

APPENDIX A6: TIMBER LEGALITY DEFINITION AND COMPLIANCE VERIFICATION – IMPORTED TIMBER

PRINCIPLE 6.1: REQUIRMENTS FOR IMPORTERS		
Criterion 6.1.1 Registration with the relevant authorities		
Indicator	Verifiers	Legal references
6.1.1.1 The domestic importer has permission to operate the timber import business	6.1.1.1.1 Enterprise Registration Certificate	<ul style="list-style-type: none"> • Law 46/NA (2013), Article 14 • Decision 0023/MOIC.ERO (2019), Article 5
	6.1.1.1.2 Operational licence	<ul style="list-style-type: none"> • Decision 0044/MOIC.ERO (2019), Article 3 • Law 64/NA (2019), Article 104
	6.1.1.1.3 Registration in Lao National Single Window	<ul style="list-style-type: none"> • Decision 0204/MoF (2019), Article 1 • Guideline 4217/MoF (2018), Article 2 • Guideline 1753/DIMEX.IMEX (2019), Section 4
Regulatory Inspection	Verification	
Inspected and endorsed by: <ul style="list-style-type: none"> - MOIC or POIC (enterprise registration), - MAF or PAFO (operational license), - MOF/Department of Customs (Lao National Single Window) 	Verified by: <ul style="list-style-type: none"> - POFI Verification means: <ul style="list-style-type: none"> - document review and consultation with domestic importer 	
Information stored by: <ul style="list-style-type: none"> - Department/Section of Enterprise Registration and Management - DOF/PAFO - Customs 	Verification frequency, timing and intensity: <ul style="list-style-type: none"> - onetime check - before first import consignment - comprehensive (all importers) 	
Indicator	Verifiers	Legal references
6.1.1.2 The foreign importers residing outside of Laos have permission to operate the timber import business.	6.1.1.2.1 Enterprise registration certificate given by the country where the imported is registered a business	<ul style="list-style-type: none"> • Law 46/NA (2013), Article 14, Paragraph 2 • Decision 0023/MOIC.ERO (2019), Article 5, Paragraph 2 • Decision 0623/MOIC.DIMEX (2019), Article 7 (2)
	6.1.1.2.2 Trading rights certificate for foreign traders (Timber)	<ul style="list-style-type: none"> • Decision 0623/MOIC.DIMEX (2019), Article 5 • Decision 0451/MOIC(2012), Article 4

	6.1.1.2.3 Registration in Lao National Single Window	<ul style="list-style-type: none"> Decision 0204/MoF (2019), Article 1 Guideline 4217/MoF (2018), Article 2 Guideline 1753/DIMEX.IMEXDiv (2019), Section 4
Regulatory Inspection	Verification	
Inspected and endorsed by: <ul style="list-style-type: none"> - DIMEX/MOIC (enterprise registration, Trading rights certificate for foreign traders), - MOF (Lao National Single Window) 	Verified by: <ul style="list-style-type: none"> - POFI 	Verification means: <ul style="list-style-type: none"> - document review and consultation with foreign importer
Information stored by: <ul style="list-style-type: none"> - DIMEX - DOF - Customs 	Verification frequency, timing and intensity: <ul style="list-style-type: none"> - onetime check - before first import consignment - comprehensive (all importers) 	
PRINCIPLE 6.2 REQUIREMENTS FOR IMPORTATION OF TIMBER		
Criterion 6.2.1 The imported timber shall have a legal source		
Indicator	Verifiers	Legal references
6.2.1.1 Import timber accompanied with a valid FLEGT License or a CITES Export Permit.	6.2.1.1.1 FLEGT License	<ul style="list-style-type: none"> Decision 0451/MOIC. DIMEX (2012). (planned to be revised)
	6.2.1.1.2 CITES Permit	<ul style="list-style-type: none"> Decision 0451/MOIC. DIMEX (2012). (planned to be revised)
Regulatory Inspection	Verification	
Inspected and endorsed by: <ul style="list-style-type: none"> - POIC/Import and export section - DOF - Customs 	Verified by: <ul style="list-style-type: none"> - POFI 	Verification means: <ul style="list-style-type: none"> - document review and consultation with POIC and importers
Information stored by: <ul style="list-style-type: none"> - DIMEX - DOF - Customs 	Verification frequency, timing and intensity: <ul style="list-style-type: none"> - onetime check - before first import consignment, thereafter once per year (sample of import dossiers) - comprehensive (all importers) 	
Indicator	Verifiers	Legal references

