



EXPORTING IN A SHIFTING LEGAL LANDSCAPE



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A guide for organizations wishing to ensure legal exports of forest products and demonstrate compliance with the US Lacey Act, EU Timber Regulation and Australian Illegal Logging Prohibition Act.

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This document is for educational and informational purposes only and is not intended and should not be construed as legal advice. Persons seeking legal advice on compliance with the Lacey Act, EU Timber Regulation, Australian Illegal Logging Prohibition Act or any other law, regulation, or requirement should consult with a qualified legal professional.

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1	4
2	
3	

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CONTENTS

4 Introduction

- 4 Why is This Important for all those Involved in the Export Trade in Forest Products?
- 5 What Does the Lacey Act Do?
- 5 What Is Considered to Be a Violation of the Lacey Act?
- 5 What Happens to Importers Who Break the Law in the US?

6 What Do US-Based Importers of Forest Products Need from Exporters?

- 7 Overview of Relevant Laws that Need to Be Complied With for Lacey Act, EUTR, and Australian Illegal Logging Prohibition Act

10 What Must Be Declared and Why?

- 10 Exercising “Due Care”: The Role of the Exporter

12 Examples of Processes or Procedures that Help Demonstrate Due Care

- 14 Organizations that Can Help
- 14 A Note on the Country Specific Tables
- 14 A Note on Developments within the European Union
- 15 CITES-Listed Species
- 15 Advice for Exporters

16 Establishing Legality

- 16 China
- 26 Gabon
- 29 Indonesia
- 32 Malaysia
- 38 Vietnam
- 42 Lao PDR
- 47 Cameroon
- 50 India
- 53 Russian Federation
- 62 Myanmar
- 67 Brazil

INTRODUCTION



This guide is aimed at companies that currently export, or intend to export, forest products to the US market. It is designed to allow companies to assess their own performance and offers advice on how they can meet the needs of their customers in the US—who are required to know that the forest products they import have been legally harvested and traded.

The guide is also of benefit to forest service, customs officers and other governmental officials who serve as enforcement officers in the national forest law and related legislation that apply to all stages of the supply chain from harvest to export and import.

The guide also makes reference to developments in Australia and the European Union.

Why is This Important for all those Involved in the Export Trade in Forest Products?

On May 22, 2008, the US Congress amended a law intended to eradicate trade in illegally sourced forest products—including timber and wood fibre based products (such as paper). This amended law is known as the Lacey Act. The Lacey Act sets an important precedent regarding the importation of plant species into the United States. While the Lacey Act does not apply to other countries, it is of great importance to exporters of forest products to the US—as US-based customers are relying on their trading partners to help them demonstrate compliance with this law.

Sources of information on the Lacey Act:

- www.aphis.usda.gov/plant_health/lacey_act
- www.cbp.gov

What Does the Lacey Act Do?

The Lacey Act does three main things:

1. Prohibits all trade in plants or plant products—including timber and wood products—that are illegally sourced from any US state or foreign country.
2. Requires importers to declare the country of harvest and species name of all wood contained in their products as well as quantity, measure and value.
3. Establishes penalties for violation of the Act, including forfeiture of goods, fines or jail time, or seizure of transportation vehicles and equipment in the most serious cases, for either trafficking illegally sourced goods or falsifying required documentation.

What Is Considered to Be a Violation of the Lacey Act?

There are two components to a violation of the Lacey Act. First, a plant or plant product must be taken, harvested, transported or exported in contravention of an underlying law in any foreign country or US state. This constitutes an illegally sourced plant. Second, this illegally sourced plant must be imported, bought, sold, acquired or otherwise traded on US soil. It is only this second, overlying transaction, that triggers a violation of the Lacey Act. Prosecution is based on illegal material being in the product, which can happen at any point in the supply chain.

What Happens to Importers Who Break the Law in the US?

Penalties under the Lacey Act will be decided based upon on the range of knowledge of the importing company. Those companies who knowingly engaged in prohibited conduct can be prosecuted to the highest extent of the Act including criminal felony fines (up to US\$500,000 for a corporation, US\$250,000 for individual or twice maximum gain/loss from transaction), prison up to five years and seizure of goods. Companies who unknowingly engaged in prohibited conduct but did not exercise “due care” can be fined for criminal misdemeanor penalties (up to US\$200,000 for corporation, US\$100,000 for individual or twice maximum gain/loss from transaction), possible seizure of goods or a civil penalty fine from US\$250 to US\$10,000. Companies that have exercised “due care” and still unknowingly engaged in prohibited conduct can have their goods seized and be made to pay a civil penalty fine. The penalties available are linked to the degree of care taken and the nature of the crime, ranging from direct knowledge of illegal trade and falsified import declarations down to more inadvertent mistakes. What should be clear to all exporters is that US importers are almost entirely reliant upon their suppliers to help them demonstrate due care and are more likely to trade in the future with those who can provide assistance. Increasingly, legal compliance will feature in contracts between companies and civil penalties may be sought where there are breaches.

WHAT DO US-BASED IMPORTERS OF FOREST PRODUCTS NEED FROM EXPORTERS?



US based forest products importers will be seeking assurances that the products they source from both the domestic market and from overseas have been harvested, possessed, transported, sold or exported without breaking any relevant, underlying laws in the country where the tree was grown, even if it was processed in another country.

The laws, which are regarded as relevant and which need to be complied with, include those that relate to:

1. Theft of plants (logs);
2. Taking plants (logs) from an officially protected area, such as a park or reserve;
3. Taking plants (logs) from other types of “officially designated areas” that are recognized by a country’s laws and regulations;

4. Taking plants (logs) without, or contrary to, the required authorization;
5. Failure to pay appropriate royalties, taxes or fees associated with the plant’s (log) harvest, transport or commerce; or
6. Laws governing export or trans-shipment, such as a log-export ban or trade in endangered species (such as CITES).

A concise guide to the Lacey Act and the forest products trade, prepared by Environmental Investigation Agency (EIA), can be found at:

- www.eia-global.org

OVERVIEW OF RELEVANT LAWS THAT NEED TO BE COMPLIED WITH FOR LACEY ACT, EUTR AND AUSTRALIAN ILLEGAL LOGGING PROHIBITION ACT

These are possible ranges of legislations and documents to check in the supply chain of forestry products traded by companies which are exported to the US, EU and Australia to meet the requirements of the Lacey Act, EU Timber Regulation and the Australian Illegal Logging Prohibition Act. Companies are advised to check WWF/GFTN & TRAFFIC's [full national legality frameworks](#) for the country where they source timber from to ensure a high degree of confidence in compliance with those legal measures in the country of import. Persons seeking legal advice on compliance with the Lacey Act, EUTR, Australian Act or any other law, regulation, or requirement should consult with a qualified legal professional.

Stage in Supply Chain	Legislation Component	Relevant Laws To Comply With	Examples of Compliance/ Documents to Check	Notes to Remember
Forest 	Legal right of tenure, access and harvest	<p>All forest management enterprises, whether public, private or community owned must be able to demonstrate that they have the right of :</p> <p>Tenure; Manage the forest; Access the forest; Harvest forest products from the forest.</p> <p>They should check as well, whether the documentation they have gained can be considered as being trustworthy.</p>	<ol style="list-style-type: none"> 1. Establish that there is permission to conduct management, harvest, transport and commerce in plant products (including trees or logs from trees). 2. Establish that the company has the tenure to the harvest area. 3. Establish that the company has access rights to the harvest area. 4. Establish that there is authorised pre-approval to the harvest area. 5. Establish that there is a legal or permissive right to harvest. 6. Ensure that only species that can be harvested legally were harvested. 7. Ensure that the harvesting was conducted in compliance with the harvesting conditions in the permission. 8. Ensure that the harvest took place at the site defined within the permission. 9. Ensure that the trees harvested are included within the scope of the permission such as quota and diameter at breast height limits. 10. Ensure that third parties' legal use and tenure rights are not affected by harvesting. 11. Ensures environmental and social laws such as Environmental Impact Assessments and Social Impact Assessments, etc. are taken into account in management and harvesting plans. 12. Ensures that conservation laws are followed, including CITES legislation, species prohibited from harvest. <p>Evidence that the company has a valid agreement that confers on the company the right and permission to manage and harvest the forest.</p> <p>Synonyms/Equivalent include:</p> <ul style="list-style-type: none"> • Forest Authority Certificate • Forest Management License Agreement • Concession agreement • Forest Timber License • Forest Management Permit • A license to operate in the logging sector • Approved management plan • Timber Harvesting License • Harvesting plan 	<ol style="list-style-type: none"> 1. Theft of plants (including trees or logs from trees) such as: <ol style="list-style-type: none"> a. Taking plants (including trees or logs from trees) from an officially protected area, such as a park or reserve; b. Taking plants (logs) from other types of "officially designated areas of protection" that are recognized by a country's laws and regulations; c. Taking plants (including trees or logs from trees) without, or contrary to, the required harvesting authorization; d. Taking plants (including trees or logs from trees) without the authorisation of pre-approval conditions (such as social customary rights and tenure and environmental impact assessments). 2. Taking plants from areas where environmental laws have been violated (e.g. river buffer, steep slopes, etc.): <ol style="list-style-type: none"> a. Taking plants from areas, where third party customary tenure rights are in place or in conflict). b. Taking plants from areas without taking into consideration measures outlined in environmental impact assessments, social impact assessments, etc. 3. Documentation for tenure may have pre-conditions for a successful right to the forest. These pre-conditions may include payment of deposits, shortlist of applicants, evidence of staff and equipment, social impact studies, environmental impact assessments, previously agreed consent, etc. 4. Documentation for right to harvest will have many criteria which should be checked separately, such as: <ol style="list-style-type: none"> a. Inventories conducted; b. Boundary demarcation on the ground and on a identified scale map, which may be geo-referenced; c. Logging road and skid trail construction specifications; d. Identification and marking of protected species, fragile ecosystems, cultural and customary use areas e. Identification of environmentally sensitive areas such as river buffer, steep slopes

Stage in Supply Chain	Legislation Component	Relevant Laws To Comply With	Examples of Compliance/ Documents to Check	Notes to Remember
Forest 	Legal Right to Harvest	<p>Forest management companies and harvesting companies are required to be legally registered to operate in this sector. Registration may require a number of other processes to be observed.</p>	<p>Evidence that the company is legally registered and has the required permissions to operate in the forest management and logging sectors. Ensure that all relevant documents and receipts are available including for pre-harvesting, during and post harvesting permission. Evidence that the company has a valid registration and license that confers on the company the right to manage and harvest the forest.</p> <p>Synonyms/Equivalent include:</p> <ul style="list-style-type: none"> • Business license • Land use certificate • Company establishment document • Signed Decision on land allocation • Contract of land use right transfer agreement • Contract of land rental • Document of community's agreement • Forest Authority Certificate 	<p>Checks for court cases concerning social or other issues that are pending in the harvest area to get a better overview about the risk and legal situation. In many countries the harvesting of timber is undertaken by third parties who are employed by the forest manager to undertake harvesting. Social issues and land tenure rights applies to sub-contractors as well.</p>
Forest 	Payment of Taxes and Royalties	<p>Companies are liable to pay taxes or fees to national or local government (or both) to authorize their management and harvesting.</p>	<p>Evidence that the company has paid any fees or taxes that must be paid to the state or local government in connection with obtaining the permission to manage or harvest; and any fees or taxes associated with the volume of timber actually harvested.</p> <p>Synonyms/Equivalent:</p> <ul style="list-style-type: none"> • Proof of payment of taxes and fees (e.g. Reforestation fee, Forest Resource Royalties, Value added tax, Income tax) • Valid business license • Tax registration documents • Tax returns 	<p>Ensure that all relevant royalties, taxes or fees have been paid by the forest management company or harvesting company.</p>
Transport 	Legality of possession and transport	<p>Forestry and transportation laws. Most countries require those transporting timber to be correctly licensed for this purpose and for them to carry required documentation and markings on the timber that identifies both the origin of any logs or timber, royalties paid, and the final destinations of the material being transported.</p>	<p>Evidence that the company has used the required documents when transporting logs or timber.</p> <p>Synonyms/Equivalents:</p> <ul style="list-style-type: none"> • Timber transportation certificate • Conveyance certificate • License to carry logs or timber • Timber consignment documents • Removal pass • Removal permit • Packing lists • Lading bill <p>Evidence that the company has used the required stamps or marks when transporting logs or timber.</p> <p>Synonyms/Equivalents:</p> <ul style="list-style-type: none"> • Log tags • Log identification marks • Hammer marks • Paint marking 	<p>Some countries have highly regulated systems that require all logs or sawn wood that is being transported outside of the forest to carry markings that identify the wood with the original stump from which it was harvested.</p>
Processing 	Legality of processing	<p>Processors of logs or manufacturers using timber. Most countries require all sawmills, plywood mills, secondary manufacturers or pulp mills to be licensed and to pay for any fees and taxes to carry out these activities.</p>	<p>Evidence that the company has acquired any required license to process logs or timber. The license may state the production capacity.</p> <p>Synonyms/Equivalents:</p> <ul style="list-style-type: none"> • Operating license • Timber processing certificate <p>Evidence that the company has paid any fees or taxes that must be paid to the state or local government in connection with timber processing.</p> <p>Synonyms/Equivalents:</p> <ul style="list-style-type: none"> • Valid business license • Tax registration documents • Tax returns <p>Evidence that the company has documentation for timber trade records in connection with timber processing.</p> <p>E.g.:</p> <ul style="list-style-type: none"> • Log reservation quota • Shuttle returns • Monthly production returns • Log input book • Sales contract • Sales invoice 	<p>Some countries require submissions of records of inputs and outputs of the mills to the relevant government agencies for nominal monitoring. While the US, EU and Australian legislation does not make explicit mention of processing, but in their due care and due diligence requirements, processing is one stage in the supply chain, and would be applicable as illegal timber could enter the supply chain during processing. However, for the EUTR, if the processing took place after the timber has been placed on the EU market, the company is only an operator and should only know where the products they used for processing came from.</p>

Stage in Supply Chain	Legislation Component	Relevant Laws To Comply With	Examples of Compliance/ Documents to Check	Notes to Remember
Export 	Legality of Sale and Export	<p>Laws governing export or trans-shipment, such as a log-export ban.</p> <p>Exports of species that are listed in international conventions (such as CITES).</p> <p>For re-export, laws governing import will need to be followed.</p>	<p>Evidence that the company has the required permission to export forest products and that it complies with all the requirements for legal export of the product.</p> <p>Synonyms:</p> <ul style="list-style-type: none"> • The company holds an export licence. • Packing list • Invoice • Bill of lading • Customs declaration form • Tariffs are paid and receipted • Sales contract • Shipping order • Delivery order <p>Correct CITES documentation (where required) from the designated CITES Management Authority of the country of export. For some species and countries, a pre-condition of export is to have a CITES import permit beforehand for CITES Appendix II listed species.</p>	<p>Export companies are required to be licensed to perform this function and should routinely provide sufficient documentation to allow the state authorities in the country of export and the country of import to monitor the transaction.</p> <p>Some countries ban the export of certain species or types of material (for example logs or sawn wood) or highly regulate the volume of these materials that can be exported.</p> <p>Companies importing timber products should request for the Customs Export declaration form.</p> <p>Ensure that the company acting as the exporter is legally established and suitably licensed to export forest products.</p> <p>Ensure that the required export permits are complete, accurate and available.</p> <p>Ensure that the customs import and export documents are available.</p>
Export 	Payment of Fees and Royalties	<p>Export companies are required to pay all appropriate taxes and duties when exporting forest products. This may include payment of Value Added Tax in some countries.</p>	<p>Evidence that the company has paid the appropriate tariffs associated with the products being exported.</p> <p>Synonyms/Equivalents:</p> <ul style="list-style-type: none"> • Tariffs are paid and receipted • Export tax receipts • Customs Duties receipts • Value Added Tax receipts 	<p>The tariffs are usually administered by Customs during export. However, the tariffs may be imposed by other Ministries, including trade and industry, forestry, revenue, etc. Failure to get the Customs release for the shipment would render the consignment illegal as all trade of a country have to get customs approval for both import and export. While the EUTR and Australia are not explicit in mentioning import and export, a due diligence system would need proof of legality for export and import in the traded commodity as a component of the supply chain legality management.</p>

WHAT INFORMATION MUST BE DECLARED AND WHY?



Lacey Act requires importers to provide a basic declaration to accompany every shipment of plants or plant products that are defined in the phase-schedule of the enforcement of the declaration requirements. The purpose of these declarations is to increase transparency about the timber and plant trade and enable the US government to better enforce the law.

The declaration must contain:

1. The scientific name of any species used,
2. The country of harvest,
3. The quantity and measure, and
4. The value.

More information on the declaration can be found at:

- www.aphis.usda.gov/plant_health/lacey_act/index.shtml

The declaration itself is completed by the importer company. The declaration makes no specific mention of the legality of the wood components within the products declared. Exporters can assist US importers in providing this basic information.

US importers may face penalties for incomplete, misleading or false declarations, regardless of the legality of the good declared. Therefore the importer has a key role in assisting in providing accurately the basic information required for the declaration.

Assisting with completion of the declaration in itself is not enough. Exporters should also ensure that all forest products that are to be exported are compliant with the relevant laws of the countries where the wood was harvested and also with any laws regarding processing, export or taxes within the processing country or countries.

Exercising “Due Care”: The Role of the Exporter

US importers need to exercise “due care” when sourcing forest products to ensure that they comply with the Lacey Act. Due care is a flexible concept that has been developed over time by the US legal system. Due care means the “degree of care at which a reasonably prudent person would exercise

under the same or similar circumstances”. As a result, it is applied differently to different categories of persons with varying degrees of knowledge and responsibility (Senate Report 97-123). Given the lack of certainty around how the court might view due care with respect to the Lacey Act provisions, it would be prudent for companies dealing in forest and paper products to avail themselves of the wide array of tools, technologies and resources available for assessing and eliminating illegal wood from often long and complicated supply chains. Internal company policies and tracking procedures are also a critical element.

Steps may also include bar-code or other tracing systems; legality verification; certification under third-party schemes; stepwise programs offered by various organizations; self assessment of risk; and other innovative public-private partnership models.

Exporters can also follow this advice to ensure that they are following due care to ensure that forest products are legal when sourcing materials that are to be used for export to the US market.

Showing you have taken due care as an exporter involves a number of activities leading to one result: being reasonably certain that the forest products supplied were legal. Activities that can assist an exporter to demonstrate that they have taken due care include the points below.

Exporters need to consider which of these activities can be of most assistance and should adapt their management to include some (or even all) of them.



EXAMPLES OF PROCESSES OR PROCEDURES THAT HELP DEMONSTRATE DUE CARE

1) Develop a policy that is shared with all suppliers and customers stating that only legal forest products will be purchased.

A purchasing policy is an essential tool in defining what your company will and will not buy. A policy should be publicly available and be signed by the highest level of management within your company. A good policy will define exactly all of the issues it seeks to address and will identify what is and what is not acceptable to your company. A good policy will also include a wide range of issues that your company wants to address in addition to simple legal compliance.

As an absolute minimum the policy should include reference to:

- A statement that your company only wants to buy and sell forest products that have been legally harvested, transported, traded and exported in compliance with the laws of the country where the wood was harvested, transported, traded or exported.
- A statement that your company will understand and abide by all relevant laws within your own country that apply to the legal harvest, transport, trade, processing or export of forest products.
- If you import forest products, the policy needs to state you will ensure you abide by the relevant laws of the countries you import from.

2) Train staff so they understand why the management of these issues are important to the business.

It would be a good idea to ensure that all staff that are involved in purchasing, sales or marketing of forest products understand what the legal requirements are within your country and for the countries where you might import timber.

A number of organizations are able to offer training or advice on training and these should be consulted.

3) Develop a traceability system that identifies where forest products were harvested.

All forest products purchased by your company should be traceable to the forest where they were harvested or to a primary saw mill that has a system that monitors the origins of all the logs that it purchases. This can be a challenge if you only follow the legal requirements of a country's laws. In many countries, the forestry laws have provisions to trace from forest to the mill, but there is limited regulatory framework to track from the mills onward.

To achieve an effective due care system, some form of tracking technology may be required. A database indicating what was purchased, and which products it was utilized in, will be useful to monitor the effectiveness of your policy and allow your company to answer enquiries from customers as to the origin of your raw materials.

A number of organizations are available to offer direct assistance or guidance in establishing a traceability system.

4) Check each order of materials (before it is delivered) to ensure it meets the minimum requirements to show legal compliance in the country where the wood was harvested.

Prior to making any purchase, it is wise to check the legality of the materials. Understanding what documents should be available, and obtaining these before purchase, can reduce uncertainty and save time. Your company might consider changing purchase orders or purchase contracts to stress the need for legal timber products.

