

Third draft: 27-09-2016

LEGALITY STANDARD 1: PRODUCTION FOREST

PRINCIPLE 1.1 FOREST LAND AND FOREST CATEGORY FOR HARVESTING		
Criteria 1.1.1 Harvesting operation shall be conducted under the forest land and forest category which has been defined by the Government based on the law and regulation.		
Indicator 1.1.1.1 Harvesting operation shall be conducted under the forest land and forest category which has been defined by the Government as production forest.	Verifiers: <ul style="list-style-type: none"> Detailed map of forest land and production forest for harvesting operation. 	
Legal reference: <ul style="list-style-type: none"> Law on Forestry No. 06/NA Dec 2007 (Articles 9, 12 and 56) Decree No. 27/PM Feb 2006 Decree No. 321/PM Sept 2006 Decree No. 270/PM Dec 2008 	Responsible organization <ul style="list-style-type: none"> Ministry of Agriculture and Forestry (MAF). 	Verification procedures <ul style="list-style-type: none"> Review document Interview forestry authority Field inspection
PRINCIPLE 1.2 MANAGEMENT PLAN OF HARVESTING OPERATION IN PRODUCTION FOREST		
Criteria 1.2. 1 Harvesting operation in production forest area has been complied with the regulation on sustainable production forest management.		
Indicator 1.1.2.1 The harvesting operation has complied with production forest management plan classified into management area, sub-management area and logging compartment which has been endorsed by DOF.	Verifiers: <ul style="list-style-type: none"> Forest management plan <u>and logging compartment.</u> 	
Legal reference: <ul style="list-style-type: none"> Regulation No. 0221/MAF. Oct 2000 (Articles 13-14) Decree No. 59/PM. May 2002 (Articles 6-9) Regulation No. 0204/MAF. Oct 2003 (Articles 7,9 and 13) Instruction No. 2156/DOF. Nov 2006 Instruction No. 2157/DOF. Nov 2006 	Responsible organization <ul style="list-style-type: none"> Department of Forestry (DOF) Provincial Agriculture and Forestry Office (PAFO) District Agriculture and Forestry Office (DAFO) 	Verification procedures <ul style="list-style-type: none"> Review document Interview forestry authority Field inspection

PRINCIPLE 1.3 HARVESTING OPERATION IN PRODUCTION FOREST AREA		
Criteria 1.3.1 Harvesting operation shall be approved by the Government		
Indicator 1.3.1.1 Harvesting operation is under the annual harvesting plan of the province which has been endorsed by the Government and approved by the National Assembly.	Verifiers: <ul style="list-style-type: none"> • Provincial letter of application for annual harvesting plan • Endorsement letter from the Government • Approval letter from the National Assembly • Notification of MAF on annual harvesting plan • Harvesting permit issued by PAFO 	
Legal reference: <ul style="list-style-type: none"> • Order No. 17/PM. Sept 2008 • Regulation No. 0204/MAF. Oct 2003 (Articles 13 and 20) • Instruction No. 0105/MAF. Nov 2008. • Instruction No. 2157/DOF. Nov 2006. 	Responsible organization <ul style="list-style-type: none"> • MAF • PAFO 	Verification procedures <ul style="list-style-type: none"> • Review document
Criteria 1.3.2 Harvesting operation complies with harvesting principles		
Indicator 1.3.2.1 The timber harvesting operator possess harvesting contract and harvesting permit issued by PAFO.	Verifiers: <ul style="list-style-type: none"> • Harvesting contract • Harvesting permit issued by PAFO 	
Legal reference: <ul style="list-style-type: none"> • Order No. 17/PM. Sept 2008. • Instruction No. 0105/MAF. Nov 2008 • Decision No. 0182/ MAF. Feb 2009 (Articles 6 and 7) • Instruction No. 2157/DOF. Nov 2006. • Guidelines No.1035/DOF, 1036/MAF. Apr 2010 	Responsible organization <ul style="list-style-type: none"> • PAFO • DAFO • Local administration 	Verification procedures <ul style="list-style-type: none"> • Review document • Interview forestry authority
Indicator 1.3.2.2 The timber harvesting operator complies with harvesting in permitted area and cutting trees which have been marked only.	Verifiers: <ul style="list-style-type: none"> • Map of harvesting area • Map indicating the standing trees for cutting 	
Legal reference: <ul style="list-style-type: none"> • Regulation No. 0221/MAF. Oct 2000 (Articles 3-14) • Instruction No. 2157/DOF. Nov 2006. • Guidelines No. 1035/DOF, 1036/MAF. Apr 2010. 	Responsible organization <ul style="list-style-type: none"> • PAFO • DAFO • Local administration 	Verification procedures <ul style="list-style-type: none"> • Review document • Interview forestry authority and villagers at logging area

