

Complementary Function of Regulatory Inspection and Verification and Role and Responsibilities of different Government Bodies

TWG meeting on verification and piloting

ProFEB | 08-10 June 2022

ປະທັບໃນຂະບວນການປຶກສາໄກເຖິງຜູ້ກ່ຽວພັນທຳມະ, ການຄຸ້ມຄອງ ແລະ ການຄ້າໄມ້ ລະຫວ່າງ
ສປປ ລາວ ກັບ ສະຫະລາຊະອາຊີຍ
Shared vision for Lao EU-FLEGT process
Jointly developed at stakeholder meeting on
Forest Law Enforcement Governance and Trade (FLEGT)
7th to 17th July 2014



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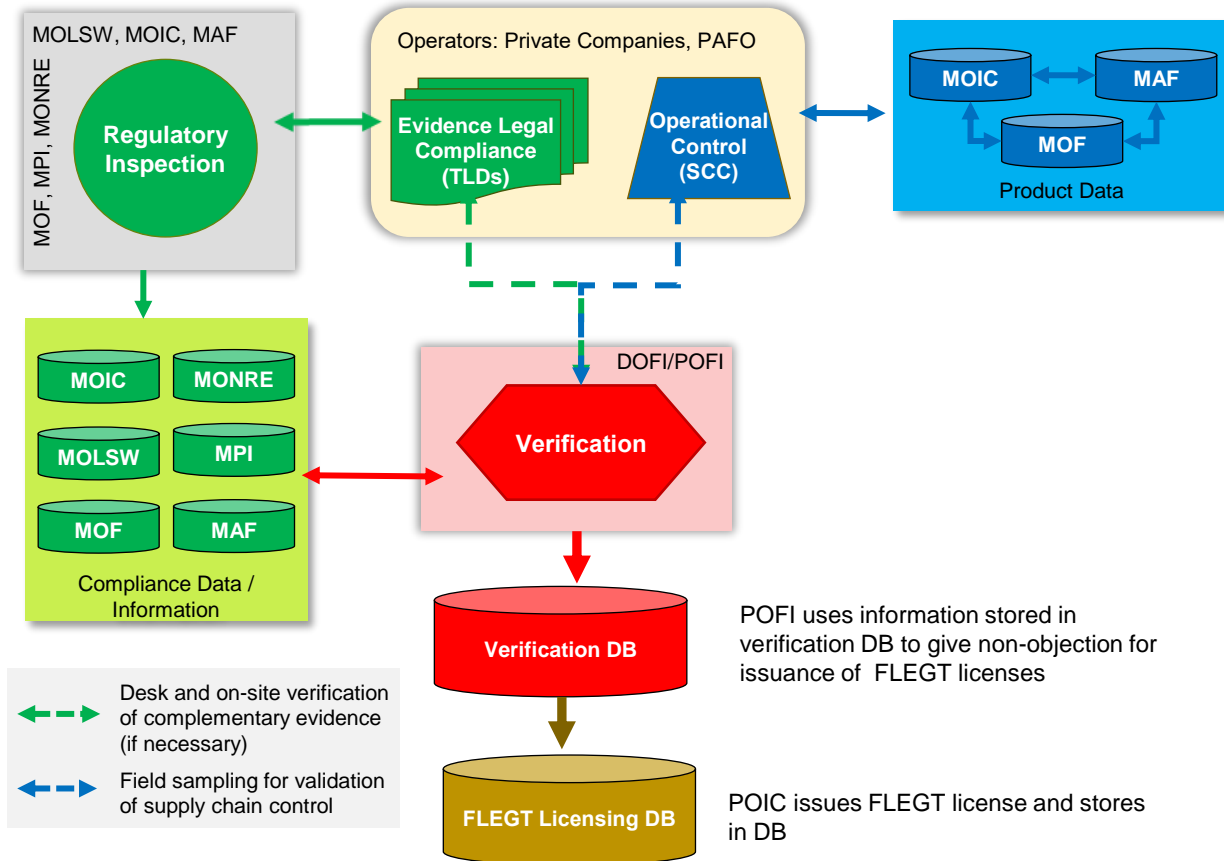
Table of Contents