The tables within this document will be able to help your company for some countries. A number of organizations are available to offer direct assistance or guidance in this respect.

5) Use third parties to verify that forest products are legal (or sustainable as this usually covers legality as well).

Around 10 per cent of the forest products traded around the world are certified under a variety of certification schemes. These schemes, such as Forest Stewardship Council (FSC) and the Programme for the Endorsement of Certification Schemes (PEFC), have developed systems that certify the management of forests and certify that the wood from these forests is contained within a product (chain of custody certification or CoC). All forest certification schemes, when applied at the forest, cover aspects of legality (such as the legal right to harvest and the legality of harvesting), and when used in conjunction with a CoC certificate, can also provide a high level of assurance that the product was harvested, transported, processed and exported legally.

A number of organizations are available to offer direct assistance or guidance with respect to certification of forests and chain of custody.

Specially designed legal verification systems exist to verify that forest products have been legally harvested, transported, processed and exported. These systems work in a similar way to forest certification and CoC but have a much narrower focus.

A number of organizations are available to offer direct assistance or guidance with respect to legal verification.

A key aspect of forest certification, chain of custody and legal verification is that the assessment for compliance is conducted by a third party. Third party assessments have high credibility within civil society.

6) Keep up to date with advice or initiatives that can help improve processes that are developed, such as new technology, interpretation and changes to laws, and training opportunities.

Check with any trade associations or government departments that your company interacts with to ensure that your understanding of the laws and best practices is correct and up to date. Attend any training opportunities that arise and make sure that your company's understanding of legal issues, both in your country and the US, is current. Participate in programmes or initiatives that can assist with responsible purchasing of forest products.

A number of non-governmental organizations and trade associations have developed programmes that are designed to assist companies through a step-wise programme of improvements to their supply chain.

7) Understand what constitutes legal timber in your country and any country you import timber from.

What are the minimum legal requirements for exports?

The tables within this guide identify the key documents that should be obtained and checked to ensure a basic level of legal compliance within the country that would meet the minimum criteria to meet the expectations of an export customer needing to comply with the Lacey Act, EUTR and the Australian Illegal Logging Prohibition Act. Only what is legal within the country where the forest product is exported will meet the needs of importers in these countries.

Organizations that Can Help

The following organizations can offer assistance for all or some of the processes outlined above:

- WWF's Global Forest & Trade Network (GFTN) — www.gftn.panda.org
- TRAFFIC — www.traffic.org
- The Forest Trust (TFT) — www.tft-forests.org
- Tropical Forest Foundation (TFF) — www.tropicalforestfoundation.org

Please note that this list is not exhaustive.

A Note on the Country Specific Tables

Please note that the tables only cover those legal requirements that match the requirements of the Lacey Act. That is, exports that have been harvested, possessed, transported, sold or exported without breaking any relevant underlying laws.

Legal operations in most countries usually require compliance with other laws which are not directly included in this list, such as environmental impact assessment for forest managers, or health and safety and related social regulations for wood processors. Companies seeking independent certification, such as FSC or third party legal verification will be expected to demonstrate compliance to reach these standards. Therefore the checklists in the following tables are an abbreviated list and are not full the list of all applicable legislation. More detailed guidance for a number of countries that would allow an independent verification is available from the gftn.panda.org and www.traffic.org websites.

A Note on Developments within the European Union

Regulation on illegal timber

In March 2013, the requirements of the EU Timber Regulation came into force. This new legislation, adopted on 20 October 2010, prohibits placing timber on the EU market if it was illegally harvested. To achieve this, it sets out “due diligence” procedures which those placing timber within the EU must put in place to minimise the risk of illegal timber being sold. According to the legislative procedures of the EU, the regulation will be underpinned with further details and translated into national law of the member states.

For further information go to: http://ec.europa.eu/environment/forests/timber_regulation.htm

The Regulation covers trade in timber products on the EU market and applies to both imported and domestically sourced timber. The exact scope of products covered is listed in an annex to the Regulation, which will be subject to further changes by the European Commission. The list includes most timber products commonly traded in the EU, except for recycled products.

The Regulation applies to two types of organization within the timber supply chain. The bulk of the requirements apply to whoever first places the timber product on the EU market, the so-called “operator.” In addition, there are also requirements for traceability for all the other participants in the supply chain prior to sale to the final consumer. These organizations are all referred to as “traders.”

Requirements for Operators: it is prohibited to place timber on the EU market if it was illegally harvested (where “illegally harvested” is defined as “harvested in contravention of the applicable legislation in the country of harvest”) or commercialized in contravention of associated trade and customs legislation, i.e. a comprehensive set of requirements from stump to point of export. Anyone placing timber products on the EU market for the first time must implement a due diligence system to mitigate the risk that the timber was illegally harvested.

A due diligence system in accordance with the EU Regulation sets out the following three components:

- **Information:** Information must be available on the product and supplier, the country where the timber was harvested and on compliance with applicable forestry legislation in the country of origin. Note: it is not required that the operator has all the information directly, but needs to show that there is a system to allow ready access to such information.
- **Risk assessment procedure:** Each operator is required to have a risk assessment procedure which takes into account the information collected about the product and also relevant risk criteria. Risk criteria include indicators such as prevalence of illegal harvesting, long or complex supply chains, but also about the availability of safeguards such as certification or credible verification of legality.
- **Risk mitigation procedure:** Where the risk assessment indicates that there is some danger of illegality, risk mitigation procedures must be put in place. In the Regulation there is not much guidance on what these should be, but it describes them as adequate, proportionate and that they might involve requesting further information. The Regulation does recognize the value of third party certification and verification in mitigating the risk.

Requirements for traders: Any trader purchasing and selling timber that has been placed already on the EU market needs to keep records that identify the operator or trader who supplied the timber products, and where applicable, the trader to whom the timber products were sold.

Operators can either develop, implement and operate their own due diligence system, or they can utilize a due diligence system developed and monitored by another organization that is recognized by the European Commission.

In each member state an appointed Competent Authority will verify the compliance with the law. Also each member state will set the legislative rules for penalties applicable upon violation of the EU Timber Regulation. The sanctions that will be developed must be effective, proportionate and dissuasive. They may include seizure of products, suspension of authorization to trade, fines in proportion to environmental damage, economic losses or detriments and value of the timber.

A briefing note on the EU Timber Regulation can be found on the EC website: http://ec.europa.eu/environment/forests/timber_regulation.htm

Note that other countries are currently developing legislation with similar intentions to prohibit illegal timber imports such as Switzerland, and Australia passed its Illegal Logging Prohibition Act in 2012.

More information on the Australian bill can be found at: <http://www.comlaw.gov.au/Details/C2012A00166>

CITES-Listed Species

The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) is a global response to concern over the trade of endangered species. CITES was enacted in 1975, and 160 countries have ratified the treaty. CITES regulates the trade in live animals, animal parts, ornamental plants, medicinal plant parts and timber species. It seeks to identify threatened species and create increasingly strong legal barriers to their harvest and trade, depending on their conservation status (see also www.cites.org). CITES lists threatened or endangered wood species under three classifications, known as the Appendices. The restrictions on trade within these appendices vary depending on the extent to which the species is threatened with extinction. The CITES listing includes species that are traded for timber, traded for medicinal purposes and rare, but not commercially traded species. The species listed below are those that are traded most often in the international timber market.

Note: CITES listing is an ongoing process. Please check the WCMC Web site (<http://www.unep-wcmc.org>) or the IUCN Web site (www.iucnredlist.org) for regular updates.

CITES Appendix I-listed species should be avoided at all times.

For Appendix II and III species, a high degree of caution must be exercised. First, there is a legal obligation on any importer and trader in these species that ensures that all imports and trades are registered with the relevant authorities. Penalties are often large for failure to register imports of Appendix II and III species.

The second question concerns the endangered nature of these species. Trade in these species may be legal, but it is important to recognise that, in many cases, it is trade that has led to the need and requirement for close monitoring. CITES trade controls intend to ensure that trade is on sustainable levels, does not threaten the survival of the species and thus safeguards the long-term availability of the species and its trade. CITES parties monitor the status of the species listed and can up-list or down-list to enhance or reduce the trade control measures needed for sustainability. **Best practice with CITES species is to closely monitor the status of the species involved and ensure that all legislative requirements are met. Be 100 per cent certain of which species are being purchased.**

Appendix I

Species in this list face an imminent threat of extinction and are banned from all international commercial trade. Trade is permitted for artificially grown species, products that were created before the species was added to the list, and specimens used for scientific purposes. **Permits are required from both the exporting and importing countries to verify that an example of the species was obtained legally.**

- Alerce (*Fitzroya cupressoides*)
- Brazilian rosewood (*Dalbergia nigra*)

Appendix II

International trade in these species is allowed as long as the **country of origin issues documents ensuring that the harvesting of the species was undertaken legally and that it is not detrimental to the survival of the species.**

- Afrormosia (*Pericopsis elata*)
- Lignum vitae (*all species of Guaiacum*)
- Cuban mahogany (*Swietenia mahagoni*)
- Bigleaf mahogany (*Swietenia macrophylla*)
- Ramin (*all species of Gonystylus*)
- Honduras mahogany *Swietenia humilis*
- Palo santo *Bulnesia sarmentoi*

Appendix III

An Appendix III listing gives specific source countries the ability to monitor and control trade of the listed species. **Countries that have listed a species in Appendix III of CITES need to issue a CITES export certificate for exports of that species, using standard CITES procedures. All other countries need only issue a certificate of origin for exports, to show that products did not originate from a country that regulates the species in CITES Appendix III. Importing countries ask for either certificate of origin or the export certificate of CITES, depending from which country the product originates.**

- Almendro (*Dipteryx panamensis*)
- Spanish cedar (*Cedrela odorata*)

Advice for Exporters:

Check the law in your country as it relates to CITES and ensure that you comply. Compliance usually involves registration at the point of export. If the material being exported was made from imported species that are covered by CITES, ensure that you have obtained the required documentation at the point of importation.



These are possible ranges of legislations and documents to check in the supply chain of forestry products traded by companies which are exported to the US, EU and Australia to meet the requirements of the Lacey Act, EU Timber Regulation and the Australian Illegal Logging Prohibition Act. Companies are advised to check WWF/GFTN & TRAFFIC's [full national legality frameworks](#) for the country where they source timber from to ensure a high degree of confidence in compliance with those legal measures in the country of import. Persons seeking legal advice on compliance with the Lacey Act, EUTR, Australian Act or any other law, regulation, or requirement should consult with a qualified legal professional.

Stage in Supply Chain	Legislation Component	Laws apply to:	Documents to Check	Notes
Forest 	Legal Right to Harvest	Forest managers and harvesting companies - Timber from Forest land	<p>Company must hold a valid Forest Authority Certificate.</p> <p>The Forest Authority Certificate is issued by the Forestry Administration authority under the State Council.</p> <p>Applicants for the certificate to must provide the following:</p> <ol style="list-style-type: none"> 1. Certificate stating there is no dispute over rights of the forest; adjacent parties agree with boundary demarcation 2. Registration document and map showing coverage and boundaries on the ground 3. Full set of related charts and tables 4. Evidence on the right to use or own the land where harvest is to take place 	Forest Authority Certificate reflects ownership and land use rights .
Forest 	Legal Right to Harvest	Forest managers and harvesting companies - Timber from converted land	<p>Company must hold a valid Forest Authority Certificate; AND</p> <p>The company must have an official approval document permitting conversion of land use issued by the relevant Forestry Administration.</p>	For conversion into deforested land (usually for construction) the companies should have an official approval document (Forest Land Use Approval) issued by the relevant Forestry Administration in addition to the Forest Authority Certificate.
Forest 	Legality of Harvest	Forest managers and harvesting companies - Timber from converted land	The timber harvesting company should have a Timber Harvesting Licence ("Wood Harvesting Admission Certificate") issued by the relevant Forestry Administration.	<p>State-owned forestry enterprises must have investigation and design documents for harvest areas and signed acceptance, of certificate of forest regeneration for harvested areas in the previous year, by the relevant Forestry Administration.</p> <p>Other harvesting entities must have documents that describe the objectives, place, species, forest situation, coverage, forest stock reserve, trees harvesting means and regeneration measures.</p> <p>Individuals must have documents that describe the area, coverage, species, volume and regeneration period etc.</p> <p>Rural residents harvesting isolated trees at their own used plots and area surrounding their houses are exempt of the requirement of a harvest license.</p>

Stage in Supply Chain	Legislation Component	Laws apply to:	Documents to Check	Notes
Forest 	Legality of Harvest	Forest managers and harvesting companies	Forest management plan with an annual felling quota defined. Annual timber production plan submitted to the forestry administration.	Timber in non- forestry land is not subject to the felling quota management. They are managed and felled by the business proprietor independently. Types of commercial forest felling: main felling, tending felling and other types of felling. Tending and other types of felling can use the quota of main felling if the quota of its type is not enough, but tending felling quota shall not be used for other types of felling. All types of quota can be carried forward to subsequent years.
Forest 	Payment of taxes & Royalties	Forest managers and harvesting companies	Evidence of payment by the company of value-added tax (VAT) where appropriate. VAT is levied on almost all logs sold (subject to size). Evidence of payment of the reforestation fee which is collected by the government. Special Agriculture fee is basically exempted, but will be levied for logs from state-owned forest in Northeast and Inner Mongolia of China.	All forest related taxes such as Value Added Tax (VAT), reforestation fee, and fee for special agriculture have to be paid and on time.
Transport 	Legality of Possession and Transport	Transporter - general	Valid “timber transportation / conveyance certificate” issued by a Forestry Administration at or above county level to be held by all timber carriers.	Timber transport certificate is not needed for transporting the following: <ol style="list-style-type: none"> 1. Non-forest timber production 2. timber deployed by Nation’s order 3. Special need timber, such as for firefighting, flood control and rescue or other emergency situations.
Transport	Legality of Possession and Transport	Transporter - travelling between Provinces	Plant Quarantine Certificate that must accompany each consignment.	The Plant Quarantine Certificate gives details of what is being transported, its origin and destination.
Processing	Legality of Processing	Processor	Timber processing company: Business registration certificate issued by the industry and commerce administration authority .	The timber processing company is legally registered in accordance with the laws.
Processing 	Legality of Processing	Processor – in forest areas	A Timber processing certificate issued by the Forestry Administration above county level must be had by the timber processing industry. Business registration certificate issued by the industry and commerce administration authority .	The timber processing Company must hold a valid Timber Processing Certificate .
Processing	Payment of Fees & Royalties	Processor	Evidence of payment of value-added tax by the company where appropriate. Receipts from the relevant agencies provide proof .	All taxes linked to timber processing operations are paid on time.
Export 	Legality of Sale and Import/ Export	Importer/Exporter	Documents and certificates required validated and endorsed by relevant authorities as appropriate, including: 1) Invoices <ul style="list-style-type: none"> • Pro Forma Invoice • Commercial Invoice • Consular Invoice • Customs Invoice 	Related documents and certificates should be submitted by the import and export company as per pertinent laws and regulations. ATA carnet: Admission temporaire/ Temporary Admission - an international customs document that allows the holder to temporarily (up to one year) import goods without payment of normally applicable duties and taxes, including VAT, but the goods have to be re-exported within the allotted time frame.



Stage in Supply Chain	Legislation Component	Laws apply to:	Documents to Check	Notes
			<p>2) Certificates</p> <ul style="list-style-type: none"> • Inspection Certificate • Insurance Policy/Certificate • Product Testing Certificate • Health Certificate • Phytosanitary Certificate • Fumigation Certificate • (IIC) International Import Certificate • (DVC) Delivery Verification Certificate • Landing Certificate • Certificate of Origin • Certificate of Origin Generalised • Systems of Preferences (GSP) Form A (also known as Form A) <p>3) Bills</p> <ul style="list-style-type: none"> • (B/L) Bill of Lading • House Bill of Lading (Group age) • Sea Waybill • (B/E) Bill of Exchange, or Draft (B/E) <p>4) Credits</p> <ul style="list-style-type: none"> • (D/C) Documentary Credit • Standby Credit <p>5) Receipts</p> <ul style="list-style-type: none"> • (D/R) Dock Receipt or Mate's Receipt • (T/R) Trust Receipt <p>6) Others</p> <ul style="list-style-type: none"> • Quotation • Sales Contract • ATA Carnet • (S/O) Shipper Order • Shipping Guarantee • Packing List (sometimes as packing note) • Collection Instruction • Promissory Note • Import/Export Customs Declaration • Import/Export License 	
Export	Legality of Sale and Import/Export	Importer/Exporter	Quarantine Certificate for both import and export forestry products issued by the Entry and Exit Inspection and Quarantine Agency in each port.	All Import and Export Quarantine Inspection documents and procedures are followed.
Export 	Legality of Sale and Import/Export	Exporter/Importer – CITES Species	<p>Import and export certificate from the local authority in charge of wild animals and plants of the government of province, autonomous region and municipality directly under the central government with the following documents:</p> <ul style="list-style-type: none"> • Import or export contract • Name of products, species, quantity and purpose for import or export of the endangered plant (and its product and/or derivative) • Description of transport facilities for living endangered wild animals or plants 	Stated conditions on CITES-listed species and tree species under state protecting catalogue (and their products and/or derivatives) with special requirement are adhered to.

Stage in Supply Chain	Legislation Component	Laws apply to:	Documents to Check	Notes
Export 	Payment of Fees & Royalties	Importer/Exporter	Official receipts should be available for audit. The import and export company should demonstrate payments of Import and Export tariff, Import/ Export VAT and Consumption Tax for Wood.	<p>All taxes linked to the exportation and importation of forest products are paid on time.</p> <p>10% export tariff is levied for solid wood flooring and disposable wooden chopsticks.</p> <p>13% VAT levied on logs. VAT on forestry produced by forest owners is exempt. 4% VAT levied on small commercial entities with annual taxable sales volumes of less than 1.8 million Chinese Yuan.</p> <p>Customs Harmonised Commodity Description and Coding System (HS) of tariff code: 44122910901, Commodity Name: Wooden Flooring Boards, the consumer tax and VAT rate shall be 13% respectively. For products with HS Code 44122910902 and Commodity Name of Multi-layer Wooden-surfaced Board, the VAT rate is 0.</p> <p>For forestry products imported from neighbouring countries by small trading companies on the border, the import tariff and VAT should be levied 50%.</p>
Environment 	Environmental Impact Assessment	Harvesting companies	A unified annual timber production plan approved by the State Council Annual controls the forest felling volume for each category of forest through.	<p>The scope of the production plan is specified by the State Council. National forest resources are divided into the following categories:</p> <ul style="list-style-type: none"> • Shelterbelts • Timber • Economic forest • Firewood forest • Special use forest
Environment 	Environmental Impact Assessment	Harvesting companies	Felling on the forest areas described in the Ecological Protection and Economic Transformation Plan will be stopped completely.	<p>Commercial logging of natural forests is strictly forbidden at Natural Forest Protection Project (NFPP) sites.</p> <p>No commercial logging allowed at the sites at the Upper Reaches of the Yangtze River, the Middle and Upper Reaches of the Yellow River.</p> <p>Logging at the areas listed as the logging-forbidden zones in North-eastern China and Inner Mongolia is banned.</p> <p>Felling and volumes will be strictly observed at the areas listed as controlled zones.</p> <p>Felling of forest at the Forest Areas in the Daxinganling and Xixinganling Mountains is strictly forbidden.</p>
Conservation 	Conservation assessment & evaluation	Harvesting companies	Company/collector to hold a collection license for protected wild plants.	Permit is needed for collection of precious wild trees or wild plants within forest zones or grasslands in accordance with the provisions of the Forest Law and Grassland Law.

EXAMPLES OF KEY DOCUMENTS

Timber Harvesting Licence (“Wood Harvesting Admission Certificate”)

(LOGO: Wood Harvesting Management Badge of Forestry Bureau)

(year) harvesting number					
After the auditing of the Investigation & Design Document in Cutting Area or Harvesting Application provided by (), the harvesting activity in					
district/county		forestry center/villages and towns/street			
to	compartment(village/road)	sub-compartment (land block/land location) (East to		South to	West
	North to				
) is approved.					
Harvesting forest origin		Forest species		Tree species(group)	
Nature of tenure		Certification No. of forest right			
Cutting type		Harvesting system	Cutting intensity	%	
Cutting area	Hectare(or cutting numbers in individual plant:)				
Cutting volume	Cubic meter				
of which	Commercial timber	Cubic meter (output volume: m3)			
	In -house timber	Cubic meter			
	Burn timber	Cubic meter			
Cutting period	from	Year month day	To	Year month day	
Regeneration period	Year month day		Regeneration system		
Regeneration tree species			Regeneration area	Hectare(or cutting numbers in individual plant:)	
Management department(stamp)		Department of issuing certificate (stamp)		Staff of issuing certificate	
Signature of certificate owner		Date of Issuing certificate	year	month	day

Notes:

- 1) This certificate is produced in triplicate. The first copy is retained by the Forestry Administration; the second is retained by the applicant, the third copy is used to accompany transported timber.
- 2) The certificate is valid only for the dates specified.

