

Technical Report 91

SOLS32: New Zealand Timber Industry Consultations



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Abbreviations

Abbreviation	Description
AUD	Australia dollar
ITTG	(New Zealand) Imported Tropical Timber Group
IWG	(Timber) Industry Working Group
MOFR	Ministry of Forestry and Research
NGO	Non-Governmental Organisation
NRDF	Natural Resources Development Foundation
NZTIA	New Zealand Timber Importers Association
PHAMA	Pacific Horticultural and Agricultural Market Access
SBD	Solomon Islands dollar
SGS	Société Générale de Surveillance S.A.
SIG	Solomon Islands Government
SITPEA	Solomon Islands Timber Processors and Exporters Association
SPC	Secretariat of the Pacific Community
VATA	Value Added Timber Association
VETE	Village Eco-Timber Enterprises
VLC	Verification of Legal Compliance
VLO	Verification of Legal Origin

Executive Summary

The Solomon Islands timber industry hosted a delegation from the New Zealand Imported Tropical Timber Group (ITTG) in Honiara between 10 and 14 August 2015. The industry visit and associated consultations were facilitated by the Pacific Horticultural and Agricultural Market Access (PHAMA) Program in conjunction with the Solomon Islands Ministry of Forestry and Research (MOFR). The visit was the first such industry-level engagement between the Solomon Islands and New Zealand timber industries along with key stakeholders, including MOFR.

Discussions focussed on the sourcing requirements of ITTG members, who constitute the majority of the New Zealand timber market, and how these might be met by the Solomon Islands industry. The ITTG has confirmed that independent third party legality assurance will become a minimum standard for market entry among its members. Such assurance is seen as an important step towards sustainable forest management and is becoming a requirement of many international wood markets. It is recognised that there is not currently the capacity to provide independent third party legality assurance in Solomon Islands, and the ITTG has expressed willingness to support Solomon Islands in developing this capacity.

The visit was a valuable opportunity to ensure broad understanding among the Solomon Islands industry of New Zealand market requirements and to establish an agreed platform for work to progress timber legality assurance and forest management certification in Solomon Islands. The visit was also an opportunity to consider technical exchanges between the industries, with the intent of improving Solomon Islands timber processing and product quality, as well as progressing individual business relationships.

From the discussions, the Solomon Islands industry and the ITTG have agreed to a set of actions to develop capacity in Solomon Islands for independent third party legality assurance. These actions are to be implemented collaboratively over the next 18 months by the Solomon Islands timber industry, ITTG, MOFR and PHAMA in conjunction with other stakeholders.

The agreed actions are to:

- 1) Establish a Solomon Islands timber industry association.
- 2) Develop systems and establish an organisation to undertake independent third party verification.
- 3) Strengthen the Solomon Islands Government regulatory framework for timber production and export.
- 4) Improve awareness of requirements for timber licensing and sustainable forest management among producers and communities.
- 5) Document a joint commitment between Solomon Islands and New Zealand industries in progressing work towards the provision of independent third party legality assurance.

The visit and the agreed actions align with the priority initiative in the industry strategy developed by the Timber Industry Working Group, namely *Development of capacity for third party legality certification*.

1.0 Introduction

1.1 Background

Forest product exports are the largest export industry in Solomon Islands. Unprocessed round logs account for the large majority of trade, with an annual trade in 2013 of SBD1.5 billion (approximately AUD240 million). This level of harvest is unsustainable and Solomon Islands Government (SIG) policy is to diversify and increase the level of value-added processing of timber for export.

The sawn timber sector is smaller than the log export sector, but is a significant component of the Solomon Islands economy, with its exports being comparable in value to the cocoa and coconut industries. In 2013, the value of sawn timber exports was estimated as being SBD81.5 million (AUD13 million).

Production and processing of sawn timber is also a significant employer. It can be reasonably estimated that more than 1,500 people are directly employed in sawmills and timber yard businesses. In addition, many more are also engaged (directly and indirectly) in harvesting, shipping and transport, and associated businesses such as firewood production.