1. Introduction: Underlying Idea of Complementarity of Verification Function
2. Verification Procedures for Legality Compliance based on Complementarity
3. Supply Chain Control Description
4. Lao TLAS Operation including Inspection and Verification Functions
5. Areas of Responsibilities of Operators, Regulatory Inspection Organizations and Verification Body
6. Main Issues for Clarification



1. Introduction: Underlying Idea of Complementarity of Verification Function

Verification as complementary function to regulatory inspection and IMS (as presented to TWG and NSDC)



2. Procedures for Compliance Verification based on Complementarity

Structure of Appendix A describes the interplay between regulatory inspection and verification (or we could say: the team work between regulatory inspection organizations and verification body)

PRINCIPLE X.1 TEXT		
Criterion X.1.1 Text		
Indicator	Verifiers	Legal references
x.1.1.1 Text	x.1.1.1.1 Text	• Ref
	x.1.1.1.2 Text	• Ref
Regulatory Inspection	Verification	
Inspected and endorsed by: -	Verified by: - POFI or DOFI	
	Verification means: - Document review - Consultations - Field visits	
Information stored by: -	Verification frequency, timing and intensity: - Description frequency - Description timing - Description intensity	

content TLD

information on regulatory inspection

- who is responsible?
- who is storing information?

verification procedure

- who (POFI or DOFI)
- how (verification means)
- when (frequency/timing and intensity)

3. Supply Chain Control Description (Appendix B)

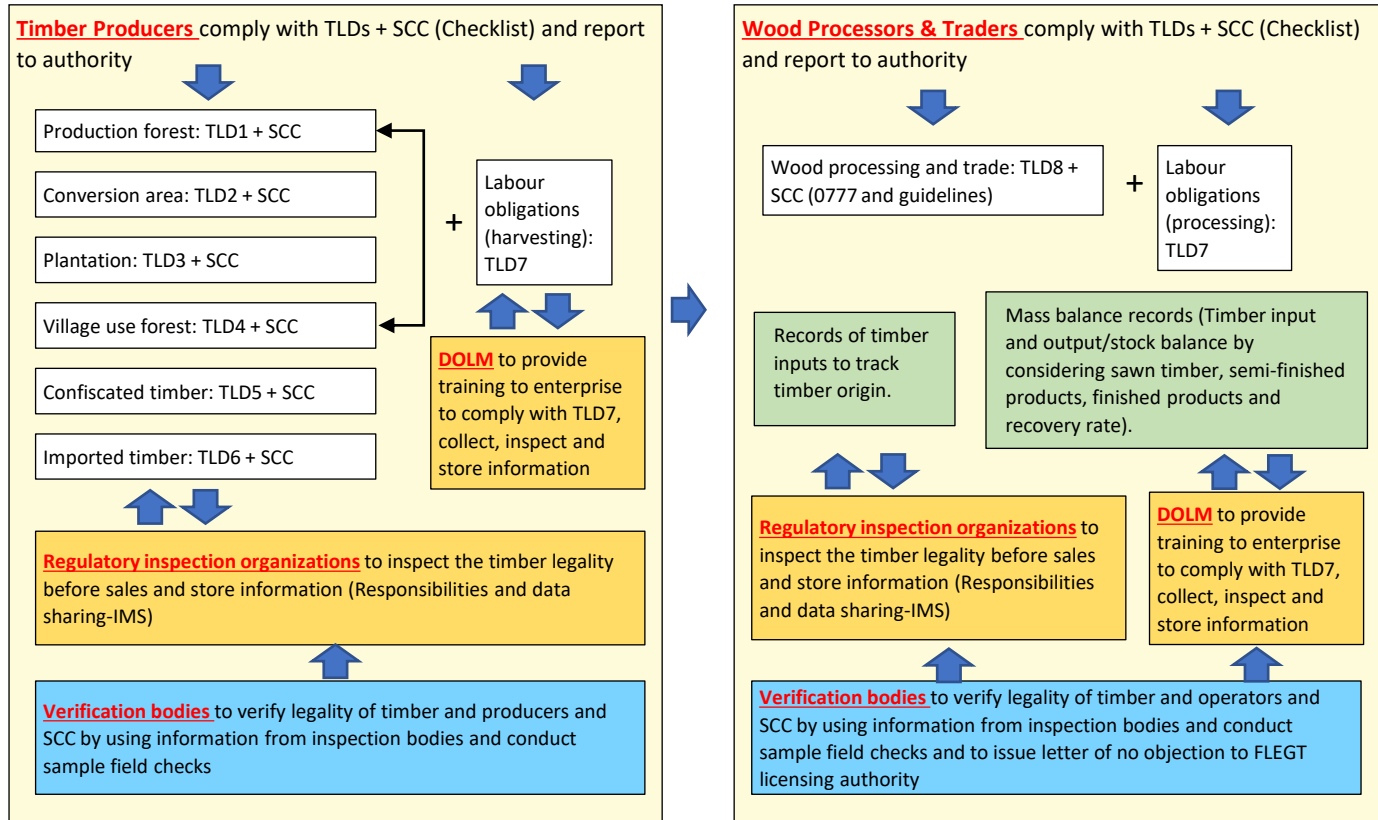
Operators can be from a government entity. In this case regulatory inspection body or verification body must not have a conflict of interest, e.g. line managers do not qualify for verification