重点国有林区林木采伐许可证

№ 0425905

采洲 (20 03 第 采字第 11 号)

根据 2007 年 1 月 03 日 提报的伐区调查设计文件或采伐申请, 经审核, 批准
 在 三块石 林场 044 林班 002 作业区 003 小班采伐。

林分起源: 天然林 林种: 阔叶林 树种: 柞木

权属: 国有 林权证号: 128

采伐类型: 主伐 采伐方式: 择伐 采伐强度: 17.4%

采伐面积: 12.10 公顷(或采伐株数: 508 株)

采伐蓄积: 276.0 立方米

其中: 商品材: 276.0 立方米(出材量: 230.4 立方米)

烧材: 0.0 立方米

采伐期限: 自 2007 年 2 月 6 日至 2 月 6 日 更新期限: 0 年 0 月 0 日

更新树种: 更新面积: 0.00 公顷(或更新株数: 0 株)

发证机关(章): 

发证人员(章):  钟祥

发证日期: 2007 年 2 月 6 日

二联 申请者存根

- 注: 1. 此证一式三联。一联为发证机关存根, 二联为申请者存根, 三联为林木采伐凭证。
 2. 超过规定采伐期限, 此证无效。
 3. 采伐凭证联套印国家林业局林木采伐管理专用章。

Plant Quarantine Certificate (off province)

Stamp of the State Forestry Administration

Forest () check word No. 000XXXX

Allocation and transportation organization(person), and address					
Name of Allocation and transportation organization(person)		ID No.		telephone	
Organization(person) of taking delivery, and address					
Plan/plant product origin				Conveyance	
Source and destination of conveyance	From	By	To		
Valid period	from	Year month day		to	Year month day
Plant/plant product name	Product name(timber species)	specification	organization	volume	remark
<p>Issuing remark: The plants/plant products listed above, through() The pests in forestry quarantine, complementary pests in local province(region/city) and entering province(region/city), and other dangerous pests in forestry that forestry quarantine organization puts forward in entering province are not found, so their allocation and transportation is approved.</p> <p>Entrusted organization (special stamp of forestry quarantine issuing organization) (special stamp of plant organization at provincial level)</p> <p>quarantine inspector(signature)</p> <p>issuing date: year month day</p>					

Notes:

- 1) All relevant stamps are required.
- 2) The certificate cannot be re-used, transferred or modified in any way.
- 3) One certificate must accompany one vehicle (or ship) for the whole journey specified.



植物检疫证书 (省内)



14

林()检字 N^o 02203596

调运单位(人)及地址		江苏省扬州市江都区				
调运(承办)人姓名	身份证件号码	联系电话				
收货单位(人)及地址		江苏省林业厅				
植物或植物产品来源		运输工具				
运输起讫	自	经	至			
有效期限	自	年	月	日至	年	
植物或植物产品名称	品名(或材种)	规格	单位	数量	备注	
签发意见: 上述调运的植物或植物产品, 经() 未发现林业检疫性有害生物和本省(区、市)补充林业检疫性有害生物, 同意调运。						
签发机关(植物检疫专用章) 		检疫员(签名) 王相进				
		签证日期 2009年02月02日				

第二联随货同行

注: 1. 本证无调出地林业植物检疫机构检疫专用章和检疫员签名无效; 2. 本证转让、涂改和重复使用无效; 3. 一车(船)一证, 全程有效。



Timber Transportation / Conveyance Certificate

Stamp of Timber Conveyance Certificate of State Forestry Administration

No. 000XXXX

Province (Region/City)					
Basis of issuing certificate					
Place of timber origin	Province(Region/City) County(City) Bureau(Center)				
Organization(person) of delivery					
Organization(person) of taking delivery					
Conveyance					
Source and destination of conveyance	From()to()Province/Region/City()County/City				
Valid period	From Year month day to Year month day				
Tree species	Product name	specification	amount		remark
			Numbers in unit	Volume(m3)	
Total(in capital)	ten thousand thousand hundred ten:		m3		
Department of issuing certificate(stamper) issuer(signature): Management department(special stamp) issuing date: year month day applicant(signature):					

Notes:

- 1) All relevant stamps are required.
- 2) The certificate cannot be re-used, transferred or modified in any way.
- 3) One certificate must accompany one vehicle (or ship) for the whole journey specified.
- 4) If the consignment has reached its destination and is then to be further transported, the timber conveyance certificate of off province must be renewed and approved by local forestry management department.
- 5) If the mode of transport is changed in the midcourse, the timber conveyance certificate should be remade in the forestry management department at the place of transfer.

..... 裁 切 线

江苏省省内木材运输证



江苏省()市()县()区()

00633725

发证依据	凭证证号: 0101025				
木材产地	江苏省	省(区、市)	泗阳县(市、区) 镇(林场)		
发货单位(人)	江苏省泗阳县				
收货单位(人)	江苏省丹阳市				
运输方式	汽车				
运输起讫	自()经()至()县(市、区)				
有效期限	从 年 月 日至 年 月 日 过期作废				
树(材)种	品名	规格	数量		备注
			件(根、张、块)数	材积(m ³)	
合计(大写)	万 千 百 十 件(根、张、块): 千 百 十 点 立方米				
				签证人: _____ 签发日期: 年 月 日 申领人: _____	

第二联 随货同行

注: 1、本证由起运地县级以上林业主管部门盖章有效; 2、一车(船)一证, 证货相符, 全程有效; 3、不准涂改, 买卖、转让或重复使用; 4、运达本证规定地点的木材, 需再次转运的, 应凭本证在当地林业主管部门重新办理出省(省内)木材运输证; 5、发证依据是指注销的林木采伐许可证(或者上市销售证明)和育林基金票据号码, 或者运入本县、市木材的原运输证号码。





Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legal Right to Harvest	Forest managers and timber harvesting companies	The company holds the valid documents as follows: <ol style="list-style-type: none"> 1. A trade and property registry 2. Bank guarantees 3. A valid license 4. Tax Identification Number (NIF) 5. Registered with the National Office of Social Security (CNSS) 6. Payment receipt of employer's contributions 7. Professional agreement and/or company shareholders have authorisation from forest administration 	
Forest 	Legal Right to Harvest	Forest managers and timber harvesting companies	The company holds valid documents as follows: <ol style="list-style-type: none"> 1. Harvesting License 2. Provisional forest management/ harvesting/processing agreement 3. Approved forest management plan or an allocation decree 	Review documents with focus on : <ul style="list-style-type: none"> - Annual Operation Plan (PAO) - Operation license delivered by the regional forestry administration authorities - Authorizations and licenses from other administrative authorities
Forest 	Legal Right to Harvest	Forest managers and timber harvesting companies	Company has informed all parties involved in the management of forest resources, check on: <ol style="list-style-type: none"> 1. Existing correspondence <ul style="list-style-type: none"> - Information letters 2. Existing minutes <ul style="list-style-type: none"> - Consultation meeting between the forest administration and local authorities - Minutes of Forestry committee meetings 	
Forest 	Legal Right to Harvest	Forest managers and timber harvesting companies	Verify that the company holds the following: <ol style="list-style-type: none"> 1. Forest inventory report 2. Socio-economic study report 3. Letter of approval of the above report from the Forest administration 	These preliminary studies are prepared by experts endorsed by the forestry administration. The forest inventory should include information on ecologically fragile sites and items of high conservation value.
Forest 	Legality of Harvest	Forest managers and timber harvesting companies	Verify the company holds valid planning procedures: <ol style="list-style-type: none"> 1. Approved forest management plan by the Forestry Department 2. Industrialization plan 3. Approval of the annual harvesting plans by the forestry Department, and authorization and licenses from local economic authorities 4. Monitoring reports on the annual harvesting plan submitted to the forestry administration 	The company's commitments to contribute to fight against: <ol style="list-style-type: none"> 1. Poaching in its area of operation 2. Illegal forest exploitation in its forest concession Forest management plan includes parameters such as annual allowable cut, the cutting cycle, silvicultural treatments, the list of species authorized to be logged and the minimum diameters allowed for harvesting of each species. Verification of forest management plan by having the criteria as follows: <ol style="list-style-type: none"> 1. The five-year plan 2. The annual plan 3. Letters of plan approval by the relevant forest arrangement authorities.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legality of Harvest	Forest management company / harvesting company	Forest maps 1. General map of concession 2. Detail maps of the various coupe 3. Demarcated boundaries 4. Topographic map with planning of access road network, widths of road and tracks, protection of water courses and slope restrictions	
Forest 	Legality of Harvest	Forest management company / harvesting company	Records in the official field working books provided by the forestry administration are complete and accurate	The company respects all provisions of Forest Code on timber waste disposal in forestry operations. Accidentally broken trees during the harvesting process are recorded.
Forest 	Payment of Taxes and Royalties	Forest management company / harvesting company	<ul style="list-style-type: none"> • Tax returns on timber production • Receipts of all forestry related taxes and fees 	
Transport 	Legality of Possession and Transport	Transporters	Evidence of the followings: 1. Stumps of harvested trees are hammer marked or painted 2. Billets of timber in forest yards are marked 3. Log transportation sheet	Hammer marks are specific to each company and is registered with the forestry administration and the judiciary authorities. Log transportation sheet allows logs to be traced to the felling site.
Processing	Legality of Processing	Processors	Industrialization plan approved by the Ministry in charge of forestry and forest administration.	Licenses related to timber processing plants should be available for inspection from the company.
Processing 	Payment of Fees & Royalties	Processors	1. Timber harvesting records 2. Log processing reports 3. Quarterly reports of logs received 4. Annual reports	The company keeps evidence that processing quotas have been respected. Factory input and output volumes are recorded according to official procedures.
Export 	Legality of Sale and Export	Exporters	Validity of export/import license	Any company involved in the export of timber product should hold an export license issued by the Ministry of Charge of Commerce that needs to be renewed annually.
Export 	Legality of Sale and Export	Exporters	Approved forest products export specification sheet from the appropriate forestry authority detailing all timber products to be exported by species, quality and quantity.	
Export 	Legality of Sale and Export	Exporters	1. Annual and quarterly timber harvesting reports 2. Log exporting records 3. CITES declaration as appropriate 4. List of authorized species within the forest management plan	To verify on: <ul style="list-style-type: none"> • Log export quotas • Authorized exported timber species

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Environment 	Environmental Impact Assessment and Mitigation measures	Harvesting Companies	Environmental impact assessment authorization issued by the Ministry in charge of the Environment	Mitigation measures should ensure the following areas: 1. Handling of industrial waste 2. Regulations on water and air pollution are respected 3. Emergency plan to deal with potential environmental accidents
Social 	Socio-economic welfare of local communities	Forest managers and harvesting companies	Verify the company obligations if agreed to terms and conditions of contracts, are met by reviewing the details within the: 1. Forest management plans 2. The internal rules of the company 3. Posters and awareness meeting reports 4. The registries of the sanctions given to workers 5. The existence of a monitoring system for the concession 6. Official agreements with the government or WWF where it exists	
Social	Socio-economic welfare of local communities	Forest managers and harvesting companies	Payment of compensation according to official scales from the Ministry of Agriculture.	In the case where local community property and possessions are destroyed, compensation is granted in accordance with official scales.
Social 	Socio-economic welfare of local communities	Forest managers and harvesting companies	Rights to harvest forest products for local consumption which should be included in the forest management plan.	Use rights of local communities in the forestry concessions are recognized and respected.

INDONESIA



These are possible ranges of legislations and documents to check in the supply chain of forestry products traded by companies which are exported to the US, EU and Australia to meet the requirements of the Lacey Act, EU Timber Regulation and the Australian Illegal Logging Prohibition Act. Companies are advised to check WWF/GFTN & TRAFFIC's [full national legality frameworks](#) for the country where they source timber from to ensure a high degree of confidence in compliance with those legal measures in the country of import. Persons seeking legal advice on compliance with the Lacey Act, EUTR, Australian Act or any other law, regulation, or requirement should consult with a qualified legal professional.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legal Right to Harvest	All Forest managers and harvesting companies including community owned operations	Confirm that the company is able to demonstrate it holds: <ul style="list-style-type: none"> • authorization permit • SK PKH (forest area quotation decree) • SK HPH and SK IUPHHK-HA, for natural forest; • SK HPH and SK iUPHHK-HA, for plantations forest. • Private land owners shall hold a valid Sertifikasi Tanah (land certificate) 	There should be clear, documented and unchallenged legal registration of the forest management unit with authorization for specific activities. HP: Hutan Produksi (Permanent Production Forest) HPHTI: Hak Pengusahaan Hutan Tanaman Industri (Industrial Forest Plantation Permit) HPH: Hak Pengusahaan Hutan (Natural Forest Management Permit) HT: Hutan Tanaman (planted forest) HTI: Hutan Tanaman Industri (Industrial Plantation Forest) IUPHHK: Izin Usaha Pemanfaatan Hasil Hutan Kayu (Forest Timber Product Exploitation Permit) IPK: Izin Pemanfaatan Kayu (Land Conversion Permit)
Forest 	Legal Right to Harvest	All privately owned or State owned Forest managers and harvesting companies, including timber from forest conversion areas	Confirm that the company holds a valid permit, license or similar instrument . The company should hold one of the following harvesting permits (as applicable): For natural forest management and plantations an Annual Work Plan (RKT/ work chart) has been legally approved by relevant authorized official and demonstrated on the ground and a LHC (pre-harvest inventory) and tree map has been authorized by the Forest Service. Where wood is harvested on private land the owner shall hold a valid IPK .	The company must have authorization to harvest in the forest management unit. Areas managed under HPH, IUPHHK, HPHTI, or land managed by Perum Perhutani must be located in the permanent state forest zone. Land clearing associated with non-forestry activities that are nationally approved or authorized by district governments may only be located outside the permanent state forest zone. If RKT is not yet available, confirm letters of recommendation issued by Dinas Kehutanan at the Kabupaten (district) level. RKT: Rencana Kerja Tahunan (Annual Work Plan) IPK: Izin Pemanfaatan Kayu (Land Conversion Permit)
Forest 	Legal Right to Harvest	Community owned forests	Confirm that in cases of community forest operations: <ul style="list-style-type: none"> • Business license document for community-based forest management on state forests. • Payment evidence of Land and Building tax (PBB) • Document of community's agreement regarding forest management by community institution (including traditional law community institution). 	In the case of community forest operations managing state forest land the company (community) must possess a license to manage state forest.
Forest 	Legality of Harvest	All Forest managers and harvesting companies including community owned operations	Confirm that the company's / community's harvesting activities correspond to the legal land use classification for the forest management unit.	Evidence shall exist that the forest management area is legally classified for the type of land-use or commercial activities conducted.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legality of Harvest	All privately owned or State owned Forest managers and harvesting companies	Confirm that the company holds: <ul style="list-style-type: none"> • IHMB concession inventory report • An approved forest management plan • 10 year work plan report (RKU) based on the IHMB • Annual Work Plan (RKT) and map that has been formally approved by the appropriate government authority • Cruising report (LHC) • Tree map and contour authorized Buku Ukur (BU)(Measurement book) and LHP • Permission to harvest a CITES-listed species shall be documented • The management unit has obtained the AMDAL documents which have been approved legally according to applicable regulations, covering all work area • The harvested volume is within the limits authorized in the annual production target (JPT) 	Minimum harvestable diameters are respected during harvesting operations. Timber species harvested are authorized by the forestry administration plans and may vary from province to province. IHMB: Inventorisasi Hutan Menyeluruh Berkala (General Periodically Forest Inventory) RKU: Rencana Kerja Usaha (10 year work plan) LHP: Laporan Hasil Produksi (production report) AMDAL: Analisis Mengenai Dampak Lingkungan (EIA and mitigation plan) JPT: Jatah Produksi Tahunan (annual production target)
Forest 	Payment of Taxes and Royalties	All Forest managers and harvesting companies including community owned operations	Confirm that the company holds the following: <ul style="list-style-type: none"> • Valid business license • Tax registration documents Confirm proof of payment of all applicable fees (initial license fee or concession renewal fee based on area). Slip of IIUPH (land tax payable on concession issuance and at time of concession license renewable; based on hectares).	
Forest 	Payment of Taxes and Royalties	All Forest managers and harvesting companies including community owned operations	Confirm that the company has proof of full payments of: <ul style="list-style-type: none"> • Reforestation Fund (DR) • Forest Resource Royalties (PSDH) • Value added tax (PPN) receipts • Income tax (PPH) receipts 	The forest management enterprise must regularly fulfill all obligatory tax; fee and/or royalty payments associated with maintaining the legal right to harvest and permitted harvesting volumes. In some provinces, check for Governor decree that may requires payment of additional royalty to local communities. DR: Dana Reboisasi (Reforestation Fund) PSDH: Pajak Sumber Daya Hutan (Forest Resource Royalties)
Transport 	Legality of Possession and Transport	Transporters	Confirm that the company has, when transporting logs from within the forest area (concession) to outside the forest : <ul style="list-style-type: none"> • SKSKB • FA-KB The company's logs must have permanent physical markings containing adequate information to trace them back to the harvest block. The company must have records of wood transportation to outside log ponds (including SKSKB files/archives and DHH (for natural forest); transportation invoice (for plantation forest)). Inter-island transport of timber is regulated by a permit (PKAPT).	The forest management enterprise must have procedures and practices that provide effective control of forest products from standing timber until ownership is transferred at the forest gate. If the log pond or TPK is inside the concession boundary, only DKB documentation is required. If the log pond or TPK is outside the concession boundary, a SKSKB document is required. Three part red tag: one part on stump; one part on log; one retained by logging team. Use of bar code is mandatory if annual cutting target (JPT) is more than 60,000 m3 regarding National Timber Administration Online System (SIPUHH) online. DKB: Daftar Kayu Bulat (Log List) SKSKB: Surat Keterangan Sah Kayu Bulat (Transporting Document for Round Logs) FA-KB: Faktur Angkutan Kayu Bulat (Invoice for Transporting Round Logs) DHH: Daftar Hasil Hutan (Forest Product list) PKAPT: Pedagang Kayu Antar Pulau Terdaftar (Registered Inter-Island Wood Trader)

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
 Processing	Legality of Processing	Processors	Confirm that the company holds the following: <ul style="list-style-type: none"> • Valid business license • Tax registration documents 	All processing plants must hold a valid license stating the category of the processing plant (primary/secondary). The license states the production capacity. Approval for wood processing industries with a monthly output capacity of 6,000 m3 or less can be issued by local government. For wood processing industries with a monthly output capacity of more than 6,000 m3, approval must be obtained from the Ministry of Forests.
 Processing	Payment of Fees and Royalties	Processors	Confirm that the company has paid all relevant taxes and fees associated with its licensed activities.	The processing enterprise must regularly fulfill all obligatory tax; fee and/or royalty payments associated with timber processing activities.
 Export	Legality of Sale and Export	Exporters	Confirm that the company holds the following: <ul style="list-style-type: none"> • Valid business license • Tax registration documents 	The company must have a tax registration number / forms and valid business license to operate within the jurisdiction.
 Export	Legality of Sale and Export	Exporters	Confirm that the company can supply the following: <ul style="list-style-type: none"> • Bill of Lading • Certificate of Origin issued by the Forestry Department • Packing lists for the sawn timber • Chain of Custody records indicating which logs were used to produce the timber • SKSKB files • DHH (for natural forest) • transportation invoice (for plantation forest). • CITES species export licence (for CITES species) • Export tax receipts 	General: All log exports from Indonesia are banned; therefore, any logs identified as Indonesian, outside of Indonesia, have been illegally obtained. Ministry of Forestry and Ministry of Trade and Industry joint decree no. 350/Menhut-VI/2004 & 598/MPP/Kep/9/2004, 24 September 2004, states that exports of sawn timber for all species are banned from this date. The decree has been issued to protect domestic wood processing industries.
 Export	Legality of Sale and Export	Exporters	Confirm that the company holds a valid export licence (ETPIK).	The company must possess a valid export licence. ETPIK: Exportir terdaftar produk industri kehutanan (Register of forest product export maintained by the Ministry of Trade)
 Environment	Environmental Impact Assessment	Harvesting Companies	For IUPHHK-HA/HT, pulp & paper industry and other wood working industries, to hold: AMDAL document For other business, environment document needed for: UPL or SPPL	Issuance of forest management licenses is conditional on the completion of an environmental impact assessment (AMDAL) as per government regulation. SPPL: Surat Pernyataan Pengelolaan Lingkungan Letter of Environmental Management Commitment (issued by District level for small industries) UPL: Upaya Pemantauan Lingkungan (Environmental monitoring)
 Conservation	Conservation assessment/ evaluation	Harvesting Companies	Fragile sites are identified such as riparian buffer zones, buffer zones for protection forest areas, and buffer zones for external boundaries are excluded from harvesting. National protected species of flora and fauna must be identified in the forest management plan.	
Social	Social compensation	Forest managers and harvesting companies	Property of local communities must be respected.	Compensation is not defined but is left for the two parties to negotiate.