Timber is generally exported containerised as rough sawn timber, which is further processed by importers and manufacturers before sale. Australia and New Zealand are the largest and most stable markets for Solomon Islands timber and are currently of similar size in terms of volume and value. Both of these markets have increased in volume sold over the past ten years, but the largest increase has been the volume of timber exported to New Zealand. Timber is also sold from Solomon Islands into Asian markets (including Philippines, Taiwan and China) and other Pacific Islands Countries (such as Vanuatu and New Caledonia).

In November 2012, under Pacific Horticultural and Agricultural Market Access (PHAMA) Program activity SOLS10 Stage 1 (see PHAMA Technical Report 42), a limited survey of importers in Australia and New Zealand identified quality and consistency of supply as significant issues regarding Solomon Islands timber, along with concerns about maintaining market access due to new legality assurance requirements being introduced by Australia. SOLS10 Stages 2 (Technical Report 53), Stage 3 (Technical Report 66) and Stage 4 (Technical Report 82) have undertaken activities to address the legality assurance concerns, strengthening Solomon Islands market access position for timber exports, particularly to Australia and New Zealand.

Building on this legality assurance work, the SOLS18 Stage 1 activity 'Timber Market Study' was undertaken between April and August 2014 (Technical Report 60). This incorporated a survey of existing and new markets for Solomon Islands timber and timber products with engagement with timber industry in Australia and New Zealand. Drawing on this initial engagement, a Market Information Mission for Solomon Islands timber industry to key timber export markets in Brisbane and Auckland was undertaken between 22 and 30 March 2015 as SOLS18 Stage 2 (Technical Report 85).

1.2 New Zealand Market Requirements

Among the key outcomes of the Market Information Mission in March 2015 was confirmation by members of the New Zealand Imported Tropical Timber Group (ITTG)¹ that independent third party legality assurance (see Box 1) will become a minimum standard for market entry among its members. To meet this market requirement and be able to continue to sell into the New Zealand market, the Solomon Islands industry will need to be able to provide this sort of assurance or demonstrate progress towards this within the next 1–2 years.

The New Zealand industry, through the ITTG, recognises that Solomon Islands does not currently have the capacity to provide independent third party legality verification and has expressed a willingness to support the Solomon Islands industry to develop this capacity. The New Zealand industry is also open to possible technical exchanges with a view to improving the quality and presentation of Solomon Islands timber.

This activity represents the first phase in collaborative work to develop capacity for independent third party legality assurance in Solomon Islands. It has also further explored and identified potential technical exchanges between the Solomon Islands and New Zealand timber industries.

¹ The ITTG includes timber importers, manufacturers, retailers and conservation organisations. Its members represent a large proportion of the New Zealand market for tropical timber. ITTG members work with producers to actively seek and develop sources of sustainably managed tropical timber.

BOX 1: THIRD PARTY LEGALITY VERIFICATION

Third party legality verification provides assurance that timber has been produced in compliance with all relevant laws and regulations, assessed against a set of criteria known as a 'legality standard'. The overarching intent of such assurance is to reduce the prevalence and impacts of illegal logging worldwide. It is widely viewed as a step towards full certification of sustainable forest management.

Third party legality verification is conducted by an independent third party organisation, i.e. an organisation that is independent of both government and industry. There are several companies worldwide that provide such certification; however, none of these currently have a presence in Solomon Islands.

An overview of schemes for timber legality verification and sustainable forest management certification is provided in Appendix B.

2.0 Industry Consultations

Representatives of the ITTG visited Honiara between 10 and 14 August 2015. The group consisted of four timber importers and one representative of a conservation organisation (Table 1).

Table 1 New Zealand industry representatives to visit Solomon Islands

Name	Organisation
Malcolm Scott	Chair – ITTG JSC Timber
Matthew Carter	President – New Zealand Timber Importers Association (NZTIA) Herman Pacific
Peter Hutchison	NZTIA member BBS Timbers
Paul Wickham	NZTIA member Simmonds Lumber
Grant Rosoman	Forest Campaigner – Greenpeace

Discussions were held throughout the week, primarily between timber exporters, importers and stakeholders such as the Ministry of Forestry and Research (MOFR). The main activities during the visit are outlined in Table 2 and some photos of the visit are included as Plate 1 to Plate 4.