		Operational control			Verification by subjects (POFI)		
Site	Critical Control Point	Activity	Supply chain records	Responsibility	Validation (field)	Reconciliation (IMS)	Verification Procedures
<i>Location</i>	<i>Supply chain step with critical control point</i>	<i>Description of activity</i>	<i>Records necessary for traceability (forms, certificates of origin, invoices)</i>	<i>Responsible entity (Private sector or government body)</i>	<i>Description of checking in the field</i>	<i>Description of analysis of data in IMS</i>	<i>Frequency, Timing and Intensity of verification missions</i> <i>Short narrative of implementation</i>

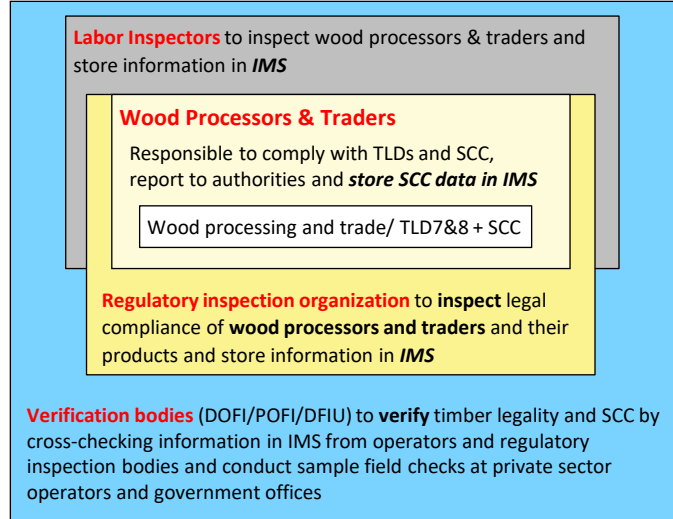
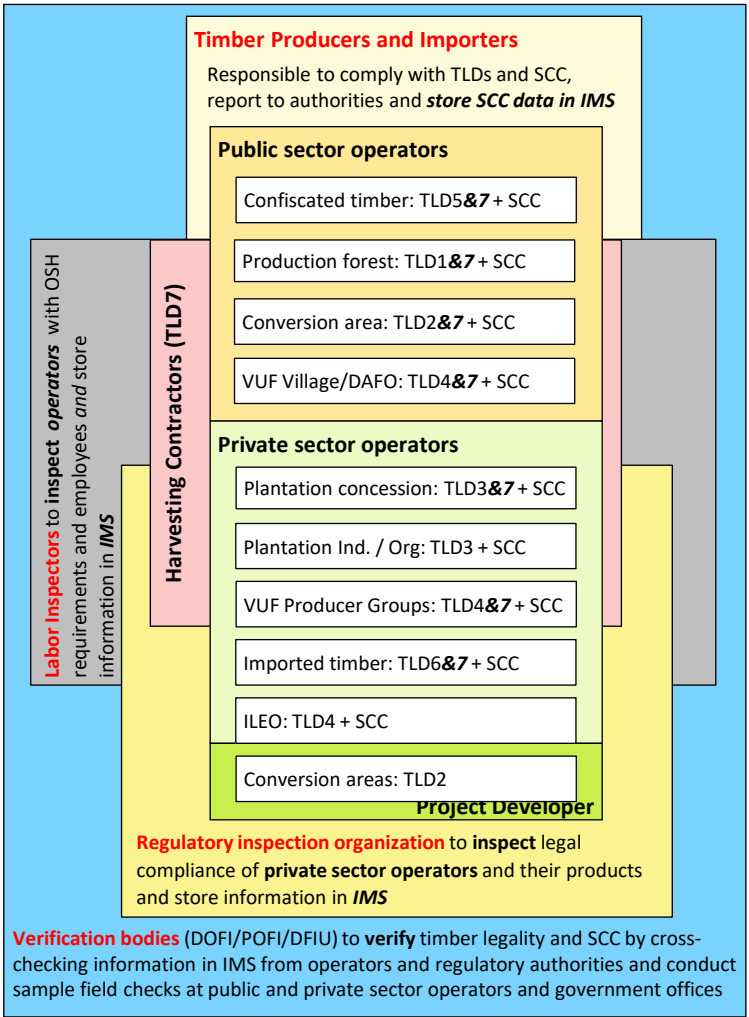
Structure of Appendix B for verification approach “by subjects”

- Supply chain control is under responsibility of operators (public or private sector operator)
- Verification of SCC by Verification body
 - Validation of data / checking in the field / may be part of regulatory inspections
 - Reconciliation (data in IMS)