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Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legal Right to Harvest	Forest managers and harvesting companies	Valid business license with the Registrar of Companies. Peninsular Malaysia, Sabah and Sarawak <ul style="list-style-type: none"> Registration with the Forestry Department Registration of contractors and sub-contractors with the Forestry Department 	
Forest 	Legal Right to Harvest	Forest managers and timber harvesting companies	Peninsular Malaysia <ol style="list-style-type: none"> Records of gazettelement of Permanent Reserve Forests (PRF) in government gazette Records of classification of PRFs Concessionaire agreement, and License to take forest produce Permits: <ul style="list-style-type: none"> Entry permits Road permits in harvesting areas Use permits Records of aboriginal reserves Records of aboriginal areas Decisions of the Civil Courts pertaining to legal or customary title, tenure or use rights Evidence of any dispute and land claims Sabah <ol style="list-style-type: none"> Sustainable Forest Management license Agreement Long term timber license agreement Records of established Native Customary Rights Records of native title All relevant customary native right decision of the Civil Courts Sarawak <ol style="list-style-type: none"> Forest Timber license Grants, leases, native customary right and native communal reserves Notification in the Sarawak Government Gazette Decisions of the Civil Courts pertaining to legal or customary tenure or use rights Records of Communal reserves Solicit evidence of no dispute through legal channel in the affected areas where the timber is harvested 	Evidence of licenses, permits and other documents granting rights to harvest, extract, or otherwise exploit timber in the forest.
Forest 	Legal Right to Harvest	Forest managers and timber harvesting companies	Peninsular Malaysia <ol style="list-style-type: none"> Approval or harvesting license from forestry departments Sabah <ol style="list-style-type: none"> Approval or harvesting license from forestry department Form 2(b) license for alienated land Form 1 license Sarawak <ol style="list-style-type: none"> Occupation ticket (OT) license 	Availability of documentation of legal status in the case of land that is not in the permanent reserved forest of forest management areas and is subject to clearing for a non-forest use.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legality of Harvest	Forest managers and timber harvesting companies	Verify the company in Peninsular Malaysia, Sabah and Sarawak holds the Record of monitoring from the respective Forestry Departments.	Control of encroachment, illegal harvesting, hunting, settlement and other unauthorized activities in PRFs and State Land for Peninsular Malaysia and forest management areas for Sabah and Sarawak.
Forest 	Legality of Harvest	Forest managers and timber harvesting companies	Evidence that the company holds the following: Peninsular Malaysia 1. Licenses and permits containing provisions to ensure resources are not diminished and recognition and respect to the rights and interests of aboriginal and native people. Sabah 1. Sustainable Forest Management License Agreement 2. Long term timber license agreement 3. All native customary rights recognized 4. Forest management plan Sarawak 1. Forest timber license 2. Forest management plan	
Forest 	Legality of Harvest	Forest managers and timber harvesting companies	The forest management plan documents has the following: Peninsular Malaysia <ul style="list-style-type: none"> • Forest Management Plan • Record of monitoring by Forestry Departments • Record of demarcated boundaries • Environmental Impact Assessment (EIA) • Record of mitigating measures taken Sabah <ul style="list-style-type: none"> • Harvesting plan • Record of monitoring by FDs • Record of demarcated boundaries • Forest Management Plan • EIA • Comprehensive harvesting plan Sarawak <ul style="list-style-type: none"> • Detailed Harvesting Plan on scale of 1:10,000 to show excluded areas • Record of monitoring by FDs • Record of demarcated boundaries • Timber Licence 	For Sabah, the Manual on Forest Management Planning has to be followed. For Sarawak, procedures for identifying and demarcating sensitive areas have to be followed.
Forest 	Legality of Harvest	Forest managers and timber harvesting companies	Evidence that the company holds the detailed harvesting plan and map.	Maps are drawn up according to the available standards. Boundaries demarcated on maps are clearly marked on the ground in compliance with the regulations in force.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legality of Harvest	Forest managers and harvesting companies	Evidence that the company limits the harvest of forest products according to the following regulated requirements: Peninsular Malaysia <ol style="list-style-type: none"> Records of timber products, species and quantity harvested under license Quarterly reports on areas harvested to the Forestry Departments Compliance report of the Forestry Departments Sabah <ol style="list-style-type: none"> Daily felling records Quarterly progress reports to the Forestry Department Compliance report of the Forestry Department Compartment record book Sustainable Forest Management license agreement Sarawak <ol style="list-style-type: none"> Data on the quantity and species of timber harvested within the forest management area Enumeration Data on timber harvest Compliance report of the Forestry Department 	Minimum harvestable diameters are respected during harvesting operations, harvested timber species are duly authorized by the forest management plan, and quantity of residual stands is maintained, taking cognizance of their sustainability in the long term.
Forest 	Legality of Harvest	Forest managers and harvesting companies	Ensure the company has demonstrated the following: Peninsular Malaysia <ol style="list-style-type: none"> Results of post-felling inventories Records of silvicultural treatments Analysis of change of forest stand/species composition in relation to the pre-felling inventories Sabah <ol style="list-style-type: none"> Post-harvest Inventory Closing Inspection Report Records of silvicultural treatments Permanent Sample Plot Records Sustainable Forest Management License Agreement Sarawak <ol style="list-style-type: none"> Forest Management Plan 	Minimum harvestable diameters are respected during harvesting operations, harvested timber species are duly authorized by the forest management plan, and quantity of residual stands is maintained, taking cognizance of their sustainability in the long term.
Forest 	Payment of taxes & Royalties	Forest managers and harvesting companies	Evidence that the company has paid any fees and taxes: Peninsular Malaysia <ol style="list-style-type: none"> Evidence of payment for legally prescribed fees, royalties, taxes and other charges Sabah <ol style="list-style-type: none"> Evidence of payments made according to the gazetted royalty structure and rates Performance bond for Sustainable Forest Management License Agreement Community forest cess fund Royalty based on species group Occupational permit Machinery registration fee Rehabilitation fund Sarawak <ol style="list-style-type: none"> Royalty bills under Fourth Schedule of the Forest Timber License Liquidated damage fees under Fifth Schedule of Forest Timber License Fees for license and permit under Second Schedule of Wildlife Rules 	Demonstration that all legally prescribed fees, royalties, taxes and other charges are paid and on time.
Transport 	Legality of Possession and Transport	Transporters of logs and timber products	Peninsular Malaysia, Sabah and Sarawak <ol style="list-style-type: none"> Certificate of incorporation of the company by Companies Commission of Malaysia Ministry of transport license for commercial vehicles Forestry Department, Sarawak Forestry Corporation SFC records 	Evidence that the company is registered as a business entity and lorries and other transport vehicles are also registered.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Transport 	Legality of Possession and Transport	Transporters of logs and timber products	Evidence that the company has used the followings when transporting logs or timber: Peninsular Malaysia 1. Removal pass/permits 2. Log tags or identification as appropriate 3. Hammer marks Sabah 1. Timber disposal permit 2. Log tags or identification as appropriate 3. Hammer marks 4. Removal pass 5. Export declaration form Sarawak 1. Removal pass 2. Log tags or identification as appropriate 3. Hammer marks	Stumps of harvested trees are hammer marked or paint marked. Billets of timber in forest yards are marked. Log transportation documents are filled in prior to departure from the harvesting site and are kept by the carriers during the whole transportation route.
Processing 	Legality of processing	Processors of logs or manufacturers using timber	Evidence that the company holds the following: Peninsular Malaysia, Sabah and Sarawak 1. Certificate of Incorporation of Company by the Companies Commission of Malaysia 2. Registration with Malaysian Timber Industry Board (MTIB) and Sarawak Timber Industry Development Corporation (STIDC) 3. Import license 4. Customs import declaration form 1 5. Removal pass	Timber processing company is legally registered and has valid official documents for imported logs.
Processing 	Payment of Fees & Royalties	Processors of logs or manufacturers using timber	The company demonstrates the following: Peninsular Malaysia 1. Receipts and bill of sales 2. Report of analysis of records of sawmills (Shuttle Return No. IV) 3. Report of analysis of records of plywood mills (Shuttle Return No. V) 4. Report of analysis of records of moulding mills through Shuttle Return No. VII 5. Log input book Sabah 1. Receipts and bill of sale 2. Monthly Production Return 3. Log Input book Sarawak 1. Receipts and bill of sale 2. Report of analysis of records of logs royalty assessed for local processing 3. Report of analysis of records of removal pass 4. Report of analysis of records of installed capacity of wood-based industries as indicated in their licenses 5. Log input book	
Export 	Legality of Sale and Export	Exporters of forest products	Evidence that the company is registered: Peninsular Malaysia 1. Certificate of Registration (Form 9) – Register with the Companies Commission of Malaysia (Suruhanjaya Syarikat Malaysia) Sabah 1. License according to product and company type with MTIB 2. Forestry Department license Sarawak 1. Sarawak Timber Industry Development Corporation (STIDC) export license for timber or timber products 2. CITES permit if applicable	Company, all timber exporters, suppliers, processors, graders and jetty operators have to be registered.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Export 	Legality of Sale and Export	Exporters of forest products	Evidence that the company follows the export procedures and possesses the following: Peninsular Malaysia <ol style="list-style-type: none"> Records of cess account for log, sawn timber, plywood, moulding, veneer, particleboard/chipboard and block board Timber export license Customs Department K2 form endorsed by Customs Sabah <ol style="list-style-type: none"> Record of cess account for log, sawn timber, plywood, moulding, veneer, particleboard/chipboard and block board Timber export license Custom Department K2 form endorsed by Customs Invoices State royalty fees Sarawak <ol style="list-style-type: none"> Export clearance certificate issued by Harwood STIDC export license Wildlife permits from the Sarawak Forestry Corporation CITES license License on Sepetir if applicable Customs Department K2 form endorsed by Customs 	
Export	Exporters of forest products	Exporters of forest products	Peninsular Malaysia, Sabah & Sarawak <ol style="list-style-type: none"> Directive from the Minister of Primary Industries 2002 and 2003 Customs prohibitive list 	Import ban on logs and large square scantlings (LLS) from Indonesia.
Environment 	Environmental Impact Assessment	Harvesting companies	Evidence that the company complies with and implements the following: Peninsular Malaysia <ol style="list-style-type: none"> Procedures on reduced and low impact harvesting Provisions for the utilization of harvesting residue Cable logging Forest Management Plan Record of monitoring from Forestry Departments Record of demarcated boundaries Record of mitigation measures taken Compliance report from Forestry Departments Harvesting plan Reduced impact logging Production records Analysis of National Forestry Inventory plots Sabah <ol style="list-style-type: none"> Proposal for mitigating measures (PMM) from EIA Procedures on reduced and low impact harvesting Cable logging techniques Harvesting plan Manual on Forest Management planning Record of monitoring Record of demarcated boundaries Forest Management Plan Comprehensive Harvesting Plan Compliance report <ol style="list-style-type: none"> Compartment record book Production records Analysis of Permanent Sample plots (PSP) data Sarawak <ol style="list-style-type: none"> Forest Management Plan Procedures on reduced and low impact harvesting Compliance report Procedures for identifying and demarcating sensitive areas Detailed harvesting plan Record of monitoring Record of demarcated boundaries Timber license Records and analysis of Permanent Sample Plot data Production records Forest Department's monthly production limit 	The forest management plan document must demonstrate the following: <ol style="list-style-type: none"> Implementation of guidelines and/or procedures to identify and demarcate sensitive areas for the protection of soil and water, watercourses and wetlands. The assessment of forest composition before harvesting The company demonstrates the implementation of guidelines and/or procedures on rare, threatened and endangered species. The company demonstrates the implementation of guidelines for conservation of buffer strips along streams and rivers. To ensure no discharge into Malaysian waters, no open burning, no pollution of soil.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Conservation 	Conservation assessment/evaluation	Harvesting companies	<p>Evidence that the company possesses the following:</p> <p>Peninsular Malaysia</p> <ol style="list-style-type: none"> 1. Circulars from Forestry Director General 2. Protection Forest with the licensed area 3. Endangered, rare and threatened tree species marked and felling is prohibited and will be protected 4. List of endangered, rare and threatened species of flora and fauna, including features of special biological interest such as seed trees, nesting and feeding areas in Permanent Reserve Forests (PRFs) 5. Records of infractions and monitoring <p>Sabah</p> <ol style="list-style-type: none"> 1. PMM/EIA 2. Forest Management Plan 3. Sustainable Forest Management License Agreement 4. Records of infractions and monitoring 5. Comprehensive harvesting plan 6. Compliance report <p>Sarawak</p> <ol style="list-style-type: none"> 1. Forest Management Plan 2. Compliance report 3. Records of infractions and monitoring 	The company is to demonstrate the implementation of regulations and guidelines to identify and protect endangered, rare and threatened species of forest flora and fauna, including features of special biological interest such as seed trees, nesting and feeding areas. Also, to establish representative conservation and protection areas, in accordance with existing forest ecosystems, appropriate to the scale and intensity of forest management.
Social 	Socio-economic welfare of local communities	Harvesting companies	<p>The company demonstrates the preservation and protection of the rights of aboriginal peoples and natives by possessing the following:</p> <p>Peninsular Malaysia</p> <ol style="list-style-type: none"> 1. List of license numbers approved to local communities for the collection of non-wood forest produce 2. List of contract numbers awarded to local communities for the undertaking of forest development activities <p>Sabah</p> <ol style="list-style-type: none"> 1. The right and privileges of the natives under the existing laws and regulations including customary law are observed <p>Sarawak</p> <ol style="list-style-type: none"> 1. List of permits or licenses issued for taking minor forest produce by local communities 2. List of contracts awarded to local communities by timber operators 3. Employment records of timber companies 	
Social 	Socio-economic welfare of local communities	Harvesting companies	<p>Evidence that the company has minutes of the following:</p> <p>Peninsular Malaysia</p> <ol style="list-style-type: none"> 1. Minutes of meetings of the District Action/Development Committee 2. Records of meetings and/or consultations between forest managers and communities being affected 3. Evidence of meeting minutes being handed to affected communities <p>Sabah</p> <ol style="list-style-type: none"> 1. EIA compliance report 2. Social baseline studies/Impact assessment 3. Records of meetings and/or consultations between forest managers and affected communities 4. Minutes of dialogue with affected communities on social baseline studies/Impact assessment handed to affected communities <p>Sarawak</p> <ol style="list-style-type: none"> 1. Social baseline study report 2. Records of meetings and/or consultations between forest managers and affected communities 3. Report on inquiry on the constitution of Permanent Forest Estate 4. Agreement on consulted parties and minutes of the meetings 5. Forest Management Plan 	Forest managers shall evaluate, through consultation, social impact of forest operations directly affecting communities and the people, as required by policy and have a report available to the public in accordance with the laws.

VIETNAM



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Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legal Right to Forest	Forestry managers and harvesting companies	<p>Company documentations authorized by the Provincial People Committee (PPC):</p> <ul style="list-style-type: none"> • Land use certificate • Company establishment document • Signed Decision on land allocation • Contract of land use right transfer agreement • Contract of land rental <p>Documentation issued by the District People's Committee (DPC) for Household:</p> <ul style="list-style-type: none"> • Land use certificate • Signed Decision on land allocation • Contract of land use right transfer agreement • Contract of land rental 	
Forest 	Legal Right to Forest Use	Forestry managers and harvesting companies	<p>Valid documentation authorizing forest use to the company:</p> <ul style="list-style-type: none"> • Decision of forest allocation issued by the Provincial People Committee • Contract of forest use transfer between organizations, individuals, households with enterprises <p>Valid documentation authorizing forest use to household:</p> <ul style="list-style-type: none"> • Decision of forest allocation issued by the District People Committee • Contract of forest use transfer between organizations, individuals, households with household 	
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	<p>Approved documents from the Provincial People Committee for the company or District People Committee for household:</p> <ul style="list-style-type: none"> • Decision of approval of the forest management plan • Decision of approval of the sustainable forest management plan, or • Decision of approval of the harvesting plan 	The harvesting plan is needed only for non-commercial harvesting purposes.
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	<p>Approved harvest design document and maps for the company/household</p> <ol style="list-style-type: none"> 1. Company <ul style="list-style-type: none"> • Harvesting design document approved by the Department of Agriculture and Rural Development (DARD) 2. Household <ul style="list-style-type: none"> • Harvesting design document approved by the District people committee 	<p>Management and harvesting design document may only be developed by registered organizations that are central and local organizations with prescribed forest inventory, forest design and forest planning.</p> <p>Technical Forestry Colleges (FC), licensed State Forest Enterprise (SFE) with prescribed business licenses.</p> <p>Companies/household investing in forest plantations do not require any harvesting design documents approved by authorities.</p>

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	Existence of valid harvesting licenses by the company/household 1.Company • Harvesting licenses issued by DARD 2.Household • Harvesting licenses issued by District people Committee	Companies/households investing in plantations shall submit a harvesting registration letter and estimated forest harvesting production to the local Commune People Committee so as to register forest harvesting.
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	Harvesting map at a scale of 1:5,000 or 1/10,000 which clearly indicates boundaries, exclusion harvesting areas and crosschecked on the ground to make sure all boundaries conform to official regulations.	All boundaries of licensed harvesting areas for natural forests need to be clearly demarcated on maps of an appropriate scale and on the ground.
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	Log list by the Forest ranger agency with data of all the trees harvested and logs from natural forests stamped in compliance with hammering procedures of the State regulation.	Cross-checking of the logs against the tree marking sheets, and subsequent stamping by the district Forest Protection Department, occurs at the log pond. Records of stamping are maintained by the District Forest Protection Department for natural resource tax assessment and to provide proof of origin. Companies/households harvesting logs from plantations are required to develop the timber volume list only.
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	Approved post harvest inspection report/final minute checking on all harvested natural forest areas. 1.Companies • Field survey supervision and evaluation by DARD • Decision to close the forest issued by DARD 2.Households • Field inspection report conducted by Commune forest ranger or commune forestry official • Decision on the post-harvesting closing of the forest issued by the District Peoples committee	An evaluation to measure actual harvest vs. harvest design and issue a decision to close the forest is conducted by the Department of Agriculture and Rural Development/ local forestry officer or local forest ranger.
Forest 	Payment of taxes & Royalties	Forestry managers and harvesting companies	Company's fees payment receipts that match the timber extracted are up to date for the year and cross-checked from a sample of harvesting records to ensure the value of payments is according to the volume harvested.	The company demonstrates that all payments of fees due (management plan, harvesting plan and EIA design) as well as taxes (land use tax and natural resource tax) are current.
Forest 	Payment of taxes & Royalties	Forestry managers and harvesting companies	Company's payment receipts to verify that all taxes due are paid to date and cross-checked from a sample of harvesting or production records to confirm that the value of payments is in accordance with the volumes harvested or volume of products manufactured.	The company demonstrates that payments of Value Added Tax (VAT), import/export tax (where appropriate) and income tax are current.
Transport 	Legality of Possession and Transport	Transporters of logs and timber products	Document package on all logs origin markings that are legible. 1. Round logs/sawn logs from natural forests: • Endorsed with hammer marks and the packing list, or • Packing list with the endorsement of residential forest rangers 2. Round logs/saw logs from centralized plantations, farms, home gardens and dispersed trees: • Packing list with the endorsement of residential forest rangers, or • Through hammer marks and the packing list	All round logs/sawn logs transported from harvesting areas are legally sourced in accordance with existing regulations. • Round logs dimension for hammering: diameter bigger than 25 cm and more than 1 m in length. • Sawn logs dimension for hammering: more than 1 m in length, thicker than 5 cm and wider than 25 cm.



Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
			3. Imported logs <ul style="list-style-type: none"> • Customs declaration for the imported forest products with the endorsement of Customs at the border gate • Packing list developed by overseas organizations, individuals who export the forest products • Document certifying the forest products' origin and other documents of the export country • CITES permits for the forest products(if required) 	
Transport 	Legality of Possession and Transport	Transporters of logs and timber products	Documents required for legal transportation, storage and processing) of domestic timber: <ul style="list-style-type: none"> • Sales invoice • Ex-warehousing-cum-internal transportation bills for internal transportation • Timber records (log list) according to the Ministry of Agriculture and Rural Development (MARD) format • Official Forest Protection Department (FPD) record of timber stamping in accordance to the timber consignment Imported timber transportation documents namely: <ul style="list-style-type: none"> • Import declaration or Customs certification • Timber records/lists developed by the exporting country • Forest ranger stamps or equivalent from the exporting country or, if absent, from FPD office at the point of import 	Where imported timber is resold, the Ministry of Finance sales invoices and original timber lists are also required; or if the consignment is divided, FPD-certified timber lists must be provided.
Transport 	Legality of Possession and Transport	Transporters of logs and timber products	Documents package on timber and timber products in circulation that consist of: <ol style="list-style-type: none"> 1. Unprocessed timber products originating from domestic natural forests: <ul style="list-style-type: none"> • For document package of organizations delivery: Sales invoice together with the packing list endorsed by residential forest rangers. • For document package of residential communities, households, individuals delivery: packing list endorsed by Commune People's Committee 2. Unprocessed forest products harvested from centralized plantations, gardens, farms, dispersed trees: <ul style="list-style-type: none"> • For document package of harvested logs of organisations delivery: sales invoice in accordance with regulations of Ministry of Finance, together with the packing list • For document package of logs of residential communities, households, individuals delivering: packing list 3. Imported logs not processed domestically: <ul style="list-style-type: none"> • For document package of logs of organization delivering: VAT invoice or sales invoice in accordance with regulations of the Ministry of Finance, together with the packing list endorsed by residential forest rangers • For document package of logs delivered by individuals: the packing list endorsed by residential forest rangers 4. Timber product <ul style="list-style-type: none"> • Document package of timber product originating from domestic natural forests delivered by an organization: <ul style="list-style-type: none"> • Sales invoice in accordance with regulations of the Ministry of Finance, together with the packing list endorsed by residential forest rangers • Document package of timber products originating from imported timber delivered by an organization: <ul style="list-style-type: none"> • Sales invoice in accordance with regulations of the Ministry of Finance, together with the packing list • Document package of timber products originating from domestic natural forests, imported timber, handled confiscated timber delivered by communities, households, or individuals: <ul style="list-style-type: none"> • The packing list endorsed by residential forest rangers. • Document package of timber product originating from centralized plantation, home gardens, farms, dispersed trees delivered by organization: <ul style="list-style-type: none"> • Sales invoice in accordance with regulations of Ministry of Finance, together with the packing list • Document package of timber product originating from centralized plantation, home gardens, farms, dispersed trees delivered by communities, households, individuals, organizations: <ul style="list-style-type: none"> • The packing list 5. Internal transportation of forest products <ul style="list-style-type: none"> • Document package of forest products transported internally within one province, city managed by the Central Government: <ul style="list-style-type: none"> • Internal delivery bill together with the packing list • Document package of forest products transported internally among places not in the same province, city managed by the Central Government: <ul style="list-style-type: none"> • Internal delivery bill together with the packing list and the endorsement of residential forest rangers. 	

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Processing 	Legality of processing	Processor	Maintained and up to date wood log books <ul style="list-style-type: none"> Receipt or internal warehouse management report Sales receipt, out-going papers, both of stamped by the sale enterprise, along with timber record lists extracted from the originals Income, out-coming papers, both stamped by the timber processing company. 	Data on timber entering and exiting the facility must be recorded within one day of the transaction and the form of log books are provided and guided by the district FPD.
Processing	Legality of processing	Processor	Sale contracts from the enterprise for each transaction in the supply chain up to the processing facility.	Sales invoices must be stipulated by the Ministry of Finance.
Export	Legality of Sale and Export	Exporter	Business license granted by the District People's Committee (for household businesses) or the provincial Department of Planning and Investment (for companies).	
Export 	Legality of Sale and Export	Exporter	<ul style="list-style-type: none"> All customs documents (filled custom declaration form, import contract signed with export country trader, invoice, bill of landing) Log lists in line with hammering marks or special signs of exporting country present on the cross cut of log ends Certificate of origin in the case of imported timbers 	
Export	Legality of Sale and Export	Exporter	Certificate on plant quarantine	
Export	Legality of Sale and Export	Exporter	CITES license (if required)	Export operations follow CITES regulations (if on CITES listed species)
Export 	Legality of Sale and Export	Exporter	<ul style="list-style-type: none"> Customs declaration, attached business contract, invoice and timber records or detailed list of timber and timber product's packing lists on volume/quantity species Original import customs document attached timber record extracted from the original Original documents of timber and receipt from sales company, final check minutes of harvesting operations; attached with timber records extracted from the original records Certificate of Country of origin of timber and timber products 	
Environment 	Environmental impact assessment	Harvesting companies	Official Environment Impact Assessment (EIA) report submitted applicable to the following: <ul style="list-style-type: none"> Plantation projects with an area of 1,000 ha and over Harvesting of plantations with an area of 200has and over; harvesting of natural production forests with an area of 50has and over; harvesting of natural protection forests with an area of 10has and over. Wood product processing projects with capacity of 3,000 cubic meters raw material per year and over Wood chip processing projects with capacity of 50,000 ton product/year and over Projects of plywood, particle board, fibre board with capacity of 10,000 products/year and over Other projects that have capacity less than the listed above have to register an environment protection commitment with the authority instead of an EIA report 	
Environment	Environmental impact assessment	Harvesting companies	Approved EIA report or approved environmental protection commitment by the company	
Conservation 	Conservation assessment & evaluation	Harvesting companies	Procedures in place and implemented for the identification and protection, or exploitation, of endangered species, where relevant.	This will include identification and mapping in the EIA report of endangered timber species, according to the current legislation.



These are possible ranges of legislations and documents to check in the supply chain of forestry products traded by companies which are exported to the US, EU and Australia to meet the requirements of the Lacey Act, EU Timber Regulation and the Australian Illegal Logging Prohibition Act. Companies are advised to check WWF/GFTN & TRAFFIC's [full national legality frameworks](#) for the country where they source timber from to ensure a high degree of confidence in compliance with those legal measures in the country of import. Persons seeking legal advice on compliance with the Lacey Act, EUTR, Australian Act or any other law, regulation, or requirement should consult with a qualified legal professional.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	<p>Approval and licensing by the Ministry of Agriculture and Forestry of timber harvest unit or enterprise :</p> <ul style="list-style-type: none"> Economic statement approved by the Department of Forestry Internal Code of Conduct <p>Proper registration certificate from Ministry of Industry and Commerce or their provincial authorities (obtained by the company, timber harvesting unit or timber harvesting enterprise) to check on:</p> <ul style="list-style-type: none"> Investment approval Investment incentives Tax certificate/taxpayer identification number Business operation approval 	The timber harvest unit or enterprise must be approved and legally registered.
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	<p>Land clearing operation (with logging management team appointed by the government) for an hydropower reservoir area:</p> <ol style="list-style-type: none"> Survey of existing tree species and volume Contract for specific harvesting operation that grants the right by the government to clear-cut the defined reservoir area A logging and reservoir cleaning permit issued on the basis of a logging plan and post-logging cleaning plan, including budget and manpower requirements, approved by the committee responsible for logging management and reservoir cleaning <p>For Operations on state-owned production forestland:</p> <ul style="list-style-type: none"> Permission from Ministry of Agriculture and Forestry Contract for the specific harvesting operation, and Timber harvesting license for the production forest area 	<p>Commercial timber harvest in natural forest is only permitted:</p> <ol style="list-style-type: none"> To clear-cut land for infrastructure development from government To selectively cut timber in state owner classified production forest areas, where pre-logging survey and forest management plan have been conducted
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	<p>Companies that operate plantations on state-owned concession land:</p> <ul style="list-style-type: none"> Concession awarded by the appropriate level authority Verification that the land awarded was degraded or barren forestland Verification that the size of the concession was awarded by the appropriate authority If company operates on land converted from forestland to other use, verification that the size of the converted parcel was awarded by the appropriate authority 	On degraded forest land, concessions are approved by the Provincial Land Management Authority (PONRE since 2011) for up to 150 ha, by the National Land Management Authority (MONRE since 2011) for up to 15,000 ha, and the standing committee of the National Assembly for areas over 15,000 ha.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
			<p>In the case of concessions, it is required for the company to submit an investment proposal including the following:</p> <ul style="list-style-type: none"> • Application form, basic information about the project, feasibility study, joint company contract and memorandum on initial field surveys (where applicable) • Certificate of state-owned land lease or concession registration certificate issued by the Ministry of Planning and Investment or the Provincial Office of Planning and Investment, depending on the scope of the operation • Concession agreement, between the investor and the government 	<p>On barren land, concessions are approved by the Provincial Land Management Authority (PONRE since 2011) for up to 500 ha, by the National Land Management Authority (MONRE since 2011) for up to 30,000 ha, and the standing committee of the National Assembly for areas over 30,000 ha.</p>
Forest 	Legality of Harvest	Forestry managers and harvesting companies	<p>Company or individual operating on land not awarded through concession should have:</p> <ul style="list-style-type: none"> • Tree planting parcel certificate • Grown timber certificate • Land use certificate • Land survey certificate • Land certificate or land ownership history • Land development certificate or • Land title 	<p>The company or individual is required to have valid and documented authorization for tree planting and harvest activities.</p>
Forest 	Legality of Harvest	Forestry managers and harvesting companies	<ul style="list-style-type: none"> • Harvest area in designated production forest areas have approved 15-20 year forest management plan • Approved harvest plans • Approved maps 	<p>The forest management plan should be based on the forest inventory.</p> <p>Management and design plans may only be developed by designated organizations: Forest Management Units of District Agriculture and Forestry Office (DAFO) prepare harvesting plans based on pre-harvesting inventory reports approved by Department of Forestry (DOF). Provincial Agriculture and Forestry Office (PAFO) submits a summary of harvesting plans to Ministry of Agriculture and Forestry (MAF) for approval each year.</p>
Forest 	Legality of Harvest	Forestry managers and harvesting companies	<ul style="list-style-type: none"> • The operation must have a valid logging contract between PAFO and the operator • Logging equipment must also have valid licenses 	<p>Harvesting operations need to comply with official silvicultural procedures.</p> <p>Selection cutting for production forest areas is in accordance with a government-issued annual quota, or a special quota in the case of clear-cuttings for infrastructure development areas.</p>
Forest 	Legality of Harvest	Forestry managers and harvesting companies	<p>Maps with clear boundaries marked and crosscheck on the ground to ensure that all boundaries conform to official regulations. Harvesting plan maps consist of:</p> <ul style="list-style-type: none"> • Topographic map scale 1:25.000-1:50.000 • Forest management map scale 1:10.000-1:25.000 • Tree location map scale 1:1.000 or 1:2.000 	<p>Harvesting plans should also include:</p> <ul style="list-style-type: none"> • Topographic map • Forest management map • Tree location map
Forest 	Legality of Harvest	Forestry managers and harvesting companies	<p>Checked data for all trees harvested and logs marked and stamped. Logs should be clearly marked with indications of:</p> <ul style="list-style-type: none"> • Production Forest Area (PFA) • Sub PFA • compartment • base line • strip line • tree number • log number 	<p>The forestry sector (PAFO, DAFO) supervises harvesting and is required to record log information to cross-check the logs against the harvesting plan, and subsequent stamping.</p>

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest	Legality of Harvest	Forestry managers and harvesting companies	Certificate (by PAFO) confirming that the monitoring of implementation during I and after logging has been done.	Relevant authority conducts an evaluation to measure actual harvest vs. harvest design.
Forest 	Payment of taxes & Royalties	Forestry managers and harvesting companies	<p>Proof of payment of all applicable fees and taxes:</p> <ul style="list-style-type: none"> state owned land and concessions fees and tax, state-owned land rental and concession fees Value Added Tax (VAT) profit tax contracted tax income tax land tax <p>Evidence that the company's fees and amount of timber extracted are up to date for the year and cross-checked from a sample of harvesting records to confirm that the value of payments are in accordance with the volume harvested.</p> <p>Companies operating on concession land must also have documentation (receipts) to show they have paid:</p> <ul style="list-style-type: none"> land parcel registration fees and service charges state-owned land lease and concession rates exporting and importing royalties as required. 	<p>Verification of timber revenue has been transferred to state treasury and divided according to timber sharing decree.</p> <p>Exempt from VAT are good and services for export, and activities of sapling nurseries, afforestation and operations relating to industrial plantations.</p>
Transport 	Legality of Possession and Transport	Transporters of logs and timber products	<p>Log transported from landing II to landing III or processing facility must be hammer-stamped with and F mark.</p> <p>Logs, stumps, wood galls and sawn wood transported from log landing II to export must be hammer-stamped with LF-mark.</p> <p>Documentation issued by the proper authority:</p> <ul style="list-style-type: none"> Pre-harvest timber survey (DAFO, PAFO) Complete and correct log list from scaling at landing II, with log numbers, diameters and lengths (PAFO) Hand-over memorandum from transfer of logs at landing II (PAFO and Provincial Office of Industry and Commerce (POIC)) Sale contract and calculations of timber royalties to be paid, registered by Ministry of Finance (MoF) and Ministry of Agriculture and Forestry (MAF) and (POIC) Receipt of sale and collection of revenue from timber sale (MoF) Removal permit from log landing II (POIC) Transport permit for timber commodities, finished and semi-finished timber products within the country and for export (POIC). 	<p>Verify that logs and timber products or documentation do not include prohibited timber species from natural forest areas.</p> <p>Verify documentation relating to confiscated timber subsequently sold by bidding.</p>
Transport 	Legality of Possession and Transport	Transporters of logs and timber products	Proof that transport from log landing I to log landing II has been completed by May 31, or, in the case of timber harvested from infrastructure development areas, a special permission by the government for hauling and transportation between June 1 and October 31 in case of urgent construction projects.	
Processing 	Legality of processing	Processor	Production plan of manufacture at the correspondent facility, based on the capacity of the manufacture as basis for wood quota allocation, and including product distribution plan, raw material needs and projected prices, and reports on implementation of actual production.	
Processing	Legality of processing	Processor	Facility records of timber product inspection and certification by the provincial Department of Industry and Commerce.	Timber products comply with inspection and certification criteria.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Processing	Payment of Fees & Royalties	Processor	Valid and correct sales contract with the Ministry of Industry and Commerce (MOIC).	Timber harvested from production forest areas is purchased through a bidding process from MOIC.
Export 	Legality of Sale and Export	Exporter	Enterprises must have the following: <ul style="list-style-type: none"> • Business registration certificates • Tax certificate/taxpayer identification number • Import or export license 	The company must comply with the requisite of legal business registration certificates and import and export license from the Ministry of Industry and Commerce to operate.
Export 	Legality of Sale and Export	Exporter	Verify the enterprise possesses the following approved by Ministry of Industry and Commerce (MOIC), Department of Import and Export (DIMEX): <ul style="list-style-type: none"> • Copy of enterprise registration certificate or concession registration certificate (for enterprises located in LAO PDR) • Copy of enterprise registration certificate from country of export • Export license from export country (if applicable) • Copy of log list 	Upon approval of the documents, the Ministry of Commerce issues an import license for plantation timber, verify that company has import license based on approval of specific request.
Export 	Legality of Sale and Export	Exporter	<ul style="list-style-type: none"> • Export license for plantation timber; • Export permit for wooden products complying with MOIC standards; • Export monitoring document, based on the following application items: <ol style="list-style-type: none"> 1. Letter of intent for exporting round wood, sawn wood, semi-finished products, stumps or tuber 2. Copy of enterprise registration as timber related business 3. Copy of tax registration 4. Timber payment receipt 5. Copy of log list 6. Sale purchase contract 7. Customs declaration form 8. Certificate of origin 	Export documents must be up to date. Upon review of those documents, the ministry of commerce proposes export license to the government office for approval. If granted, DOIC will issue export monitoring document.
Export 	Legality of Sale and Export	Exporter	<ul style="list-style-type: none"> • Export phytosanitary certificate • Receipts for tariffs or export duties paid in full, unless exempt • Customs Department notification to all international checkpoints on approval of exportation of timber, sawn wood and semi-finished wood products 	
Environment 	Environmental impact assessment	Harvesting companies	Approved environmental compliance certificate where necessary from Water Resources and Environment Division (WREA) which also includes the following documents: <ul style="list-style-type: none"> • Report on initial environmental examination, re-amended report based on comments of the WREA if needed • Report on environmental impact assessment • Management and environmental monitoring plan • Periodically reviewed and improvement of the environmental management and monitoring plan, and the social management and monitoring plan during project implementation • Environmental compliance certificate, including compliance with any conditions listed in certificate • Summary report of actual implementation of measures to mitigate and minimise impacts In the case of state land lease or concession, the company must present: <ul style="list-style-type: none"> • Study on socio-economic data and site suitability • Social and environmental impact assessment • Operational plan on protection of water sources and environment 	

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Environment 	Environmental impact assessment	Harvesting companies	Proof of plantation sites complying with good harvesting, post-harvesting and agricultural management standards as well as national pollution through: <ul style="list-style-type: none"> • Harvesting plan including definitions for stream buffer zones • Records of good agricultural practices • Documents showing yearly revisions of practices • Records of complaints and actions taken to resolve these 	
Conservation 	Conservation assessment & evaluation	Harvesting companies	Inclusion of/compliance with designated wildlife corridors part of and defined in the management plan.	The institution complies with wildlife corridor provisions as laid out in the management and harvesting plan.
Social 	Social assessment	Harvesting companies	<ul style="list-style-type: none"> • Approved initial social assessment • Approved social impact assessment • Approved land acquisition and compensation report • Approved resettlement plan (RP) • Approved Ethnic minority development plan 	Verify that state entity or company has paid compensation to local communities for land where applicable and at rates calculated according to the relevant legislation.