		<ul style="list-style-type: none"> • Field inspection
<p>PRINCIPLE 1.4 TIMBER SALE AND TIMBER MOVEMENT TO WOOD PROCESSING FACTORY</p>		
<p>Criteria 1.4.1 Timber sale has been complied with regulations on timber sale and purchasing of the Government</p>		
<p>Indicator 1.4.1.1 Timber sale shall be conducted in accordance with the bidding procedures.</p>	<p>Verifiers:</p> <ul style="list-style-type: none"> • Log list at log landing 2 • Timber registration as state assets • Letter of establishment of the bidding committee • Notification for involvement in bidding • Minutes of opening of bidding • Notification of the winner of the bidding • Timber selling and purchasing contract • Certified receipt of royalty payment 	
<p>Legal reference:</p> <ul style="list-style-type: none"> • Presidential Ordinance No. 003/PO. Dec 2012 (Article 40) • Order No. 57/PM. Dec 2014. • Guidelines No. 3211/MOF. Sept 2015. • Notification No. 1813/MOIC. Sept 2015. • Regulation No. 1726/MOIC. Aug 2012. • Instruction No. 2298/MOF. Oct 2004. 	<p>Responsible organization</p> <ul style="list-style-type: none"> • Bidding committee • PAFO • Provincial Finance Department • Provincial Office of Industry and Handicraft (POIC) 	<p>Verification procedures</p> <ul style="list-style-type: none"> • Review document • Interview the bidding committee and villagers • Field inspection
<p>Criteria 1.4.2 The harvesting operator has complied the regulation on timber movement from log landing 2 to 3</p>		
<p>Indicator 1.4.2.1 The harvesting operator has in place of timber movement permit from PAFO before proceeding of timber movement.</p>	<p>Verifiers:</p> <ul style="list-style-type: none"> • Certified letter of royalty payment • Cancellation of registration from state assets • Transport slip from log landing 2-3 	
<p>Legal reference:</p> <ul style="list-style-type: none"> • Forestry Law No. 06/NA, Dec 2007 (Article 53). • Instruction No. 0962/DOF. Apr 2010. 	<p>Responsible organization</p> <ul style="list-style-type: none"> • PAFO • DAFO 	<p>Verification procedures</p> <ul style="list-style-type: none"> • Review document • Interview forestry authority and villagers • Field inspection
<p>PRINCIPLE 1.5 BENEFIT SHARING</p>		
<p>Criteria 1.5.1 Benefit sharing from timber sale has been complied with related regulations</p>		