4. Lao TLAS Operation including Inspection and Verification Functions

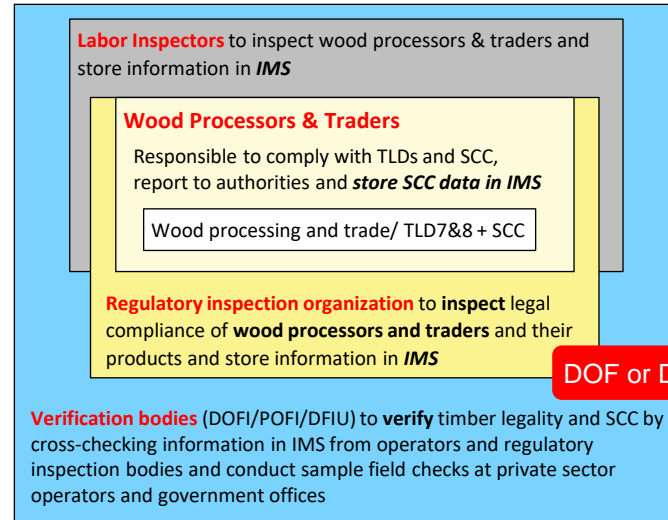


5. Areas of Responsibilities of Operators, Regulatory Inspection Organizations and Verification Body

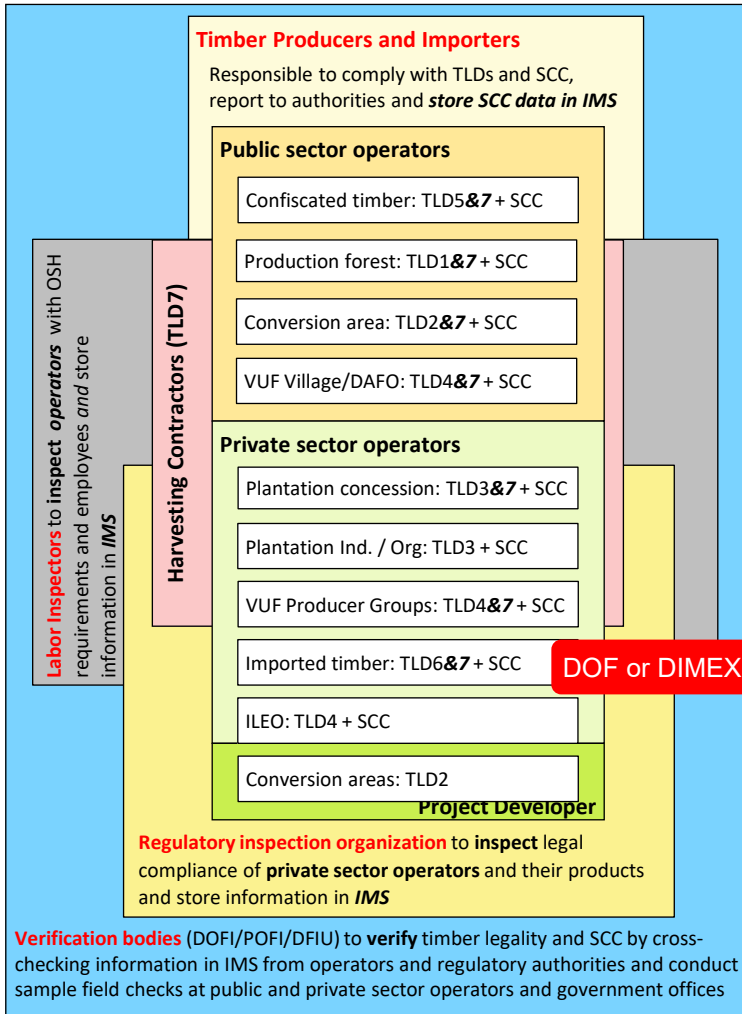


Areas of Responsibilities of Operators, Regulatory Inspection Organizations and Verification Body