6.2.1.2 For timber that is not accompanied with FLEGT license or CITES permit the importers have exercised due diligence	6.2.1.2.1 <u>Export permit and related supporting documents based on the regulation of country of origin.</u> Documented information on the legal source, processing and supply chain of timber (verifiers vary by type and source of timber)	<ul style="list-style-type: none"> Decision 0451/MOIC. DIMEX (2012). (planned to be revised)
	6.2.1.2.2 Risk assessment report	<ul style="list-style-type: none"> Decision 0451/MOIC. DIMEX (2012). (planned to be revised)
	6.2.1.2.3 Report on implementation of Risk mitigation measures (where applicable)	<ul style="list-style-type: none"> Decision 0451/MOIC. DIMEX (2012). (planned to be revised)
Regulatory Inspection	Verification	
Inspected and endorsed by: <ul style="list-style-type: none"> POIC/import and export section 	Verified by: <ul style="list-style-type: none"> POFI 	
	Verification means: <ul style="list-style-type: none"> document review and consultation with POIC and importers. For annual verification: sample of import dossiers. 	
Information stored by: <ul style="list-style-type: none"> POIC/import and export section 	Verification frequency, timing and intensity: <ul style="list-style-type: none"> onetime check before first import consignment, thereafter once per year comprehensive (all importers) 	
Indicator	Verifiers	Legal references
6.2.1.3 Department of Import and Export (DIMEX) <ul style="list-style-type: none"> ___ has authorized importation of timber accompanied with a valid FLEGT license or CITES export permit <u>has authorized importation of timber based on Export permit and related supporting documents based on the regulation of country of origin.</u> has assessed the due diligence by the importers and, if validated, has authorized importation of timber into Lao PDR 	6.2.1.3.1 Timber import license	<ul style="list-style-type: none"> Decision 0451/MOIC. DIMEX (2012) (to be revised)
Regulatory Inspection	Verification	
Inspected and endorsed by: <ul style="list-style-type: none"> DIMEX 	Verified by: <ul style="list-style-type: none"> DOFI 	

- POIC/ import and export section	- POFI	
	Verification means: - document review and consultation with POIC and importers. For annual verification: sample of import dossiers.	
Information stored by: - DIMEX - POIC/ import and export section	Verification frequency, timing and intensity: - onetime check - before first import consignment, thereafter once per year - comprehensive (all importers)	
Criterion 6.2.2 Timber shall legally be imported into Lao PDR		
Indicator	Verifiers	Legal references
6.2.2.1 Timber has been imported and declared at the international border checkpoint.	6.2.2.1.1 Record of importation in ASYCUDA system	• Instruction 3708/MoF (2019), Section 4
	6.2.2.1.2 Customs declaration for importation	• Customs Law 8204 /NA (20 2101), Article 273
	6.2.2.1.3 Manifest	• Customs Law 8104 /NA (20 2101), Article 273
	6.2.2.1.4 Timber import license	• Customs Law 8104 /NA (20 2011), Article 273 • Decision 0451/MOIC. DIMEX (2012). To be revised on port of entry (international checkpoint)
Regulatory Inspection	Verification	
Inspected and endorsed by: - Customs	Verified by: - POFI	
	Verification means: - document review and consultation with Customs and importers. For annual verification: sample of import dossiers.	
Information stored by: - Customs	Verification frequency, timing and intensity: - onetime check - before first import consignment, thereafter once per year - comprehensive (all importers)	
Indicator	Verifiers	Legal references
6.2.2.2 The Customs has cleared and released the imported timber.	6.2.2.2.1 Custom clearance	• Customs Law 8104 /NA (20 2011), Article 26
	6.2.2.2.2 Releasing note	• Customs Law 8104 /NA (20 2011), Article 2636 (7)
Regulatory Inspection	Verification	
Inspected and endorsed by: - Customs	Verified by: - POFI	

	<p>Verification means:</p> <ul style="list-style-type: none"> - document review and consultation with Customs and importers. For annual verification: sample of import dossiers.
<p>Information stored by:</p> <ul style="list-style-type: none"> - Customs 	<p>Verification frequency, timing and intensity:</p> <ul style="list-style-type: none"> - onetime check - before first import consignment, thereafter once per year - comprehensive (all importers)