CAMEROON



These are possible ranges of legislations and documents to check in the supply chain of forestry products traded by companies which are exported to the US, EU and Australia to meet the requirements of the Lacey Act, EU Timber Regulation and the Australian Illegal Logging Prohibition Act. Companies are advised to check WWF/GFTN & TRAFFIC's [full national legality frameworks](#) for the country where they source timber from to ensure a high degree of confidence in compliance with those legal measures in the country of import. Persons seeking legal advice on compliance with the Lacey Act, EUTR, Australian Act or any other law, regulation, or requirement should consult with a qualified legal professional.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	<p>Company must hold an Approval for the forestry profession and a final operating agreement.</p> <p>Other documents to check are:</p> <ul style="list-style-type: none"> • Notice of public tender • Acknowledgement of receipt of a complete assignment of the timber concession • Notification of results of the inter-ministerial committee selecting the company as the best bidder by the Minister in charge of forestry • Proof of existing guarantee with the Treasury • Provisional Operating Agreement signed by the Minister in charge of forestry • Receipts/transfer requests addressed to the Minister in charge of forestry by the dealer and the applicant • Notification of transfer of the license by the competent authority • Receipts for payment of the transfer fee prescribed by the law <p>Extract from the registration of logging hammer stamps to the clerk of the competent Court of Appeal.</p> <p>The forestry company is not subject to any action of suspension or withdrawal of approval or title by the administration – by checking records of violation from competent authorities, litigation records of competent local departments and suspension decision of the Ministry in charge of forestry.</p> <p>Letter of approval of the terms of reference for the audit/environmental impact assessment.</p> <p>Environmental Compliance Certificate.</p> <p>Annual certificate of plot harvesting or annual operations permit.</p> <p>Notification of the start of forestry operations activities.</p>	<p>The Forestry profession Approval (License) is granted by the Prime Minister, while the final operating agreement is issued by the Ministry in charge of Forestry (who is under the authority of the Prime Minister) for fifteen (15) years renewable and evaluated every three (3) years.</p> <p>Licensed companies with final operating agreement are also requested for legal harvesting to have a five years management plan of their forests duly approved by the Ministry in charge of Forestry but also to have a Certificate of registration as a timber processor, certificate issued by the Ministry in charge of forestry.</p> <p>In case the company has a provisional operating agreement (valid for 3 years only), the company is just allowed to establish his processing unit and produce his management plan.</p>

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legal right to Harvest	Forestry managers and Decentralized entities (Councils) – Timber from council/communal forests	The decentralized entity must hold a Decree of classification of the awarded forest and a land ownership title/document . The decree is issued by the Prime Minister and the land ownership document by the Ministry in charge of State property and land affairs .	Harvest in council forests occurs according to a management plan duly approved by the Ministry in charge of forestry. The implementation of this management plan is by the municipality concerned under the control of the Ministry in Charge of Forestry. Forest products of any kind arising from the harvest of communal forests belong exclusively to the municipality concerned.
Forest 	Legal right to Harvest	Forestry managers and local or indigenous people communit(y)ies	The Community must have Management agreement/Convention or Collective Convention in case there is more than one community . Simple management plan approved by the Ministry in charge of forestry in possession of the community.	These agreements are signed between the Ministry in charge of Forestry and the community (ies) . Communities are supported by the Ministry in charge of Forestry to have their agreement. In case of violation of specific clauses of these agreements, the government can perform, at the expense of the community concerned, the necessary remedial work, or terminate the agreement without cancelling the user right of the population on some products (e.g. Non Timber Forest Products).
Forest 	Legality of Harvest	Forestry managers and harvesting companies – Timbers from production forests	The Company should have an annual operating licence and a Certificate of compliance with harvesting standards issued by the Ministry in charge of Forestry . Field books (DF10) from the company or SIGIF declaration issued by the Ministry in charge of forestry to certify the quantity of timber harvested against allocation. Count certificate provided by the company or certificate of compliance with harvesting standards by the Ministry in charge of forestry.	The Certificate of compliance with harvest standards is issued prior the submission by the company of the Count Certificate . All documents issued are based on the Management Plan approved by the Ministry in charge of Forestry. SIGIF : Système Informatisé de Gestion de l'Information Forestière (Timber Traceability System)
Forest 	Legality of Harvest	Forestry managers and Decentralized entities (Councils) – Timber from council/communal forests	The council must have the Inventory reports , the Operational plan for the current year and the Notified title of operation . These documents must be signed by the Mayor of the Council .	The harvest is conducted entirely by the council but based on the Management Plan duly approved by the Ministry in charge of Forestry . The council usually signs an agreement with a third party to harvest their timbers.
Forest 	Legality of Harvest	Forestry managers and local or indigenous people communit(y)ies	Local or indigenous people communit(y)ies must have the Multi-resources inventory report; the Yearly operational report; Agreements signed with subcontractors if any; and Activities reports. These documents are issued by the Management committee of the community(ies) under the supervision of the Ministry in charge of Forestry.	The harvest is conducted entirely by the Community(ies) but based on the Management Plan duly approved by the Ministry in charge of Forestry . Subcontracts agreements usually occur between the Community(ies) and third parties for harvest (logging companies, individuals, etc.).
Forest 	Payment of taxes & Royalties	Forest managers and harvesting companies, councils or local/indigenous people communit(y)ies	Evidence of a set of taxes to be paid by Harvesters is communicated every year by the Financial law . Evidence of payment by the harvesters of Annual rental fees and slaughter tax if applicable. Receipts from the relevant agencies provide proof .	The Annual rental fees and the slaughter tax are the common ones to be mostly paid by Companies . The Councils and local/indigenous people communit(y)ies pay minimum taxes according to the Forestry Law. Councils and local/indigenous people communit(y)ies benefit from taxes paid by companies in term of Annual Forestry Royalties distributed by the Government to councils and/or local/indigenous people communit(y)ies surrounding forest concessions. These royalties are used for the purpose of local development of concerned councils or local/indigenous people communit(y)ies.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
 Transport	Legality of Possession and Transport	Company Transporters	<ul style="list-style-type: none"> A secured Waybill for the transportation of logs and processed wood by road; Special authorization in the case of transport of special wood (ebony, etc.); CITES permit in case the timber is from a CITES listed species A Special declaration on note stamped in the case of transport by rail; A Potting certificate by the Forest Service at the loading location together with the potting report by the competent Customs department in case the transportation is done using containers. 	<p>All timbers to be transported should be clearly marked to certify their legal origin.</p> <p>Secured waybills, special authorization, CITES permit and potting report are issued by the Ministry in charge of Forestry</p> <p>The declaration of transport by railway is issued by a competent railway manager. The potting certificate is issued by the competent customs department.</p>
 Transport	Legality of Possession and Transport	Private Transporters	Private transporters must have valid documents to convey timbers or forest products, generally given by the company. Valid agreement between the private transporter and the company .	Private transporters must have all legal documents to operate as such.
 Processing	Legality of processing	Processor	The timber processing company should hold a Certificate of registration as a timber processor issued by the Ministry in charge of forestry .	The company should have all legal documents to operate, including the Authorization to set up and operate as a first class establishment issued by the Ministry in charge of industry .
 Processing	Legality of processing	Processor	The company should produced regular Processing activities reports regularly produced by the company.	The processing activities reports should prove compliance to the timber processing rate stated at 70% of timbers harvested.
 Processing	Legality of processing	Processor – imported logs	<ul style="list-style-type: none"> Import licenses issued by the competent authorities of the government in charge of forestry and finance. International waybills referred along the course of the transport route. Certificates of origin from the Ministry in charge of Forestry (Mostly for CITES listed species and upcoming FLEGT licenses) and phytosanitary measures of the exporting country under the control of the Ministry of Health. FLEGT licenses of the country of origin, or any other private certificate of legality / sustainable management by Cameroon (repository of the private certification system incorporating the main elements of Cameroon legality frameworks). CITES export permits/certificate for CITES listed species. 	
 Processing	Payment of Fees & Royalties	Processor	Evidence of payment of all related taxes as timber processor from the Company.	
 Export	Legality of Sale and Export	Exporter	Import/export license and proof of all legal documents from the company acting as exporter.	
 Export	Legality of Sale and Export	Exporter – CITES species	<ul style="list-style-type: none"> Annual operations certificate CITES declaration CITES quota and CITES permit/certificate 	The CITES permit indicates of all CITES species to export, their names, quantity and volume.
 Export	Legality of Sale and Export	Exporter – Special wood species	Exporters should have the Public notice, the Deposit receipt of a complete grant of a special permit and the Decision of the grant of the special permit signed by the Minister in charge of forestry.	
 Export	Payment of Fees & Royalties	Exporter	Receipts from the relevant agencies provide proof of payment.	Taxes are paid to different administrations at the same time, Ministry of Finance, Ministry in charge of Forestry and Customs services.
 Environment	Environmental impact assessment	Harvesting companies	<ul style="list-style-type: none"> Environmental inspection report Certificate of compliance with environmental clauses Record of environmental offenses 	The forestry company has to comply with environmental legislation and implement the mitigation measures identified for negative environmental parameters.
 Conservation	Conservation assessment & evaluation	Harvesting companies	<ul style="list-style-type: none"> Identification of fragile sites and nationally protected species of flora (and fauna) according to: Forestry inventory reports Management plan Yearly CITES quota 	

INDIA



These are possible ranges of legislations and documents to check in the supply chain of forestry products traded by companies which are exported to the US, EU and Australia to meet the requirements of the Lacey Act, EU Timber Regulation and the Australian Illegal Logging Prohibition Act. Companies are advised to check WWF/GFTN & TRAFFIC's [full national legality frameworks](#) for the country where they source timber from to ensure a high degree of confidence in compliance with those legal measures in the country of import. Persons seeking legal advice on compliance with the Lacey Act, EUTR, Australian Act or any other law, regulation, or requirement should consult with a qualified legal professional.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legal right to Harvest	Forest Managers	Approved work plan.	Work plan/scheme prepared by the State Forest Department and approved by the Ministry of Environment and Forests. Required for forests except private plantations.
Forest	Legal right to Harvest	Forest Managers and timber harvesting companies/farmers	Title deed validation to the land used including for farm forestry operations.	Entry in the concerned state revenue records/Lease deed for the land.
Forest 	Legal right to Harvest	Forest Managers and timber harvesting companies/farmers	Notifications issued by the State Forest Department constituting the reserved, protected, village, undermarked forest etc. Notifications on the rights and concessions permitted to communities in reference to the small scale collection of forest products which such as fuel wood and timber.	Entry in the concerned state revenue records/Lease deed for the land.
Forest 	Legality of harvesting	Forest Managers and timber harvesting companies/farmers	Harvesting permission for timber grown in private land. Land Revenue Code according to the land title as appropriate for each state	Different states have different restrictions on felling of wood/timber based upon area, intended use and species and is regulated as per laws, rules and regulations prevalent in that state. E.g.: State of Andhra Pradesh – ‘Tree Patta’* felling at the end of rotation period and authorization from Divisional Forest Officer. State of Bihar – Matured trees can be cut and taken away with permission from the Zonal Officer through an application with Patta details. State of Gujarat – 26 tree species have restrictions on felling. Divided into 2 categories, reserved and unreserved. Prior permission in writing from Deputy Conservator of Forest for felling a reserved tree and royalty is charged. Written permission from the Deputy conservator of Forest/Mamlatdar is needed for felling unreserved trees, and half of the sale value is to be paid to the State. State of Uttar Pradesh – Tree felling is regulated by the UTTAR Pradesh Protection of trees in the Rural and Hill Areas Act of 1979. The rules describe the competent authority enabled to authorize felling of trees. *The Tree Patta scheme aims for the protection, development and management of trees on roadsides, canal banks and other similar areas including urban areas and provides for sharing of forest produce between the beneficiaries/members/institutions and Forest Department.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Transport 	Legality of Possession	Transportation of logs and timber products	Valid Transit Pass from relevant state forest authorities which have to: <ul style="list-style-type: none"> • Be issued by a competent authority • Contain the description of forest produce being transported • Mention the place of origin of the forest produce including timber • Mention the final destination of the timber/produce including the route for its transportation E.g.: State of Andhra Pradesh: <ul style="list-style-type: none"> • Form-I – Forest produce extracted from Government Forest • Form-II – forest produce extracted from other sources State of Uttar Pradesh: 1. Transit pass to move forest produce into or from the State while within the State can be obtained from the following authorities: <ul style="list-style-type: none"> • Divisional Forest Officer – for areas within 80kms from a reserved forest • Divisional Forest Officer/Block development Officer – Other areas. A transit pass contains the name of the owner; description of the produce; origin and destination of the produce; and the route for transit.	States have prescribed their own transit rules regulating movement of timber and it varies from state to state. State of Bihar – No forest produce can be moved into or from or within any area in the State without a pass issued by the forest officer or person authorized by the State Government. A transit pass is issued by the forest officials in and around a forest area in some cases, while in other, revenue officials are competent to issue transit passes. The Deputy Conservator of Forests is the authority for this area. State of Gujarat – Transit pass is required for transporting other forest produce that has been produced on private holdings. State of Uttar Pradesh 1. No transit pass is required for the following: <ul style="list-style-type: none"> • Forest produce extracted for bona-fide domestic consumption in exercise of a privilege granted by the State Government • Forest produce covered by the Kadari license • Forest produce covered by the forest produce passes and tree and paid nistar passes Nistar – concession granted for removal from forest coupes on payment at stipulated rates, specified forest produce for bonafide domestic use. The pass thereof.
Transport 	Legality of Possession	Transportation of logs and timber products	Purchaser of auctioned timber/wood/log: <ul style="list-style-type: none"> • Release order issued by depot officer • Marking of timber with export sale hammer • Timber accompanied by a challan (an official form for the payment of royalties and fees) • Gate pass issued as per rules and regulations of the forest corporations 	State Forest Corporations have been set up by the State Forest Department to undertake forestry operations such as felling, marketing of felled timber, auctioning of timber or forest produce. The mandate of a State Forest Corporation varies from state to state.
Processing 	Legality of processing	Processors of logs or manufacturers using timber	Saw mill unit: <ul style="list-style-type: none"> • Factories License to operate a business of timber processing • Registration as a Small Scale Industry (SSI) with the District Industries Centre • Registration with the Regional Provident Fund Commissioner • Registration with the sales tax authorities • Valid license issued by the State Forest Department to undertake the operations (applicable for saw mill units and other wood based units such as plywood, veneer, pasting). 	Other conditions: <ul style="list-style-type: none"> • Consent by the State Pollution Control Board to establish and operate from • Permit from the District Commissioner • Permission from the Town and Country Planning Department The states have enacted saw mill rules pursuant to carrying out a wood balance study of the state prescribing the number of units that could be sustainably established in the state.
Processing and trade 	Payment of Fees and Royalties	Processors of logs or manufacturers using timber	Evidence of payment of all dues, fees and royalties	Payments and rules may vary according to the different states laws Under Indian Forest Act (IFA) levied by the central government.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Export 	Legality of Sale and Export	Exporters of forest products	<p>Valid registration certificate as per the relevant EXIM Policy(Export Import Policy) or issued by an export promotion council, commodity board or other registered authority designated by the Government.</p> <p>Importers Exporters Code (IEC) Number issued by the Director General Foreign Trade (DGFT) obtained by importers.</p> <p>Certificate of compliance for imported wood</p> <p>Export/import form supporting documentation</p> <p>Detailed certificate of origin</p> <p>Valid license from the relevant authority indicating norms or conditions for import export activities.</p>	Export of felled wood (wood products in the form of logs, timber, stumps etc.) are prohibited.
Export 	Payment of fees and royalties	Exporters of forest products	<p>Receipts of all payments in the possession of the company.</p> <p>Monthly reports containing species, quality and quantity submitted to Ministry of Environment and Forest (MOEF).</p>	<p>To verify:</p> <ul style="list-style-type: none"> Records of volumes harvested, collected, imported or exported are the same as has been duly sanctioned or allowed Compliance with the legal provisions and stipulations mentioned in permits and licenses issued by relevant authorities e.g. Directorate General of Foreign Trade (DGFT) for export/import and state forest departments for others
Environment 	Environmental Impact Assessment	Harvesting companies	<p>Verification of approved workplan/scheme with the purpose of:</p> <ul style="list-style-type: none"> Mitigation of the impacts due to felling operations Addressing conservation measures for wildlife as approved by the Chief Wildlife Warden in the work plan/ scheme To obtain Wildlife clearance from the National Board for Wildlife if the harvesting area falls within protected areas and in accordance with the management plan Obtain clearance from Supreme Court of India in the National Parks and sanctuary case 	The State Forest Department must have approval from the Ministry of Environment and Forest confirming harvest activities are not impacting the environment or wildlife.
Conservation	Conservation	Harvesting companies	Approved Biodiversity and Wildlife conservation Plan.	Approval is required from the State Forest Department for forest clearance according to the Forest Conservation Act of 1980.
Conservation 	Conservation	Harvesting companies	<p>Evidence of conservation measures implemented as per the :</p> <ul style="list-style-type: none"> Biodiversity and Wildlife conservation Plan Management Plan Working plan/scheme for forest Reports on conservation measures implemented 	Approval is required from the State Forest Department for forest clearance according to the Forest Conservation Act of 1980.
Social 	Social	Harvesting companies	<p>Evidence that the company is addressing the forest rights of the forest dependent communities.</p> <p>Notification issued for the reservation process according to the rights and concessions agreed with the communities living in the forest.</p>	

RUSSIAN FEDERATION



These are possible ranges of legislations and documents to check in the supply chain of forestry products traded by companies which are exported to the US, EU and Australia to meet the requirements of the Lacey Act, EU Timber Regulation and the Australian Illegal Logging Prohibition Act. Companies are advised to check WWF/GFTN & TRAFFIC's [full national legality frameworks](#) for the country where they source timber from to ensure a high degree of confidence in compliance with those legal measures in the country of import. Persons seeking legal advice on compliance with the Lacey Act, EUTR, Australian Act or any other law, regulation, or requirement should consult with a qualified legal professional.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legal right to Harvest	Forest managers & timber harvesting companies	<p>Forest area rent or sale agreement.</p> <p>Valid annual / monthly payment orders for use of the forest resources in possession of the company.</p> <p>A supply agreement, when timber is purchased from a middleman.</p>	<p>The logging has to be accomplished within the timeframe indicated in a forest area sale agreement.</p> <p>The amount of timber sold cannot exceed normal forest productivity within the rented forest area or a sold forest stand.</p> <p>The company needs to have valid payment orders in the process of obtaining legal rights to use the forest resources.</p>
Forest 	Legal right to Harvest	Forest managers & timber harvesting companies	<p>Forest management plan (Forest Development Project), developed and approved by municipal or federal official expertise provided by "Glavgosekspertiza" – the authorized government agency - or by regional authorities.</p>	<p>Protected areas, and water protection zones (when applicable) are excluded from logging, and rules for logging on steep slope, environment and conservation considerations, sizes and position of logging 'coupes' and inventory requirements have to be observed.</p> <p>The approved Forest Development Project needs to include a list of rare and endangered tree, shrub and other plant species present in the harvesting area.</p>
Forest 	Legal right to Harvest	Forest managers & timber harvesting companies	<p>Forest Declaration on the company's annual plans for the use of the forest resources.</p> <p>Forest Use Reports on actual use of forest resources which is provided quarterly.</p> <p>Clear and valid Technological Logging Map which includes a felling site survey results.</p>	<p>The company reports on its use of forest resources to forest management authorities.</p> <p>Logging has to be completed within a specific time frame.</p> <p>The Technological Logging Map must include actual boundaries of the logging sites which should correspond to those declared, actual density of the stand, species, and age composition remaining after felling.</p>
Forest 	Legal right to Harvest	Forest managers & timber harvesting companies	<p>Tree harvest selection complies with the list of protected species in:</p> <ol style="list-style-type: none"> 1. List of Tree and Shrub Species for which timber harvesting is not allowed 2. Regional Red Data Book 3. Red Data Book 4. CITES 	<p>Timber species harvested are authorized by the official forestry plans.</p> <p>Dead trees can be harvested even if on the protected species list.</p> <p>Harvesting (and trade) of Korean pine (CITES Annex III) is allowed only through special permission issued by the Federal Supervisory Natural Resources Management Service of the Ministry of Natural Resources and Environment. Logging of Siberian pine (<i>Pinus sibirica</i>) is not permitted when the stand includes a density of 30% or more of these pine trees.</p>

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Payment of taxes and Royalties	Forest managers & timber harvesting companies	Receipts for fees paid	<p>All relevant taxes for forest use must be paid and payment is proved by valid payment orders.</p> <p>The Forest Declaration, Forest Development Plan and the Report on Forest Use must comply with the legal provisions and reported.</p>
Transport 	Legality of Possession and Transport	Transporter of Logs & Timber products	<p>Valid registration license and number.</p> <p>Check the Certificate on Registration of the vehicle, and technical cards which prove that a vehicle was checked by an authorized technical center.</p>	
Transport 	Legality of Possession and Transport	Transporter of Logs & Timber products	<p>Valid transportation documents for timber:</p> <ol style="list-style-type: none"> 1. Transportation Bill 2. Specifications (which includes information on species, timber quality, quantity of logs, size of logs, volume) 3. Rail Transportation Bill 4. International Transportation Way-Bill (CMR) 	
Export	Legality of Sale and Export	Exporters of forest products	Valid export license issued by the Ministry of Industry and Trade for export of valuable timber: oak, ash and beech.	
Export 	Legality of Sale and Export	Exporters of forest products	<p>Customs Declaration with information on the exported goods, their cost, means of transport, a freight sender and a receiver. Valid Phytosanitary Certificate issued by the Federal Agency for Veterinary and Phytosanitary Surveillance.</p> <p>Licence on softwood timber traded at reduced export tariffs, where applicable.</p>	The Phytosanitary certificate is the only document that requires to provide the scientific name of a tree species unless it is a CITES listed species.
Export 	Legality of Sale and Export	Exporters of forest products	<p>Species exported comply with the following:</p> <ol style="list-style-type: none"> 1. CITES (if applicable) 2. Regional and Federal Red Data Books 3. Tree and Shrub Species List for which timber harvesting is not allowed, approved by the Ministry of Agriculture 4. Authorized species listed in Forest Management Plan 	All species exported are authorized by the appropriate agency under existing regulations.
Export	Legality of Sale and Export	Exporters of forest products	Valid Customs Declaration with information on the exported goods, their cost, means of transport, a freight sender and a receiver.	
Environment 	Environmental Impact Assessment	Harvesting companies	Environmental Impact Assessment conducted according to regulations and approved by the relevant authorities.	

EXAMPLES OF KEY DOCUMENTS

Forest Declaration

Forestry Department of the Kirov Region
Forestry Department of the Forest Management Unit

July 02, 2009

Individual proprietor

St., Kirov, tel. 0-000-000-00-00,

is a renter according the Agreement developed on _____ 2008, additional agreement # 1 to the Forest Area Rent Agreement developed on _____ 2009, registered by the Federal Registration Authority for the Kirov Region on _____ 2009 # //2009, acting on the basis of the Registration Certificate GG # of _____ 2004, declares, that in the period from 01.01.2009 till 31.12.2009 he is using forests for **logging at the rented** forest are of the Forest Management Unit of the **Kirov Region** in compliance with the Project for Forest Development, approved by the state expertise, confirmed by the Order # of the **Forestry Department of the Kirov Region** on _____ 2008 **according to the Annex** to this Declaration.