Main Issues for Clarification



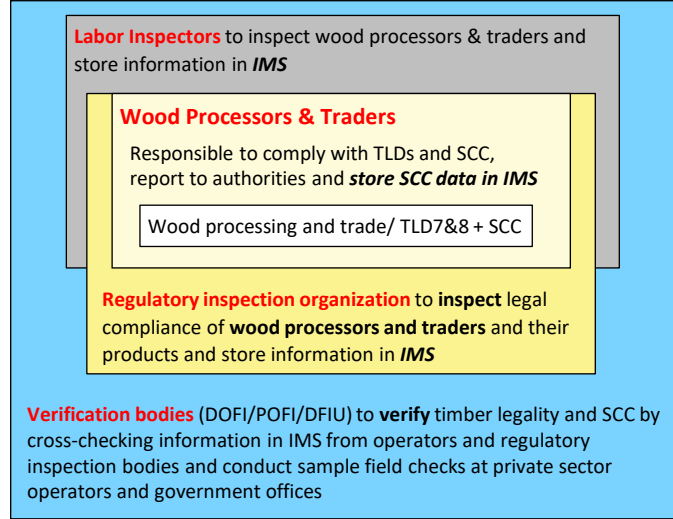
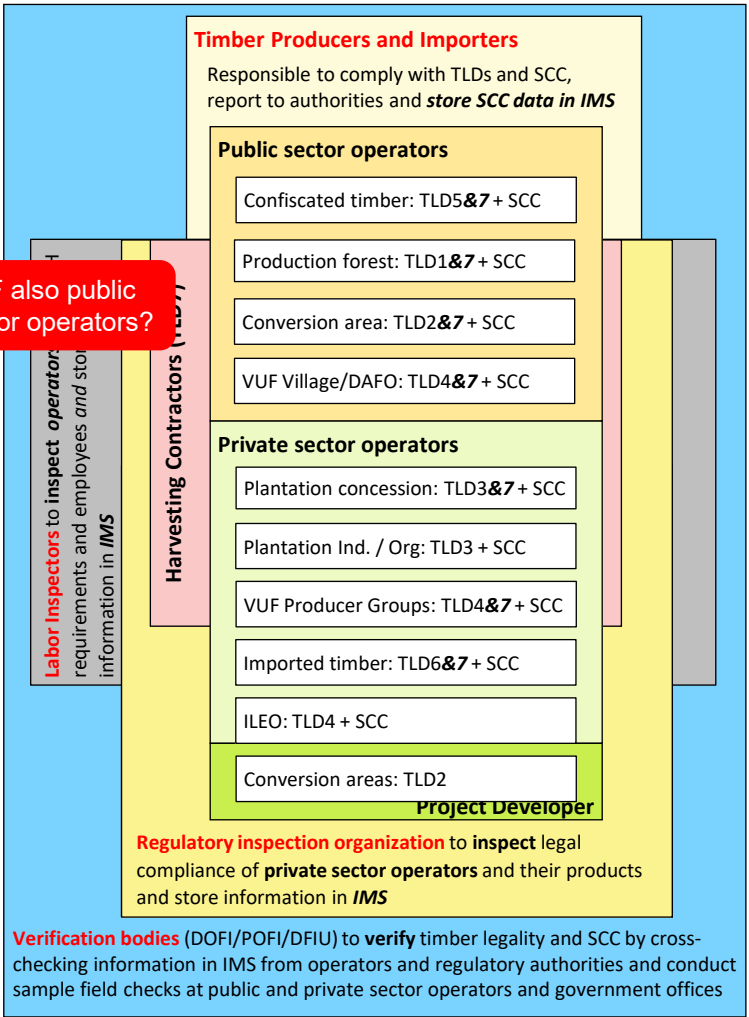
1. Mandates of DOF and DIMEX for import/export



Areas of Responsibilities of Operators, Regulatory Inspection Organizations and Verification Body

Main Issues for Clarification

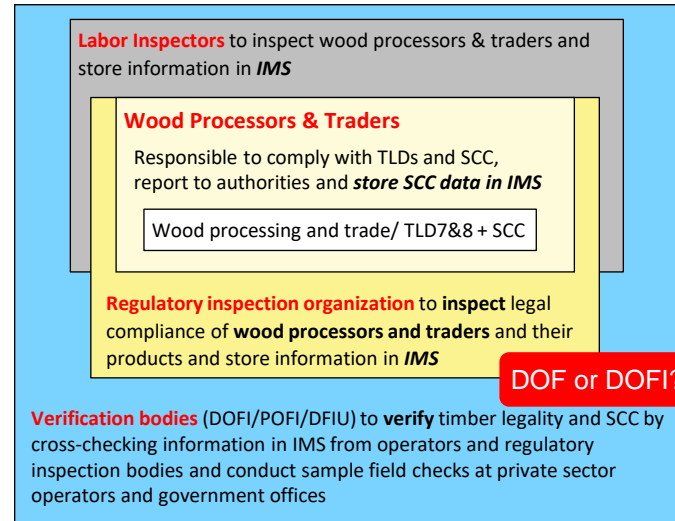
DOF also public sector operators?



