	✗	0 / 1	Source
70. Report GHG emissions from land use change?			
71. Methodology used to calculate GHG emissions?			



> Water, chemical and waste management

7 / 12 58 30%

<p>72. Time-bound commitment to improve water quality (BOD and COD)? In 2017 (most recent sustainability reporting), the company had a target for 2018 to generate a maximum organic effluent load of 6 kg/25.6 m3 of organic affluent per adt of rayon-grade cellulose produced</p>	<p>✓ 1 / 1 Source</p>
<p>73. Progress towards commitment on water quality (BOD and COD)? In 2017, the industrial unit's volume of organic effluent was 25.8 m3 per adt of rayon-grade cellulose produced, which is below the target of 26.5m3/adt, and the load of organic effluent was 5.3 kg/adt, below the target of 7.5 kg/adt</p>	<p>✓ 1 / 1 Source</p>
<p>74. Commitment to protection of natural waterways through buffer zones?</p>	<p>✘ 0 / 1 Source</p>
<p>75. Evidence of treatment of pulp and paper mill effluent?</p>	<p>✓ 1 / 1 Source</p>
<p>76. Evidence of sawmill run-off containment and wastewater treatment? This indicator is disabled as the company reports that it doesn't own sawmills</p>	
<p>77. Time-bound commitment to improve water use intensity? 30 - The company has a yearly target for water consumption for its mill operation (30 m³/ton)</p>	<p>✓ 1 / 1 Source</p>
<p>78. Progress towards commitment on water use intensity? 32 - Unit of measurement is m³/ton and target for 2017 was 35.5 m³/ton</p>	<p>✓ 1 / 1 Source</p>
<p>79. Commitment to eliminate chlorine and chlorine compounds for bleaching?</p>	<p>✘ 0 / 1 Source</p>
<p>80. Commitment to minimise the use of chemicals, including pesticides and chemical fertilisers? The company only has a commitment to minimize the use of chemical pesticides</p>	<p>P 0.5 / 1 Source</p>
<p>81. No use of World Health Organisation (WHO) Class 1A and 1B pesticides?</p>	<p>✘ 0 / 1 Source</p>
<p>82. No use of chemicals listed under the Stockholm Convention and Rotterdam Convention?</p>	<p>✘ 0 / 1 Source</p>
<p>83. Integrated Pest Management (IPM) approach?</p>	<p>✓ 1 / 1 Source</p>
<p>84. Chemical usage per ha or list of chemicals used? A list of chemicals used including quantities applied is available in FSC and Cerflor Audit reports. However, these reports do not cover the entire company operations</p>	<p>P 0.5 / 1 Source</p>



<p>85. Commitment to human rights, referencing the UN Declaration on Human Rights or UN Guiding Principles on Business and Human Rights? The company has committed to not be directly or indirectly involved in the violation of human rights in forestry operations. This commitment is made through the FSC Policy for Association (FSC-POL-01-004), which defines human rights as those established through the UN Declaration of Human Rights</p>	<p>✓ 1 / 1 Source</p>
<p>86. Commitment to human rights applies to all sourcing? The company has committed to not be directly or indirectly involved in the violation of human rights in forestry operations. This commitment is made through the FSC Policy for Association (FSC-POL-01-004), which defines human rights as those established through the UN Declaration of Human Rights</p>	<p>✓ 1 / 1 Source</p>
<p>87. Commitment to respect indigenous and local communities' rights? The company has committed to not be directly or indirectly involved in the violation of human rights in forestry operations. This commitment is made through the FSC Policy for Association (FSC-POL-01-004), which encompasses the rights of Indigenous and Tribal Peoples as established by the ILO Convention 169</p>	<p>✓ 1 / 1 Source</p>
<p>88. Commitment to respect legal and customary property rights?</p>	<p>✓ 1 / 1 Source</p>
<p>89. Commitment to free, prior and informed consent (FPIC)? The company's parent Royal Golden Eagle's Sustainability Framework commits to FPIC but this policy only guides the company's sustainability policy which does not refer to FPIC</p>	<p>✗ 0 / 1 Source</p>
<p>90. FPIC commitment applies to independent suppliers?</p>	<p>✗ 0 / 1 Source</p>
<p>91. Details of free, prior and informed consent (FPIC) process available?</p>	<p>✗ 0 / 1 Source</p>
<p>92. Examples of local stakeholder engagement to prevent conflicts? The company states that it engages and discusses with stakeholders when designing and implementing projects, showing that it takes action to prevent conflicts, but no details are given on the activities undertaken</p>	<p>P 0.5 / 1 Source</p>
<p>93. Details of process for addressing land conflicts available? The company only has a general statement about conflict resolution through negotiation and consensus</p>	<p>✗ 0 / 1 Source</p>
<p>94. Commitment to support the inclusion of women across forestry operations, including addressing barriers faced?</p>	<p>✗ 0 / 1 Source</p>
<p>95. Commitment to provide essential community services and facilities?</p>	<p>✓ 1 / 1 Source</p>
<p>96. Company has provided valid legal documents to Open Timber Portal on population rights (at the time of SPOTT assessments)? This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this</p>	