Individual proprietor _____ (name)

Appendix
to the Forest Declaration

VOLUME OF FOREST USE FOR LOGGING

Type of forest use **logging**

Focus forest use	Forest Management Unit	# quarter	# forest plot	# felling area	Type of logging	Area of the felling area (plot), hectares	Focus species group	Tree species	Measurement unit	Volume logged
1	2	3	4	5	6	7	8	9	10	11
Green zone of the city	<input type="text"/>	57	2	1	Selective, thinning	8,9	Conifers	Pine	Cubic meters	77
								Birch	Cubic meters	53
									Total at the felling area	130
Green zone of the city	<input type="text"/>	57	23	2	Selective, thinning	1,5	Broadleaves	Birch	Cubic meters	44
								Pine	Cubic meters	3
									Total at the felling area	47
Green zone of the city	<input type="text"/>	57	6	3	Selective, thinning	3,4	Broadleaves	Birch	Cubic meters	95
								Pine	Cubic meters	18
								Spruce	Cubic meters	8
									Total at the felling area	121
Green zone of the city	<input type="text"/>	57	35	1	Selective, commercial	11,0	Broadleaves	Birch	Cubic meters	366
								Pine	Cubic meters	47
								Spruce	Cubic meters	9
								Aspen	Cubic meters	149
									Total at the felling area	571

1	2	3	4	5	6	7	8	9	10	11
Green zone of the city	□	57	10	1	Selective, salvage	0,4	Conifers	Pine	Cubic meters	80
Green zone of the city	□	3	7	1	Selective, salvage	6,3	Conifers	Pine	Cubic meters	22
								Spruce	Cubic meters	82
								Birch	Cubic meters	23
								Aspen	Cubic meters	8
									Total at the felling area	135
Green zone of the city	□	20	3	1	Selective, salvage	4,0	Conifers	Spruce	Cubic meters	67
								Birch	Cubic meters	5
								Aspen	Cubic meters	8
									Total at the felling area	80
Green zone of the city	□	20	4	2	Selective, salvage	17,0	Conifers	Pine	Cubic meters	15
								Spruce	Cubic meters	270
								Birch	Cubic meters	58
								Aspen	Cubic meters	48
									Total at the felling area	391
Green zone of the city	□	20	5	3	Selective, salvage	13,0	Conifers	Spruce	Cubic meters	195
								Birch	Cubic meters	59
								Aspen	Cubic meters	26
									Total at the felling area	280
Green zone of the city	□	20	7	4	Selective, salvage	15,0	Conifers	Pine	Cubic meters	36
								Spruce	Cubic meters	219
								Birch	Cubic meters	38
								Aspen	Cubic meters	4
									Total at the felling area	297
Green zone of the city	□	20	12	5	Selective, salvage	2,0	Conifers	Spruce	Cubic meters	22
								Birch	Cubic meters	8
								Aspen	Cubic meters	7
									Total at the felling area	37
Green zone of the city	□	20	14	6	Selective, salvage	9,7	Conifers	Spruce	Cubic meters	140
								Birch	Cubic meters	65
								Aspen	Cubic meters	10
									Total at the felling area	215
Green zone of the city	□	20	15	7	Selective, salvage	1,6	Conifers	Spruce	Cubic meters	21
								Birch	Cubic meters	3
								Aspen	Cubic meters	4
									Total at the felling area	28
Total conifers						76,8				1673
Total broadleaves						19,6				739
Total for the rented area						96,4				2412

development or dismantle of previously developed, location (Forest Management Unit or Forest Park, # of the quarter, # of the plot),

area in hectares)

Renter (user) _____ (name) _____ (signature)

Date _____

Департамент лесного хозяйства
Кировской области
Лесной отдел _____ лесничества

02 июля 2009 г.

ЛЕСНАЯ ДЕКЛАРАЦИЯ

Индивидуальный предприниматель _____
610002 г. Киров, _____

являющийся арендатором по договору _____ от 09.09.2008г., дополнительное соглашение № 1 к договору аренды лесного участка от 19.06.2009г., зарегистрировано в Управлении Федеральной регистрационной службы по Кировской области 02.07.2009г. за номером _____/_____, действующий на основании свидетельства _____ от 29.01.2004г., заявляет, что с 01.01.2009г. по 31.12.2009г. использует леса для заготовки древесины на предоставленном в аренду лесном участке _____ лесничества Кировской области в соответствии с проектом освоения лесов, прошедшим государственную экспертизу, утвержденную распоряжением Департамента лесного хозяйства Кировской области от 30.12.2008г. № _____ согласно приложению к настоящей декларации.

Индивидуальный предприниматель _____

Приложение
к лесной декларации

**ОБЪЕМ ИСПОЛЬЗОВАНИЯ ЛЕСОВ
для заготовки древесины**

Вид использования лесов **заготовка древесины**

Development (dismantle) of forest infrastructure _____
(contact phone number with an area code)

development or dismantle of previously developed, location (Forest Management Unit or Forest Park, # of the quarter, # of the plot), _____

area in hectares)

Renter (user) _____ (name) _____ (signature) Date _____

The original document
(in Russian)

Приложение
к лесной декларации

**ОБЪЕМ ИСПОЛЬЗОВАНИЯ ЛЕСОВ
для заготовки древесины**

Вид использования лесов **заготовка древесины**

Целевое назначение лесов	Лесничество	№ квартала	№ выдела	№ лесосеки (деления)	Способ рубя	Площадь лесосеки (деления, выдела), га	Хозяйство	Древесная порода	Ед. изм.	Объем заготовки
1	2	3	4	5	6	7	8	9	10	11
Леса зеленых зон	_____	57	2	1	Выборочный прореживание	8,9	Хвойное	сосна	м³	77
								береза	м³	53
								Итого по делению		130
Леса зеленых зон	_____	57	23	2	Выборочный прореживание	1,5	Лиственное	береза	м³	44
								сосна	м³	3
								Итого по делению		47
Леса зеленых зон	_____	57	6	3	Выборочный прореживание	3,4	Лиственное	береза	м³	95
								сосна	м³	18
								Срощ	м³	8
								Итого по делению		121
Леса зеленых зон	_____	57	35	1	Выборочный проходной	11,0	Лиственное	береза	м³	366
								сосна	м³	47
								ель	м³	9
								осина	м³	149
								Итого по делению		571

Transportation Invoice

Sample Form Across All Industries for Russia # 1-T

Transportation Bill (front page)

Approved by the State Statistical Agency (Order # 78 on November 28, 1997)

Form on All-Russia Classificatory of Approved Documents' Forms
TRANSPORTATION INVOICE series **M-659** # _____

Supplier Individual proprietor _____ on _____ ARCID¹

Recipient business company, City _____ on _____ ARCID

Payer _____ On _____ ARCID

Codes
0345009

Complete name of organization, address, telephone number, banking information

I. PRODUCT SECTION (filled in by supplier)

Code of product (nomenclature number)	Number of price list and amendments	Number on price list	Quantity	Price, rubles, kopeks	Name of product, goods (cargo), technical specifications, mark, size, grade	Unit of measurement	Type of packaging	Number of cargo units	Weight, tons	Sum, rubles, kopeks	Registration number of a note in warehouse register (for supplier, for recipient)
1	2	3	4	5	6	7	8	9	10	11	12
070417	pine	round		27.5							

Transportation invoice is continued on _____ pages, on forms # _____ and has _____ number of registered lines

Total number of products' names _____ In words _____ Cargo weight (net) _____ tons

Total number of units _____ In words _____ Cargo weight (gross) _____ tons

Additional documents (passports, certificates and etc.) on _____ pages

Total price for products provided _____ rubles _____ kopeks

Loading authorized _____ Senior (chief) Financial manager _____

Loading fulfilled _____

On authorization # _____ of " " _____ 20 _____ issued _____

Cargo accepted for transportation _____ position _____ signature _____ name _____

(When products are accepted by a person according to quantity and assortment)

Cargo is accept. by recipient _____

ТОВАРНО-ТРАНСПОРТНАЯ НАКЛАДНАЯ (для перевозимых грузов) (форма № ТТН-2019)

ТОВАРНО-ТРАНСПОРТНАЯ НАКЛАДНАЯ № 12

Получатель: ООО "Сибирь" Адрес: 630000, Новосибирская область, г. Новосибирск, ул. Советская, д. 12

Отправитель: ООО "Сибирь" Адрес: 630000, Новосибирская область, г. Новосибирск, ул. Советская, д. 12

Дата составления: 12.12.2019

I. ТОВАРНЫЙ РАЗДЕЛ (заполняется грузоотправителем)

№	Наименование груза (товара, сырья, материала)	Единица измерения	Количество	Цена, руб.	Сумма, руб.	Содержание тары (вместимости, упаковки)	Содержание упаковки (вместимости, упаковки)					
1	Сырье	кг	100	1200	120000							

Содержание упаковки (вместимости, упаковки) _____

Всего наименований: _____ Масса (гр./кг, т): _____

Единица измерения: _____ Масса (гр./кг, т): _____

Полное наименование, сорт, марка, цвет, размер: _____

Всего штук в упаковке: _____

Отпуск тары: _____

Отпуск тары: _____

И. П. _____

The original document (in Russian)

Specification

Name of business:

_____ Ltd.

Kirov, the Kirov Region

Date of loading: August “____” 2009

SPECIFICATION # 2

Delivered from: Russia, the Kirov Region, Kirov city

Consignee: _____, Kuwait

Contract: # _____ on _____ 2009

Cargo: edge-surfaced lumber, spruce, 20 % humidity, State Standard # 2600-83

Tree species	Grade	Nominal size	Factual size	Number of units	Nominal volume (cubic meters)	Factual volume (cubic meters)
Spruce	1-3	25x100x3000	27x103x3025	840	6.30	7.07
Spruce	1-3	22x120x3000	24x123x3025	1240	9.82	11.07
Spruce	4	22x100x3000	24x103x3025	2240	14.78	16.75
Spruce	4	25x120x4000	27x123x4025	224	2.69	2.99
Spruce	4	25x100x4000	27x103x4025	283	8.40	9.40
Total				5384	41.99	47.28

Packaging materials: 30 kg

Director: _____

Наименование отправителя: _____ Дата отгрузки: « _____ » августа 2009
 Кировская обл., г. Киров

СПЕЦИФИКАЦИЯ № 2

Пункт отправления: Россия, Кировская обл., г. _____ Грузополучатель: _____ Kuwait
 Контракт: № _____ от _____
 Товар: Пиломатериал обрезной, ель, влажность 20%, ГОСТ 2600-83.
 19 пакетов.

Порода	Сорт	Номинальные размеры (мм)	Фактические размеры (мм)	Количество (шт.)	Объем номинальный (м3)	Объем фактический (м3)
Ель	1-3	25*100*3000	27*103*3025	840	6,30	7,07
Ель	1-3	22*120*3000	24*123*3025	1240	9,82	11,07
Ель	4	22*100*3000	24*103*3025	2240	14,78	16,75
Ель	4	25*120*4000	27*123*4025	224	2,69	2,99
Ель	4	25*100*4000	27*103*4025	283	8,40	9,40
Итого				5384	41,99	47,28

Упаковочный реkvизит 30 кг.

Директор: _____

The original document (in Russian)

Phytosanitary Certificate

ФЕДЕРАЛЬНАЯ СЛУЖБА
 ПО ВETERИНАРНОМУ
 И ФИТОСАНИТАРНОМУ НАДЗОРУ

FEDERAL SERVICE
 FOR VETERINARY
 AND PHYTOSANITARY SURVEILLANCE
 OF THE RUSSIAN FEDERATION

ФИТОСАНИТАРНЫЙ СЕРТИФИКАТ (2)
PHYTOSANITARY CERTIFICATE

(4) Кому: Организации(ям) по карантину и защите растений (страна) **Finland**
To: Plant Protection and Quarantine Organization of (country)

I. Описание груза - Description of Consignment

(1) Экспортер и его адрес **ООО**
Name and address of exporter

(3) Заявленный получатель и его адрес
Declared name and address of consignee

(5) Место происхождения **Republic of Karelia Sortavalskiy district**
Place of origin

(6) Заявленный способ транспортировки **by road: -; truck -**
Declared means of conveyance

(7) Заявленный пункт ввоза **Niirala**
Declared point of entry

(8,9) Количество мест и описание упаковки **in bulk**
Number and description of packages
 Отличительные знаки (маркировка) **none**
Distinguishing marks
 Наименование продукции и заявленное количество *Name of produce and quantity declared*
sawlog spruce 28 cubic meter

Ботаническое название растений **Picea**
Botanical name of plants

(10) Настоящим удостоверяется, что растения, растительные продукты или другие подкарантинные материалы, описанные выше, были обследованы и/или проанализированы согласно существующим официальным процедурам и признаны свободными от карантинных вредных организмов, перечисленных импортующей договаривающейся стороной и отвечают действующим фитосанитарным правилам импортующей договаривающейся стороны, включая таковые и для регулируемых некарантинных вредных организмов.
This is to certify that the plants, plant products or other regulated articles described herein have been inspected and/or tested according to appropriate official procedures and are considered to be free from the quarantine pests, specified by the importing contracting party and to conform with the current phytosanitary requirements of the importing contracting party, including those for regulated non-quarantine pests.

II. Дополнительная декларация - Additional declaration (11)

Coniferous wood meets the requirements of Directive 2000/29/EC, Annex IV, part A, Section I, Point 1,5 (a)

III. Обеззараживание - Desinfestation and/or disinfection Treatment

(12) Способ обработки **none**
Treatment method

(13) Химикат (действующее вещество) **none**
/Chemical (active ingredient)

(14) Экспозиция и температура **none**
Duration and temperature

(15) Концентрация **none** (16) Дата /Date/ **none**
Concentration/

(17) Дополнительная информация **none**
Additional information

Место выдачи **RUSSIAN FEDERATION**
Place of issue
t. Sortavala Republic of Karelia

Уполномоченное должностное лицо Федеральной службы по ветеринарному и фитосанитарному надзору
Authorized officer of the Federal Service for Veterinary and Phytosanitary Surveillance

М.П. Stamp
 В № 4593459
 Дата /Date/ **22MAY 2009** Подпись /Signature/

Примечание: Данный сертификат не накладывает никаких финансовых обязательств на Федеральную службу по ветеринарному и фитосанитарному надзору, а также на ее должностных лиц и представителей.
Note: No financial liability with respect to this certificate shall attach to Federal Service for Veterinary and Phytosanitary Surveillance or to any of its officers or representatives.

№ 2594811222594811 В № 4593459



These are possible ranges of legislations and documents to check in the supply chain of forestry products traded by companies which are exported to the US, EU and Australia to meet the requirements of the Lacey Act, EU Timber Regulation and the Australian Illegal Logging Prohibition Act. Companies are advised to check the WWF GFTN-TRAFFIC's full national legality frameworks for the country where they source timber from to ensure a high degree of confidence in compliance with those legal measures in the country of import. Persons seeking legal advice on compliance with the Lacey Act, EU TR, Australian Act or any other law, regulation, or requirement should consult with a qualified legal professional.

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legal right to Harvest	Forest Managers	To verify the company has: <ul style="list-style-type: none"> • The long lease for entrance and operating in the forest is granted by the State • Annual plan of operations agreed between Forest Department (FD) and Myanmar Timber Enterprise (MTE) • Permits granted by FD to harvest designated areas • Possess girdling notebooks and Selection Felling (SF) marking notebooks • MTE Extraction Manual and Standing Orders • Permission to entry forest from the concerned District Forest Officer • Agreement on felling, logging, transportation and taxation of teak in permitted areas • Harvest designated forests permit by FD • Girdling and Selection Felling (SF) marking note books • Contract for private companies with MTE • 30-year Forest Master Plan • Annual harvest plan agreed between FD and MTE • MTE Extraction Manual and Standing Orders • Sub-contractors need to have a permit for Modified Procedure (MP) 	The company holds: <ul style="list-style-type: none"> • An annual harvesting license from the forestry administration • Valid permit for land clearing. 30-year Master Plan is FD's long-term plan. The Forest District Management Plans are medium-term plans which are revised every 10 years. Annual plans are based on the latter and for timber extraction they are usually drawn in consultation with the Extraction Department of MTE. MTE formulates its annual harvest plans in compliance with FD's annual extraction targets. MTE's subcontractors must follow MTE's annual harvest plans. <p>For insecure forest areas where the government staff members cannot work, MTE allows sub-contractors to apply Modified Procedure (MP). The procedure permits the sub-contractors to fell trees above prescribed girth limit in the allotted forest area, log and transport them to a secure point (location) where measurement for revenue (akau marking) is done. Under MP FD does not select trees for harvest, and field inspection is conducted by the sub-contractor.</p> All steps required to obtain a license to operate are respected within the set time limits provided for in the laws and regulations of the country.
Forest 	Legal right to Harvest	Communities	Community Forestry Certificate issued by the FD	Community can harvest both timber and non-timber forest products.
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	Check all related maps: <ul style="list-style-type: none"> FD's forest location and management maps Area map Stock map Extraction maps Extraction plan (Form A.C, MTE) Annual plan of operation 	The gazette boundaries of a license area shall not conflict with any other land use classification. <p>MTE's field inspection is also to be accompanied by an area map which shows positions of the trees to be felled, road alignment, potential sites for log measurement and acceptance. The map is drawn by compartment at 4" = 1 mile scale.</p> Forest management maps showing management zones, annual coupe boundaries, existing road systems and other relevant information concerning forest harvesting areas

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Forest 	Legal right to Harvest	Forestry managers and harvesting companies	Check the compliance of the MTE or its sub-contractor to the: <ul style="list-style-type: none"> • FD's 30-year Master Plan • FD's District Forest management plan • The agreed annual extraction plan of FD and MTE/Company (Harvest plans) 	Areas covered by the forest title have 10 year, 5 year and annual management plans approved.
Forest 	Legality of Harvest	Forestry managers and harvesting companies	Check the compliance of: <ul style="list-style-type: none"> • FD DFO's permit to harvest • Topographic map showing harvest area • FD's forest management map of concerned Forest District 	Areas permitted for timber extraction must be located in the permanent forest estate (PEE), Protected Public Forest (PPF) or in the public forest at the disposal of the State (PF).
Forest 	Legality of Harvest	Forestry managers and harvesting companies	Check the following: <ul style="list-style-type: none"> • Formation of State Timber Board • Ministry of Agriculture and Forestry's (MOAF) notification • Harvesting permit to MTE by FD • Company registration at the Ministry of National Planning and Economics Development (MNPED) • Approval of Myanmar Investment Commission (MIC) and registration at MNPED • Approval of MIC according to Foreign Investment Law and Registry • Home Industry License by Department of Cottage Industry, Ministry of Cooperatives • Saw mill and wood processing licenses by FD • Registration at the Department of Industry Inspection, Ministry of Industry • Registration at the relevant Township Development Committee for mill, storage and service • Export/Import license by Ministry of Commerce • Permission for establishing forest plantations from Government and Ministry of Environmental Conservation and Forestry (MOECAF) 	To verify that the Company is registered as a legitimate enterprise and registered with the economic, social and forest authorities.
Forest 	Legality of Harvest	Forestry managers and harvesting companies	To verify the presence of: <ul style="list-style-type: none"> • Harvest plan • Pre-harvest exploration report • Inventory report • Inspection report • Completion report of the MTE/Contractor • Girdling and SF marking notebooks • Post-harvest assessment/Inventory report submitted by MTE/Contractor • Post-harvest assessment/inventory report of FD 	<ul style="list-style-type: none"> • National Forest Inventory has been carried out • Management Inventory is conducted for District Forest Management Plan (DFMP) revision • Revision of annual allowable cuts (AAC) is done yearly based on the DFMP <p>100% inventory has been carried out and all trees marked according to MoF regulations.</p> <p>Cruising report is prepared.</p> <p>To verify the 10-year management plan complies with the 30-year master plan of FD, and ensure that the prescribed yields are within allowable cuts.</p>
Forest 	Legality of Harvest	Forestry managers and harvesting companies	To verify: <ul style="list-style-type: none"> • The compliance with Reduce Impact Logging (RIL) and National Code of Forest Harvesting Practices 	Access roads and tracks in forest areas are built in compliance with operating standards (planning of road network and observation of standards relating to road and right-of-way width, drainage, slopes etc.)