2. Mandates of DOF/DOFI in terms of inspection of timber production

Areas of Responsibilities of Operators, Regulatory Inspection Organizations and Verification Body

Main Issues for Clarification



3. Mandates of DOF/DOFI in terms of inspection of wood processing

Verification bodies (DOFI/POFI/DFIU) to **verify** timber legality and SCC by cross-checking information in *IMS* from operators and regulatory authorities and conduct sample field checks at public and private sector operators and government offices

Areas of Responsibilities of Operators, Regulatory Inspection Organizations and Verification Body

Main Issues for Clarification

DOLM not involved in inspection only training of DOF and/or DOFI

Project operators with licenses and store
Labor Inspectors
Harvesting Contractors (TLD7)

Timber Producers and Importers

Responsible to comply with TLDs and SCC, report to authorities and **store SCC data in IMS**

Public sector operators

Confiscated timber: TLD5&7 + SCC

Production forest: TLD1&7 + SCC

Conversion area: TLD2&7 + SCC

VUF Village/DAFO: TLD4&7 + SCC

Private sector operators

Plantation concession: TLD3&7 + SCC

Plantation Ind. / Org: TLD3 + SCC

VUF Producer Groups: TLD4&7 + SCC

Imported timber: TLD6&7 + SCC

ILEO: TLD4 + SCC

Conversion areas: TLD2

Project Developer

Regulatory inspection organization to inspect legal compliance of **private sector operators** and their products and store information in **IMS**

Verification bodies (DOFI/POFI/DFIU) to **verify** timber legality and SCC by cross-checking information in IMS from operators and regulatory authorities and conduct sample field checks at public and private sector operators and government offices

DOLM only private sector operators?

DOLM not involved in inspection only training of DOF and/or DOFI

Labor Inspectors to inspect wood processors & traders and store information in **IMS**

Wood Processors & Traders

Responsible to comply with TLDs and SCC, report to authorities and **store SCC data in IMS**

Wood processing and trade/ TLD7&8 + SCC

Regulatory inspection organization to inspect legal compliance of **wood processors and traders** and their products and store information in **IMS**

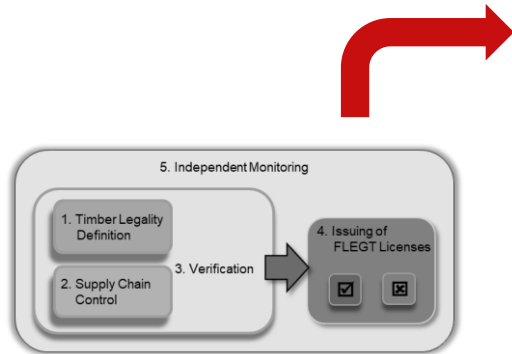
Verification bodies (DOFI/POFI/DFIU) to **verify** timber legality and SCC by cross-checking information in IMS from operators and regulatory inspection bodies and conduct sample field checks at private sector operators and government offices