	✓	1 / 1	Source
97. Commitment to respect all workers' rights?			
	✓	1 / 1	Source
98. Reference to Fundamental ILO Conventions? The company has committed to not be directly or indirectly involved in the violation of any of the ILO Core Conventions. This commitment is made through the FSC Policy for Association (FSC-POL-01-004)			
	✓	1 / 1	Source
99. Commitment to eliminate gender related discrimination with regards to employment and occupation?			
100. Company has provided valid legal documents to Open Timber Portal on labour regulations (at the time of SPOTT assessments)? This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this			
	P	0.5 / 1	Source
101. Percentage or number of temporary employees? 3,007 - The company reports a number of peak number employees for 2017 (3007). However, the figure does not cover the company's newly acquired Lwarcel Celulose production unit			
	P	0.5 / 1	Source
102. Percentage or number of women employees? 142 - The figure was published in 2017 and does not cover the company's operations in Sao Paolo			
	P	0.5 / 1	Source
103. Payment of minimum wage? In 2017, the company paid the least paid employees 10% (forestry employees) and 51% (industrial employees) above the respective minimum wage. However, this does not cover the company's employees in Sao Paulo			
	✗	0 / 1	Source
104. Reporting of salary by gender?			
	P	0.5 / 1	Source
105. Commitment to address occupational health and safety, referencing the ILO Code of Practice on Safety and Health in Forestry Work? The company does not refer to the ILO Code of Practice on Safety and Health in Forestry Work			
	P	0.5 / 1	Source
106. Time lost due to work-based injuries? Frequency rate of work accidents with leave: 0 for forest and 2 for industrial related work in 2017 Frequency rate = number of accidents x 1,000,000 / man-hours worked in total. Figure does not cover the company's newly acquired production unit Lwarcel Celulose in Sao Paolo.			
	P	0.5 / 1	Source
107. Number of fatalities as a result of work-based accidents? 0 - Data does not cover company's newly acquired production unit Lwarcel Celulose			
	P	0.5 / 1	Source
108. Provision of personal protective equipment and related training? The company states it encourages the use of personal protective equipment and that it provided safety training to 210 employees in 2017. However, this does not cover all employees			



> Certification standards

4 / 14 28.6%

	✘	0 / 1	Source
109. Time-bound plan for achieving 100% third-party legality verification of FMUs or achieved?			
	✘	0 / 1	Source
110. Time-bound plan to source only wood/wood fibre that is in legal compliance verified by a third party?			
	P	1 / 1	Source
111. Percentage area (ha) verified as being in legal compliance by a third party? 226,210 (96.67%) - The company has 137,542 that is Cerflor-FM certified in Bahia and 88,668 ha that is FSC-FM certified in Sao Paulo. This sums up to 226,210 ha and represents 96.67% of its landbank (234,000 ha)			
	✘	0 / 1	Source
112. Percentage of all wood/wood fibre supply traded/processed verified as being in legal compliance by a third party?			
	✘	0 / 1	Source
113. Time-bound plan for achieving 100% FSC FM certification of FMUs or achieved 100% FSC-certification of FMUs?			
	✘	0 / 1	Source
114. Commitment to source only wood/wood fibre that meets FSC Controlled Wood requirements?			
	P	1 / 2	Source
115. Percentage area (ha) FSC FM certified? 88,668 (37.89%) - The company has 88,668 ha that is FSC-FM certified. This represents 37.89% of its total landbank (234,000 ha)			
	✘	0 / 2	Source
116. Percentage of wood/wood fibre supply from outgrower scheme and/or independent suppliers that is FSC FM certified?			
	✘	0 / 2	Source
117. Percentage of all wood/wood fibre supply traded/processed that are FSC certified (above 75%)?			
	✓	2 / 2	Source
118. Percentage area (ha) PEFC certified (excluding FSC certified area)? 137,542 (94.64%) - The company has 137,542 ha that is Cerflor (PEFC-endorsed) certified. This represents 94.64% of its landbank that is not FSC certified: 145,332 ha (total of 234,000 ha minus 88,668 ha FSC certified)			



> Smallholders and suppliers

4 / 5 80%

⚠ 1 media report

	✓	1 / 1	Source
119. Programme to support outgrower scheme smallholders?			
	✓	1 / 1	Source
120. Percentage of outgrower scheme smallholders involved in programme? 146 - The company has respectively 44 and 102 farmers engaged in its smallholder programs in Sao Paulo and Bahia (Tree Farming Program)			
	P	0.5 / 1	Source
121. Process used to prioritise, assess and/or engage suppliers on compliance with company's policy and/or legal requirements? The company states it has a formal verification procedure but limited detail is given on the process			

122. The company has a Due Diligence System (DDS)?

This indicator is disabled as the company's reporting broadly suggests that it does not trade wood/wood fibre. Please note that ZSL has been unable to confirm this

✓ 1 / 1 [Source](#)

123. Suspension or exclusion criteria for suppliers?

P 0.5 / 1 [Source](#)

124. Percentage of suppliers assessed and/or engaged on compliance with company requirements?

The company states that it assesses its suppliers on their compliance with its requirements related to human rights, legality, labor practices and social commitments. It is suggested that 100% of the suppliers are assessed. However, the information only covers the company's operations in Bahia



> **Governance and grievances**

3 / 6 50%

125. Commitment to ethical conduct and prohibition of corruption?

✓ 1 / 1 [Source](#)

126. Company has provided valid legal documents to Open Timber Portal on legal registration (at the time of SPOTT assessments)?

This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this

✗ 0 / 1 [Source](#)

127. Disclosure of the company's management approach to tax and payments to governments?**128. Company has provided valid legal documents to Open Timber Portal on taxes, fees and royalties (at the time of SPOTT assessments)?**

This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this

✓ 1 / 1 [Source](#)

129. Whistleblowing procedure?

✓ 1 / 1 [Source](#)

130. Own grievance or complaints system open to all stakeholders?

✗ 0 / 2 [Source](#)

131. Details of grievances disclosed?

The company only provides a summary on the number of grievances received in 2017