

TIMBER LEGALITY DEFINITION 1: NATURAL PRODUCTION FOREST

| PRINCIPLE 1.1 NATURAL PRODUCTION FOREST MANGEMENT PLAN | | |
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| Criterion 1.1.1 Natural production forest management plan for the FMA shall be established | | |
| Indicators | Verifiers | Legal references |
| 1.1.1.1 PAFO and DAFO with the participation of villages have prepared the production forest management plan and DOF has endorsed it. In case of a revision of an existing plan, the revision shall be latest after 15 years. | 1.1.1.1.1 Production Forest management plan | <ul style="list-style-type: none"> Regulation 0204/MAF (2003), article 7 Guideline 2156/DOF (2006), section III (3.2), chapter 4 (4.3, 4.4, 4.5 and 4.6) Decision 0108/MAF (2005), article 9 and 10 |
| | 1.1.1.1.2 Village forest management agreement | <ul style="list-style-type: none"> Regulation 0204/MAF (2003), articles 3 (9) and 11 |
| 1.1.1.2 The management plan defines the sustainable annual allowable cut and logging compartments (annual cutting areas) for the planning cycle of 15 years. | 1.1.1.2.1 Annual allowable cut in Production forest management plan | <ul style="list-style-type: none"> Law 06/NA (2007), article 18(1) Guideline 2156/DOF (2006), article 6 |
| | 1.1.1.2.2 Map of the annual harvesting compartments | <ul style="list-style-type: none"> Law 06/NA (2007), article 18(1) Guideline 2156/DOF (2006), article 6 |
| PRINCIPLE 1.2 HARVESTING OPERATIONS | | |
| Criterion 1.2.1 Harvesting plan shall be prepared for the FMA and the provincial annual timber harvesting plan is approved. | | |
| Indicators | Verifiers | Legal references |
| 1.2.1.1 DAFO has prepared a harvesting plan based on the results of a pre-harvest inventory and PAFO has certified it. | 1.2.1.1.1 Pre-harvest inventory report. | <ul style="list-style-type: none"> Regulation 0204/ MAF (2003), article 13 Guideline 2155/DOF (2006), chapter 5. |
| | 1.2.1.1.2 Harvesting plan for FMA with harvesting map | <ul style="list-style-type: none"> Regulation 0204/ MAF (2003), article 13 Guideline 2157/DOF (2006), chapter 4 |
| 1.2.1.2 PAFO has prepared the annual operation plan for the province, including annual timber harvesting plan and submitted to MAF. | 1.2.1.2.1 Provincial annual operation plan, including annual timber harvesting plan | <ul style="list-style-type: none"> Order 17/PM (2008), article 4 Guideline 2157/DOF (2006), chapter 5 (1) |
| 1.2.1.3 The Government has approved an annual timber harvesting plan and MAF has issued the Notification to PAFO for harvesting operations | 1.2.1.3.1 Notification Letter on Annual timber harvesting plan of Prime Minister Office | <ul style="list-style-type: none"> Law 06/NA (2007), article 18(4) Order 17/PM (2008), article 4 Guideline 2157/DOF (2006), chapter 4 |
| | 1.2.1.3.2 Notification Letter on annual timber harvesting plan of MAF | <ul style="list-style-type: none"> Law 06/NA (2007), article 18 (4). Guideline 2157/DOF (2006), chapter 4 |
| 1.2.1.4 PAFO has issued the harvesting permit for the FMA. | 1.2.1.4.1 Harvesting permit issued by PAFO | <ul style="list-style-type: none"> Guideline 2157/DOF (2006), chapter 5(4) |
| Criterion 1.2.2 Timber harvesting operation shall be in compliance with harvesting principles | | |