<p>Indicator 1.5.1.1 Timber sales from production forest area has been shared seventy percent (70%) as income to state budget and thirty percent (30%) as budget for the management, protection, and development of production forest, for village and cluster village development fund which has its boundary nearby the production forest.</p>	<p>Verifiers:</p> <ul style="list-style-type: none"> • Invoice issued by State asset sector • Certified receipt of payment • Bank account 	
<p>Legal reference:</p> <ul style="list-style-type: none"> • Presidential Ordinance No. 001/PO. Dec 2012 (Article 4) 	<p>Responsible organization</p> <ul style="list-style-type: none"> • Provincial Finance Department • PAFO 	<p>Verification procedures</p> <ul style="list-style-type: none"> • Review document
<p>Indicator 1.5.1.2 Income of timber sale from production forest of the second portion of thirty percent (30%) of the total income is counted as 100% then allocated to stakeholders as follows:</p> <ul style="list-style-type: none"> • Portion one, twenty percent (20%) to be of the forest and forest resources development fund. • Portion two, twenty percent (20%) to be the fund for production forest development in the whole country. • Portion three, twenty percent (20%) to be the fund for production forest development where harvesting operation was taking place. • Portion four, forty percent (40%) to be the village or cluster village development fund who have the joint contract on production forest management. 	<p>Verifiers:</p> <ul style="list-style-type: none"> • Money transfer receipt to the provincial treasury. • Money transfer receipt to the bank account of the village. 	
<p>Legal reference:</p> <ul style="list-style-type: none"> • Presidential Ordinance No. 001/PO, Dec 2012 (Article 5) 	<p>Responsible organization</p> <ul style="list-style-type: none"> • Provincial finance Department • PAFO • Forest and forest resources development fund. 	<p>Verification procedures</p> <ul style="list-style-type: none"> • Review document
<p>PRINCIPLE 1.6 OBLIGATIONS ON ENVIRONMENTAL AND SOCIAL IMPACTS</p>		
<p>Criteria 1.6.1 The timber harvesting operator has complied with regulation on reducing environmental impacts during the harvesting operation.</p>		

<p>Indicator 1.6.1.1 The timber harvesting operator is not allowed to harvest timber in unpermitted area and shall clean wastes resulting from harvesting operation.</p>	<p>Verifiers:</p> <ul style="list-style-type: none"> • Report of post-harvesting assessment 	
<p>Legal reference:</p> <ul style="list-style-type: none"> • Decision No. 0141/MAF. Nov 2010. • Instruction No. 2157/DOF. Nov 2006. • Guidelines No. 1035, No. 1036 /MAF, Apr 2010. 	<p>Responsible organization</p> <ul style="list-style-type: none"> • PAFO • DAFO 	<p>Verification procedures</p> <ul style="list-style-type: none"> • Review document • Field inspection
<p>Criteria 1.6.2 The timber harvesting operator has complied with regulation on reducing environmental impacts after the harvesting operation.</p>		
<p>Indicator 1.6.2.1 The timber harvesting operator has eliminated and cleaned wastes after the harvesting operation such as: camps, bridges crossing river, skidding track, and log landing sites including conducting forest rehabilitation in the harvesting area.</p>	<p>Verifiers:</p> <ul style="list-style-type: none"> • Report of post-harvesting assessment 	
<p>Legal reference:</p> <ul style="list-style-type: none"> • Decision No. 0141/MAF. Nov 2010. • Instruction No. 2157/DOF. Nov 2006. • Guidelines No. 1035, No. 1036 /MAF. Apr 2010. 	<p>Responsible organization</p> <ul style="list-style-type: none"> • PAFO • DAFO 	<p>Verification procedures</p> <ul style="list-style-type: none"> • Review document • Field inspection
<p>Criteria 1.6.3 The timber harvesting operator has complied with tradition of local villagers before proceeding harvesting operation</p>		
<p>Indicator 1.6.3.1 The timber harvesting operator has conducted ritual based on the belief and values of the local villagers.</p>	<p>Verifiers:</p> <ul style="list-style-type: none"> • Photo of proceeding of religious ritual 	
<p>Legal reference:</p> <ul style="list-style-type: none"> • Law on Environmental Protection No. 29/NA. Dec 2012 (Articles 10 and 21) 	<p>Responsible organization</p> <ul style="list-style-type: none"> • PAFO • DAFO 	<p>Verification procedures</p> <ul style="list-style-type: none"> • Check photos and agreed document of ritual proceeding