4. Duties of DOLM in forestry sector and wood processing sector

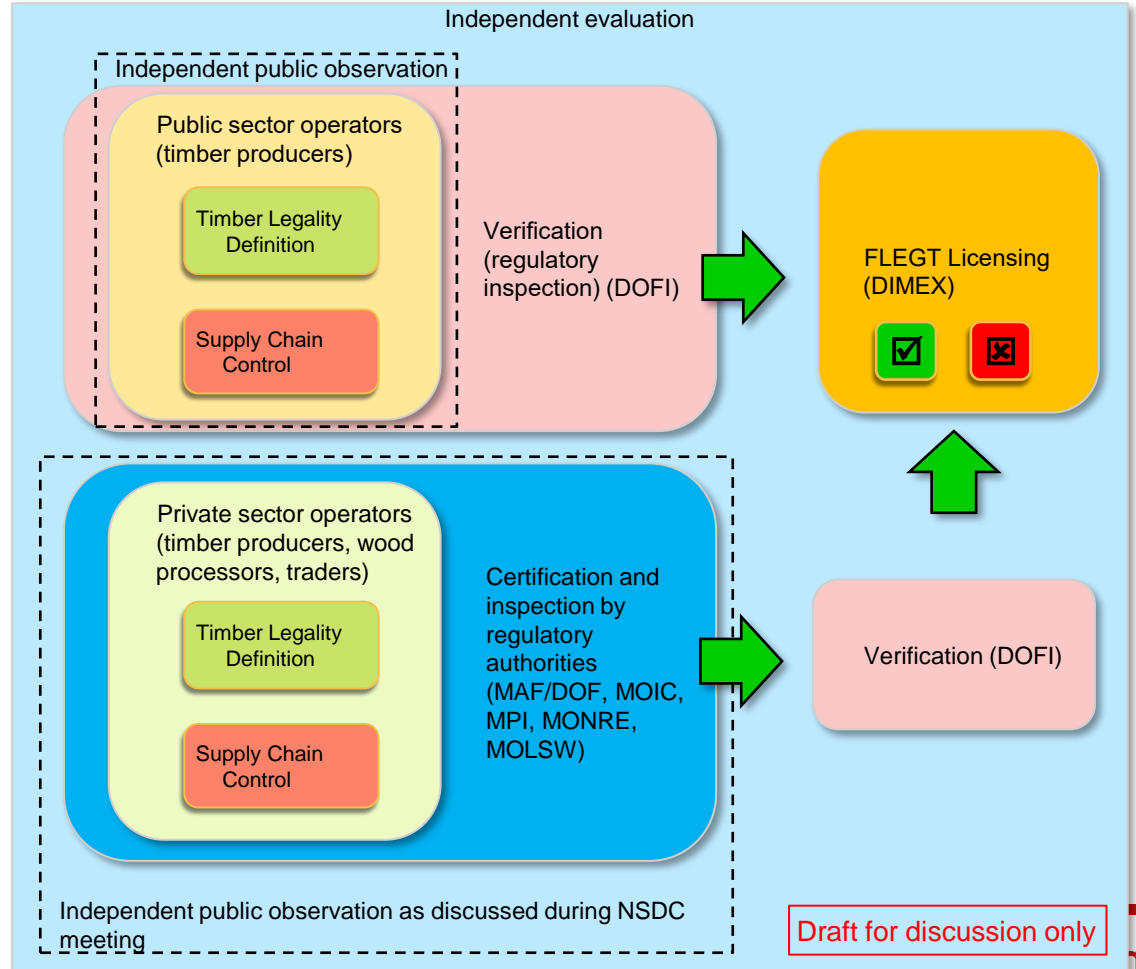
6. Recap Main Issues for Clarification

1. Mandates of DOF & DIMEX on import/export
During TechEx Meeting (06/06/2022), it has been confirmed by representatives from DOF and DIMEX that DIMEX will continue to be responsible for import/export
2. Mandates of DOF/DOFI for inspection of timber production: 2 options
 - A. DOF and line agencies are only inspecting private sector timber producers, PFA, conversion areas and confiscated timber is only verified by DOFI/POFI (step-by-step approach) as DOF and line agencies are involved in operations
 - B. DOF also inspects PFAs and conversion areas as not being directly involved in operations
3. Mandates of DOF/DOFI for inspection of wood processing: 2 options
 - A. DOF is inspecting the wood processing sector
 - B. DOFI is inspecting the wood processing sector, DOF is responsible to develop and amend legal framework and for management of wood processors and traders
4. Duties of DOLM in forestry sector and wood processing sector: 3 options
 - A. DOLM is responsible for all operators
 - B. DOLM is only responsible for private sector operators
 - C. DOLM is not doing inspections in forestry sector but is responsible for capacity building / training of DOF/DOFI (and line agencies) staff, e.g. with ToT approach

Display of Complementary Function in Overview of TLAS Elements



Important remark: the verification function in the TLAS includes systematic procedures for recording of non-compliances and follow-up of remedial action!



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