| Indicators | Verifiers | Legal references |
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| 1.2.2.1 PAFO has signed a contract with an officially established and legally operating Timber Harvesting Unit or Timber Harvest Enterprise. | 1.2.2.1.1 Signed harvesting contract | <ul style="list-style-type: none"> Decision 0182/ MAF (2009), articles 7(1), 15(3) |
| | 1.2.2.1.2 Harvesting Unit/ enterprise establishment permit issued by MAF | <ul style="list-style-type: none"> Law 06/NA (2007), article 49 (2) Decision 0182/ MAF (2009), article 23, to be amended according to requirements of the indicator. |
| | 1.2.2.1.3 Harvesting enterprise registration from POIC | <ul style="list-style-type: none"> Decision 0182/ MAF (2009), article 24 |
| | 1.2.2.1.4 Vehicles utilization permit | <ul style="list-style-type: none"> Decision 0182/ MAF (2009), article 15(4) |
| | 1.2.2.1.5 Chainsaw utilization permit | <ul style="list-style-type: none"> Decision 0080/ MAF (2012), article 8 Decision 0182/ MAF (2009), article 11(4) |
| 1.2.2.2 Timber Harvesting Unit or Timber Harvesting Enterprise has prepared logging facilities (including forest roads, logging units' camp and log landing) according to existing guidelines and timber harvesting plan. | 1.2.2.2.1 Harvesting maps indicating all logging facilities | <ul style="list-style-type: none"> Guideline 2157/DOF (2006), chapters 4, 6-9. |
| 1.2.2.3 Timber Harvesting Unit or Timber Harvesting Enterprise has implemented logging operations according to existing guidelines. | 1.2.2.3.1 Monitoring reports during logging by DAFO and PAFO | <ul style="list-style-type: none"> Law 06/NA (2007), article 49 (4 - 6). Guideline 2157/DOF (2006), chapter 10 |
| 1.2.2.4 The harvesting operator has recorded all logs after cross-cutting at felling site or log landing 1. | 1.2.2.4.1 Selected tree list with records for felled trees and logs from cross-cutting (Form I) | <ul style="list-style-type: none"> Guidelines 0962/DOF (2010). Chapter 4 (4.1, 4.2). |
| 1.2.2.5 At log landing 2, PAFO, DFU and VFO(s) have prepared log list, measure, and mark logs with paint, scale and grade the logs according to existing guidelines. | 1.2.2.5.1 Log lists from the LL II (Form IV) | <ul style="list-style-type: none"> Guidelines 0962/DOF (2010). Chapter 4 (4.4-4.6). Decision 0116/MAF (2007), parts I – II |
| PRINCIPLE 1.3 TIMBER SALES | | |
| Criterion 1.3.1 Timber auction shall be in compliance with regulations | | |
| Indicators | Verifiers | Legal references |
| 1.3.1.1 Bidding committee has been established at the provincial level from three concerned sectors Agriculture | 1.3.1.1.1 Letter of appointment of bidding committee by the provincial Governor | <ul style="list-style-type: none"> Order 17/PM (2008), article 6 (2) Regulation 1726/ MOIC (2012), chapter 4 to be amended according to requirements of the indicator¹. |

¹ [The bidding committee will include DAFO and Village forest organization.](#)

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| and Forestry, Industrial and Commerce and Finance including FMU and village forestry organizations. | | <ul style="list-style-type: none"> Regulation 0204/MAF (2002), article 17 |
| 1.3.1.2 The bidding committee has conducted sales of timber from official log lists through transparent auction. | 1.3.1.2.1 Log lists (Form IV) registration into state assets | <ul style="list-style-type: none"> Decree 59/PM (2002), article 11. Instruction 3211/ MOF (2015), article 2 |
| | 1.3.1.2.2 Established individual batches for auction (Form V) | <ul style="list-style-type: none"> 0962/DOF (2010), to be amended according to requirements of the indicator. 1726/ MOIC (2012) to be amended according to requirements of the indicator². |
| | 1.3.1.2.3 Letter of invitation for bidding | <ul style="list-style-type: none"> Regulation 1726/ MOIC (2012) Chapter 2 (1.1) |
| | 1.3.1.2.4 Minutes of results of bidding including list of bidding committee members | <ul style="list-style-type: none"> Regulation 1726/ MOIC (2012), chapter 2 (2) Regulation 0204/MAF (2002), article 17 |
| | 1.3.1.2.5 Selling-purchasing contract | <ul style="list-style-type: none"> Regulation 1726/ MOIC (2012), chapter 3 (1) |
| | 1.3.1.2.6 Receipt of royalty payment from timber buyer | <ul style="list-style-type: none"> Regulation 1726/ MOIC (2012), chapter 3 (2) |
| | 1.3.1.2.7 Certificate of deletion of log lists from state assets | <ul style="list-style-type: none"> Instruction 3211/ MOF (2015), article 6 |
| Criterion 1.3.2 Benefit sharing from timber sale shall comply with regulations | | |
| Indicators | Verifiers | Legal references |
| 1.3.2.1 The Timber harvesting enterprise and POIC have ensured that information of expenditures (harvesting cost) and income (auction price) are transparent and accountable. | 1.3.2.1.1 Approved invoice from the Harvesting enterprise based on the harvesting service contract. | <ul style="list-style-type: none"> Regulation 0182/MAF (2009), article 7 (7.7) Gap Notification 1813/ MOIC.DIMEX (2015)- to be amended according to requirements of the indicator³. |
| | 1.3.2.1.2 Income balance from timber sale contract. | <ul style="list-style-type: none"> Gap: Revision of PO 001 /PO (2012). Notification 1813/ MOIC.DIMEX to be amended to include timber sale contract. |
| 1.3.2.2 The Provincial finance sector has divided total revenue of timber sale into 70% to state budget and 30% to forest | 1.3.2.2.1 Deposit order issued by State asset sector | <ul style="list-style-type: none"> 001/PO (2012), articles 4 and 6 |
| | 1.3.2.2.2 Money transfer receipt to the provincial treasury | <ul style="list-style-type: none"> 001/PO 001(2012), articles 7 |

² To include form V for different batches.