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Forest 	Legality of Harvest	Forestry managers and harvesting companies	To check the following: <ul style="list-style-type: none"> • Girdling instructions • SF marking instructions • Girdling and SF marking notebooks • Completion reports • Inspection reports 	FD practices Myanmar Selection System (MSS) which prescribes girth limits for tress species to be extracted. Various hammer marks are put on the trees selected for girdling or for SF are permitted to be cut. Deputy Manager of Extraction Dept of MTE inspects the area after the completion of extraction. If he is satisfied that the extraction has been successfully finished he prepares the Completion report of harvesting. Then, MTE duly submits this report to FD. The compartment or area where extraction has taken place is given back to FD within 8 months, and later, FD conducts post-harvest assessment of the area.
Forest 	Legality of Harvest	Forestry managers and harvesting companies	To verify the compliance with: <ul style="list-style-type: none"> • District Forest Management Plan • Annual extraction plan 	Under MSS only selected timber species are harvested. The locality and the number or volume of trees to be extracted is prescribed in the District Forest Management Plan (DFMP). Annual operational plans are prepared for each forest district and for the country as a whole.
Forest 	Payment of taxes & Royalties	Forestry managers and harvesting companies	To verify that MTE has completed: <ul style="list-style-type: none"> • Control forms of MTE (Form B for felling, Form C for Logging, Form D for Stumping, Trucking Voucher, Depot register and etc.,) • Accepted Statement (AS) prepared by FD & MTE for settlement of royalty by MTE • Trucking Slip/removal pass and revenue hammer on logs to indicate the payments made • For sub-contractors of MTE to check relevant tax receipts and invoices 	MTE to pay only royalty to FD after measurement of harvested logs.
Transport 	Legality of Possession and Transport	Transporters of logs and timber products	Valid license permit	Valid license permit from FD and the authorized company for: <ul style="list-style-type: none"> • Barges and towing boats transporting forest products • Trucks and other heavy equipment
Transport 	Legality of Possession and Transport	Transporters of logs and timber products	To verify that: <ul style="list-style-type: none"> • Hammers are registered at District FD offices • MTE/Company hammer marks are put on stumps and logs • Akauk (or royalty) marks and person hammer marks of MTE and FD measuring officers on the measured logs 	Stumps and logs of harvested trees are hammer marked or painted according to regulations. Hammers include: <ul style="list-style-type: none"> • Akauk (revenue-FD) hammer • Area hammer • A-Y hammer • Company hammer • Green timber hammer • Numbering star hammer • Personal hammer • Refuse hammer • Star hammer • Year hammer

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Transport 	Legality of Possession and Transport	Transporters of logs and timber products	To verify that the hammer marks are placed as follows: <ul style="list-style-type: none"> • On the stump • On the log 	To verify that the logs and the billets at the depots are marked according to regulations to enable tracing. On the stump: <ol style="list-style-type: none"> 1. Area hammer mark (hm). 2. Company's property hm, 3. Personal hm, 4. Number showing the no. of logs obtained from that tree and 5. Girdled tree serial number. On the log: <ol style="list-style-type: none"> 1. Area hammer mark (hm). 2. Company's property hm, 3. Personal hm, 4. Girdled tree serial number.
Transport 	Legality of Possession and Transport	Transporters of logs and timber products	To check the following: <ul style="list-style-type: none"> • Contract terms • Harvesting permit • Transport permit • Removal pass 	Logs transportation documents are completed prior to departure from harvesting sites and are retained throughout transportation. Transport permit is issued by MTE to subcontractors to transport logs from the forest to log yards. Removal pass is the permit issued by a township forest officer or any authorized forest officer to the lawful owner of the timber to transport beyond his township.
Processing 	Legality of processing	Processor	To verify the following: <ul style="list-style-type: none"> • Company registration license • Logging permits • Log removal passes/trucking slips • Transport permits • Sawmill license • Mill and depot log book • Export license • Export quota awards 	Licenses related to timber processing plants should be available for inspection from the company.
Processing 	Legality of processing	Processor	To verify that: <ol style="list-style-type: none"> 1. Wood log books are maintained and up to date; 2. The following records and reports are in place: <ul style="list-style-type: none"> • Records of inputs and outturn are in place • Inspection and monitoring reports by FD • Inspection and monitoring of the operations report 	Data on timber entering and exiting the facility must be recorded within one day of the transaction and log books are provided and guided by the township forest department.
Processing	Payment of Fees & Royalties	Processor	Sales contracts for each transaction in the supply chain to the processing facility	All raw material received by the wood processing facility must be accompanied by sale contracts and official sales invoice.
Export 	Legality of Sale and Export	Exporter	Export/import license from the Directorate of Trade, Ministry of Commerce	The company holding an export/import license must be member of the Myanmar Timber Merchant Association (MTMA) and Union of Myanmar Federation of Commerce and Industry (UMFCCI).
Export 	Legality of Sale and Export	Exporter	To verify the existence of: <ul style="list-style-type: none"> • Certificate recommending the legality of the products • Certificate of Country of Origin (COC) provided by UMFCCI and MTMA • Export license • Customs' export declaration form and supporting documents • Invoices • Bills of lading 	Must possess all required documents for the export or import of timber products according to official regulations.

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Export 	Legality of Sale and Export	Exporter	All species exported/imported are authorized by the appropriate agency under existing regulations.	<p>Both logs and value-added forest products can be exported from Myanmar until 2014. However the export of logs will be banned starting from 2014-15. The forests in the country are managed under MSS which allows the extraction of mature trees of all commercial species.</p> <p>Imported species need to undergo quarantine by the Ministry of Agriculture and Irrigation.</p>
Environment 	Environmental impact assessment	Harvesting companies	Environmental Impact Assessment (EIA) reports	Environmental impact assessments must be conducted according to regulations and approved by MOECAF. The adoption of this requirement is pending.
Conservation 	Conservation assessment & evaluation	Harvesting companies	<p>To check:</p> <ul style="list-style-type: none"> • National Forest Inventory (NFI) records • Forest and wildlife management plans • FD's declaration of list of endangered wildlife species 	<p>Fragile sites are identified:</p> <ul style="list-style-type: none"> • Reserved Forests (RF) • Protected Public Forests (PPF) • Protected Areas System (PAS) • Public Forests (PF) <p>RF, PPF and PAS constitute Permanent Forest Estate (PFE). No activity is allowed on PFE without the permission from MOECAF.</p> <p>PAS includes parks, national parks and wildlife sanctuaries.</p> <p>The NFI and management inventories done as required assess not only forest resources but accessibility, topography and forest ecosystems.</p>
Social 	Socio-economic welfare	Harvesting companies	Meet with the community and verify that their rights are being respected.	User rights of local communities in the forestry concessions are recognized and respected.
Social 	Socio-economic welfare	Harvesting companies	<p>To conduct:</p> <ul style="list-style-type: none"> • Interview with community • Field check and inspection 	The company must make financial contributions in a timely manner to community development program(s).



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Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legal right to Harvest	Forest Managers	<p>The holder of the Sustainable Forest Management Plan must have proof of registration by the National Registry of Legal Entities (CNPJ), or the Natural Persons Registry (CPF) and Clearance certificates issued to an Individual or Corporate Entity by the Internal Revenue Service.</p> <p>The forest area must have a certificate of registration of rural property (CCIR), a deed of purchase and sale of land, a declaration of calm and peaceful possession, a document granting individual or collective real right to use, or similar instrument(s) on the rural property of public ownership, signed by the responsible federal/state or land agency.</p> <p>Forest Management Units (FMUs) are registered by the National Institute of Colonization and Agrarian Reform – INCRA.</p>	In some States, e.g. state land parcels in the states of Acre, Amapá, Amazonas, Mato Grosso, Maranhão, Pará, Roraima, Rondônia and Tocantins – a clearance certificate, legitimacy certificate of origin or certificate issued by the state agency of land control is required.
Forest 	Legal right to Harvest	Rural communities	The holder must have approved legal or customary rights: Maps, sketches, topographical plans, meetings minutes, declarations, rules and internal procedures or other records that prove the respect possession rights and/or land use.	<p>Applies to plantations and/or natural forests.</p> <p>Maps, topographical plans or sketches of the forest management unit with geographic coordinates must not have indigenous lands or quilombos (human settlements originally established by former slaves) within a 10 km radius.</p>
Forest 	Legal right to Harvest	Forest managers and harvesting companies	Maps, sketches, topographical plans, forest management plans, regulations and internal procedures or any other records that prove the identification, recognition and protection of special cultural, ancestral, ecological, economic or spiritual sites of interest to indigenous populations within the forest management unit.	Focus on the identification, recognition and protection of places of special cultural, ancestral, ecological, economic or spiritual interest to indigenous populations within the forest management unit.
Forest 	Legal right to Harvest	Forest managers and harvesting companies	Sustainable Forest Management (SFM) Plan that include the permanent preservation areas and legal reserves; identification mapping and documentation of production areas and hydrography of the FMUs, geo-referenced maps and/or sketches indicating, areas of permanent preservation, legal reserves, hydrography, extensions or skid trails, timber loading yards or ports (if any) – and infrastructure.	

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	Authorization for managing the protected area buffer zone. Authorization for administering the Extractive Reserve or the Federal Reserve Development or the National Forest by the State or Brazilian Forest Service. Approval of the deliberative or consultative Council.	Buffer zones of conservation units have consent of the agency responsible for the unit. Small-scale or community scale operations in conservation units follow the existing management standards. Approval respects the economic-ecological zoning of the conservation unit.
Forest	Legal right to Harvest	Forestry managers and harvesting companies	Informative document with records on planting/ reforestation with native species notified to the relevant environmental agency.	
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	Logging permit (license) or equivalent document with expiration date, area, geographic location, species, volume, holder of the management plan and technical accountability person assigned, approved and issued by the competent authority.	
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	National or regional Environmental Impact Assessment (EIA) approved by the Federal Environmental Agency – Ibama for public lands or federal National Forests.	Applies to forest management units on private lands above 50,000 hectares; Management units with contiguous area located in more than one state and/or; Management units exploiting species listed on Appendix II of CITES.
Forest	Legal right to Harvest	Forestry managers and harvesting companies	Annual plan of operation with 100% forest inventory (census) of tree species above the minimum felling diameter.	
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	Field survey report carried out at the forest management unit by the licensing authority not identifying problems or high levels of damage in log cutting and skidding practices, mainly concerning: <ul style="list-style-type: none"> • Sawing wood in unauthorized areas • Damage to watercourses • Handling of illegal timber • Absence of marks in logs and stumps of trees cut • Non-damaging or exploitation of trees of species and/or parent trees identified in the inventory. • No damage to permanent preservation areas. • Canopy opening 	
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	Post-extraction Technical Survey Report on the minimum felling diameter and maximum logging intensity. Post-extraction Technical Survey Report on the maximum logging intensity for 30 cubic meters of logs per hectare.	Aimed to ensure that the minimum felling diameter and the maximum logging intensity per hectare are respected. Specific rules for species with a minimum felling diameter of less than 50 cm.
Forest 	Legal right to Harvest	Forestry managers and harvesting companies	CITES Listed, endangered, threatened or protected species are listed in the forest management plan.	Protected species such as rubber trees are not harvested. The species list differs for the State of Amazonas.

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Forest 	Legal right to Harvest	Forestry managers and harvesting companies	<p>Presentation and registry of discharge (no registry) by the Forest Sustainable Management Plan holder or the plantation company to the Treasury Office of the State (headquarter or subsidiary office) where Tax on Circulation of Goods and Services (ICMS) payments are paid.</p> <p>Forest Sustainable Management Plan holder or the plantation company presents the registry and evidence of discharge (No Registry) with the Treasury Office of the state where it's headquarter and/or subsidiary is located when payer of the Tax on Circulation of Goods and Services (ICMS).</p> <p>Negative certificate or similar document that serves as evidence for absence of debits with the Brazilian Forest Service, Ibama, Chico Mendes Biodiversity Conservation Institute (Icmbio) or state agency responsible for forest concessions.</p>	
Transport 	Legality of Possession and Transport	Timber companies and timber transport operators	<p>Proof of compliance in Ibama's Electronic System DOF (forest origin document) for the person legally responsible for the transportation of timber.</p> <p>Clearance certificate in the electronic system DOF.</p>	<p>Registration and Debt Clearance Certificate in the Federal Technical Registry of Potentially Polluting Activities and/or Users of Environmental Resources – CTF</p> <p>Registration and Debt Clearance Certificate in Registry of Forest Products Extractors and Consumers – CEPROF of a natural or legal person who commercializes and/or extracts the timber being transported.</p> <p>Registration and Clearance Certificate in the Registry of Forest Products Consumers (CCSEMA) of a natural or legal person who commercializes and/or extracts the timber being transported.</p> <p>Registration and Clearance certificate in the forest Activity Verified system (CAF) of the natural or legal person who commercializes and/or stores the sub-product timber being transported.</p>
Transport	Legality of Possession and Transport	Timber companies and timber transport operators	Declaration of harvest and Commercialization (DCC) for exotic species from planted forests	Regulated by the regional State Forest Institute Forest (IEF).
Transport 	Legality of Possession and Transport	Timber companies and timber transport operators	<p>Documents of Forest Origin (DoFs) emission/reception Reports.</p> <p>DOFs and/or Waybills for Forest Products and By-Products Transportation of the exported products' custody chain.</p> <p>Valid Forest Forms (GFs) and/or Forest Originated Documents (DOFs) and/or Environmental Control Forms (GCA) for each load of logs or processed timber (have not been reversed, canceled, reused, defrauded etc.).</p>	Legal evidence throughout the course of logs or processed wood transportation stating their chain of custody/origin.
Transport 	Legality of Possession and Transport	Timber companies and timber transport operators	Shipping List and other control registrations, markings in logs and stumps.	Own transported/received timber control system considered as essential.



Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Processing 	Legality of Processing	Processors of logs or manufacturers using timber	Valid registration, installation and operation license and evidence of compliance with the environmental agencies at federal, state and municipal level.	Registration and Debt Clearance Certificate in the Federal Technical Registry of Potentially In In relation to: Polluting Activities and/or Users of Environmental Resources (CTF). Registration and Debt Clearance Certificate in the Registration, Collection and Inspection System (SICAFI) of Ibama. For the State of Para, registration and Clearance Certificate of technician responsible in the Registry of Forest Products Extractors and Consumers (CEPROF). For the State of Mato Grosso, registration and Clearance Certificate of the responsible technician in the Registry of Forest Products Consumers – CCSEMA.
Processing 	Legality of Processing	Processors of logs or manufacturers using timber	Documents of Forest Origin (DoFs) emission/reception Reports. DoFs and/or Waybills for Forest Products and By-Products Transportation (GFs) of the processed logs and timber custody chain.	The company presents documents, systems, markings and/or internal control registration correspondent to logs and timber products being received/stored.
Export 	Legality of Sale and Export	Exporters of forest products	Export Registry (RE) in the Foreign Trade Integrated System (Siscomex) of the Brazilian Internal Revenue Service. Registration and Conformity Certificate in the Federal Technical Registry of Potentially Polluting Activities and/or users of Environmental Resources (CTF).	Some states have additional requirements.
Export 	Legality of Sale and Export	Exporters of forest products	Export Order (DE) as proof of legality of the origin of timber or timber product. Document of Forest Origin for Export (DOF Exp) or Forest Form type 3 for Export (GF3 Exp) attached to the Export Order (DE).	
Export 	Legality of Sale and Export	Exporters of forest products	Exporter technical explanation approved by technical and scientific opinion of the Forest Products Laboratory of IBAMA.	Export of raw timber from forest plantations or forest management plans is subject to special procedures.
Export 	Legality of Sale and Export	Exporters of forest products	Lists of extinct, threatened or protected species such as the rubber tree or seringueira in Portuguese (Hevea brasiliensis) and Brazil nut tree or castanheira/castanha-do-brasil in Portuguese (Bertholletia excelsa) of the Ministry of Environment to ensure these are not extracted.	Extinct and protected species are not to be extracted, commercialized or exported.
Export 	Legality of Sale and Export	Exporters of forest products	Export Order with the attached: <ul style="list-style-type: none"> • Custody chain phases approval from forest to export • CITES permit for Appendix II listed species • Certificate of Origin issued by Ibama for CITES Appendix III listed species 	

Stage in Supply Chain	Legislation Component	Laws Apply to:	Documents to Check	Notes
Environment 	Environmental Impact Assessment	Harvesting companies	Verification of: <ul style="list-style-type: none"> Environmental impact study or forest management evaluation Authorization for forest management issued by the environment agency responsible for the administration of a Conservation Unit or by the Natural Patrimony Private Reserve (RPPN) Owner State environmental agency or IBAMA evaluation that proves that the environmental impacts have been reduced or mitigated. 	The operation of forest extraction and management, which affects a Conservation Unit or its buffer zone must undergo specific evaluation and authorization. The environmental impacts of plantations in Conservation Units (UC) and their respective buffer zones are studied and evaluated.
Environment 	Environmental Impact Assessment	Harvesting companies	Annual report with information on the whole forest management area, describing activities carried out (pre, during and post-forest extraction operation) and indicating volumes effectively extracted within the twelve months period.	
Environment 	Environmental Impact Assessment	Harvesting companies	Existence of signs and warnings against hunting, fishing and deforestation; vigilance system.	Adoption of protection system(s) or measures against illegal timber extraction, illegal occupation and other forbidden activities. Undertaking of environmental education program(s) and environmental conservation training(s) for employees and surrounding communities.
Conservation 	conservation assessment & evaluation	Harvesting companies	Post-extraction activities report on the evaluation of fauna and flora conservation.	Guidelines for the reduction of impact on the forest management unit's flora and fauna.
Conservation 	conservation assessment & evaluation	Harvesting companies	State of Amazonas – Description of rare, threatened and endemic flora species on the forest management plan. Impact on Biodiversity monitoring report.	Protection measures for native flora and fauna species considered endemic, rare, threatened or in danger of extinction, and their habitat.
Social 	Strengthens socio-economic welfare	Harvesting companies	Program or practices to support communities along the production chain, who use or collect forest products inside the forest management unit.	Adoption of measures that consider and recognize socio-economic welfare of indigenous or rural communities.
Social 	Strengthens socio-economic welfare	Harvesting companies	Maps, sketches and documents regarding the location of all communities, and data on associations and other representations.	Information on the identity and location of all traditional (indigenous) and rural communities as well as associations and cooperatives who inhabit the surroundings of the forest management unit.
Social 	Strengthens socio-economic welfare	Harvesting companies	Contract or formal agreements with the indigenous people or community(ies), made freely and with due consent of both parties before the beginning of forest operations. Receipts of payments made to the indigenous people or community(ies).	Compensation to indigenous people or local communities for the use of the traditional knowledge regarding the good use of forest species and/or for management systems applied to the timber operations.





RESPONSIBLE ASIA FORESTRY & TRADE (RAFT) PARTNERSHIP

RAFT is a regional programme that provides capacity building and knowledge sharing services to Asia Pacific countries in support of their efforts to promote trade in responsibly harvested and manufactured wood products.

RAFT is supported by the Australian and U.S. Governments and is implemented by The Nature Conservancy (TNC), the Institute for Global Environmental Strategies (IGES), TFT (The Forest Trust), the Tropical Forest Foundation (TFF), TRAFFIC – the Wildlife Trade Monitoring Network, and WWF’s Global Forest & Trade Network (GFTN). In addition to these key implementing partners, RAFT works with government, industry, IGOs and educational institutions from across the globe.

Through supply-side capacity building, technical support and networking opportunities, RAFT partners help bridge the gap between market and policy incentives and current management practices in order to help Asia Pacific suppliers meet the growing demand for verifiably responsible wood products that benefit local and global economies while also preserving the environment and mitigating climate change.

The program targets six countries – China, Indonesia, Lao PDR, Myanmar, Papua New Guinea and Vietnam – with others involved through regional dialogues and learning exchanges.

www.responsibleasia.org

WWF is one of the world's largest and most experienced independent conservation organizations, with almost 5 million supporters and a global network active in more than 100 countries.

WWF's mission is to stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature, by:

- conserving the world's biological diversity
- ensuring that the use of renewable natural resources is sustainable
- promoting the reduction of pollution and wasteful consumption.

GFTN is WWF's initiative to eliminate illegal logging and transform the global marketplace into a force for saving the world's valuable and threatened forests. By facilitating trade links between companies committed to achieving and supporting responsible forestry, GFTN creates market conditions that help conserve the world's forests while providing economic and social benefits for the businesses and people that depend on them. GFTN considers independent, multi-stakeholder-based forest certification a vital tool in this progression and helps infuse the principles of responsible forest management and trade practices throughout the supply chain.



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TRAFFIC, the wildlife trade monitoring network, works to ensure that trade in wild plants and animals is not a threat to the conservation of nature.

TRAFFIC's Vision is of a world in which trade in wild plants and animals is managed at sustainable levels without damaging the integrity of ecological systems and in such a manner that it makes a significant contribution to human needs, supports local and national economies and helps to motivate commitments to the conservation of wild species and their habitats.



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