³ To be amended to reflect the issuance of invoice.

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| management and development and village development. | 1.3.2.2.3 Money transfer receipt of 12% of the total revenue to the bank account of the village. | <ul style="list-style-type: none"> • 001/PO 001(2012), articles 7 |
| PRINCIPLE 1.4 TIMBER TRANSPORTATION | | |
| Criterion 1.4.1 Compliance with transport requirements from cutting area to log landing II | | |
| Indicators | Verifiers | Legal references |
| 1.4.1.1 The forestry officer supervising logging activities has recorded transportation of logs from cutting area to log landing II in transport slips and in the log registry of log landing II. | 1.4.1.1.1 Transport slip (Forms II) | <ul style="list-style-type: none"> • Guideline 2157/DOF, chapter 10, (4.4) to be amended according to requirements of the indicator⁴. • Guideline 0962/ DOF (2010), section 5 (4.3) to be amended according to requirements of the indicator. |
| | 1.4.1.1.2 Registry at log landing II (Form III) | <ul style="list-style-type: none"> • Guideline 0962/ DOF (2010), section 5 (4.4) |
| Criteria 1.4.2 Compliance with the transport requirements from log landing II to log landing III | | |
| Indicators | Verifiers | Legal references |
| 1.4.2.1 The timber buyer has in place of all transport documents before timber movement. | 1.4.2.1.1 Receipt of timber sales | <ul style="list-style-type: none"> • Order 17/PM (2008), article 15 |
| | 1.4.2.1.2 Cancellation letter of log lists from state assets register | <ul style="list-style-type: none"> • Order 57/PM (2014) • Instruction 3211 /MOF (2015), article 6 |
| | 1.4.2.1.3 Log list (Form V) | <ul style="list-style-type: none"> • 1726/ MOIC (2012) to be amended according to requirements of the indicator |
| | 1.4.2.1.4 Transport permit from PAFO | <ul style="list-style-type: none"> • Decree 32/PM (2012), article 5 (7) • Guideline 0962/DOF (2010), section 5.2 |
| PRINCIPLE 1.5 POST-HARVESTING OPERATIONS | | |
| Criterion 1.5.1 Post-harvest assessment shall be conducted | | |
| Indicators | Verifiers | Legal references |
| 1.5.1.1 The PFS, DFU and VFO(s) have conducted assessment of logging performance and logging impacts. | 1.5.1.1.1 Post-harvest assessment report. | <ul style="list-style-type: none"> • Regulation 0204/MAF (2002), article 13 • Guideline 2157/DOF (2006), chapter 10 (3) • Guideline 1036/DOF (2010), section 6 • PSFM Operational manual DOF (2013), sections 8.5.2 |
| Criteria 1.5.2 The results of post-harvesting operation shall be implemented | | |
| Indicators | Verifiers | Legal references |
| 1.5.2.1 The Harvesting Unit/ Enterprise has mitigated and implemented issues and impacts | 1.5.2.1.1 Impact mitigation and implementation report. | <ul style="list-style-type: none"> • Regulation 0204/MAF (2002), article 13 • Guideline 2157/DOF (2006), chapter 12 • PSFM Operational manual DOF (2013), sections 8.5.2 |

⁴ [To be amended to reflect the responsibility of staff supervision on logging](#)

| recommended by PFS, the FMU and the VFO(s). | | |
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| PRINCIPLE 1.6 CONFLICT RESOLUTIONS | | |
| Criterion 1.6.1 Conflicts between stakeholders occurring during the implementation of PSFM shall be resolved | | |
| Indicators | Verifiers | Legal references |
| 1.6.1.1 The FMU and VFO(s) have resolved any conflict between government organizations, individuals, VFOs or villagers regarding forestry activities or over a forest management agreement concerned with PFA management according to the procedure stated in the relevant agreement or contract signed by the parties. | 1.6.1.1.1 Minutes of conflict resolution. | <ul style="list-style-type: none"> • Regulation 0204/MAF (2002), article 32. • PSFM Operation Manual/DOF (2013), section 8.5.5 |