Table 2 Main activities during the New Zealand industry visit

Date	Activity/description
Mon 10 Aug	New Zealand delegation arrived in Honiara. Briefing on program for the visit and discussion of key objectives.
Tue 11 Aug	Field visit to observe community timber production and sawmill and timber yard operations in Honiara, including: <ul style="list-style-type: none"> - Community timber production near Mbonege (West of Honiara) (Plate 1) - Hatanga Hardwoods (Ranadi) (Plate 2) - Value Added Timber Association (VATA) Enterprises (Henderson) (Plate 4) - Top Timber Company (Ranadi)
Wed 12 Aug	Solomon Islands – New Zealand Industry Meeting, the main industry-to-industry level meeting between Solomon Islands and New Zealand. Attendees are listed in Appendix A.
Thu 13 Aug	Follow-up meeting to confirm agreed actions and next steps for implementation. Attended a reception hosted by the New Zealand High Commission and Minister of Foreign Affairs and Trade.
Fri 14 Aug	Meeting with Permanent Secretary, MOFR. New Zealand delegation departed Honiara.

Plate 1 Community timber production near Mbonege (west of Honiara)



Plate 2 On-site industry discussions at Hatanga sawmill



Plate 3 Example of MOFR conducting monitoring inspection of local timber supplier**Plate 4** Timber ready for export at VATA yard

The visit was the first such industry-level engagement between Solomon Islands and New Zealand, along with key stakeholders, including MOFR. It was a valuable opportunity to ensure broad understanding among the Solomon Islands industry of New Zealand market requirements and to establish an agreed platform for work to progress timber legality assurance and forest management certification in Solomon Islands. The visit was also an opportunity to consider technical exchanges between the industries, with the intent of improving Solomon Islands timber processing and product quality, as well as progressing individual business relationships.

In the context of legality assurance, the discussions specifically allowed for:

- Understanding of New Zealand market requirements among the broad Solomon Islands timber industry (processors and exporters);
- Exploration of options for provision of legality assurance and joint consideration and recognition of some of the potential challenges to implementation;
- Improved understanding among the New Zealand industry of the context of the Solomon Islands timber production supply chain; and
- Improved understanding of SIG systems for licensing and monitoring of the production, processing and export of timber.

The outcomes of the discussions are described in detail in Chapter 3.0.

3.0 Outcomes

3.1 Agreed Actions

The Solomon Islands industry and ITTG have agreed to collaborate on a set of actions to develop a system for third party legality assurance, as well as other objectives, over the next two years. These actions and their broad intent are outlined below:

- 1) Establish a Solomon Islands timber industry association.
 - An industry association will create a single representation for the Solomon Islands timber industry. It will be able to contribute to the establishment of a third party verification organisation and, among other functions, will become the focal point for engagement between industry and MOFR on issues affecting the timber industry.
- 2) Develop systems and establish an organisation to undertake independent third party verification.
 - This will include a review of options for a third party legality assurance system as well as organisation structures and operational considerations. It will also include support for the early set up and function of an independent third party organisation.
- 3) Strengthen the SIG regulatory framework for timber production and export.
 - This will support ongoing strengthening of existing MOFR monitoring and verification processes and licensing in the timber industry. It is essential that existing government systems continue to be strengthened concurrently with the development of third party organisation and related systems (under Action 2 above).
- 4) Improve awareness of requirements for timber licensing and sustainable forest management among producers and communities.
 - There is a need for a program of communication and awareness raising among timber producers and landowners on timber licensing, requirements for third party assurance, and sustainable forest management. This will complement existing programs of MOFR, and the joint work of the Natural Resources Development Foundation (NRDF) and the Secretariat of the Pacific Community (SPC).
- 5) Document a joint commitment between Solomon Islands and New Zealand industries in progressing work towards the provision of independent third party legality assurance.
 - This will involve a documented agreement between Solomon Islands and New Zealand timber industries, with MOFR as an observer, to confirm the systems for third party legality assurance and other collaborative initiatives to strengthen the Solomon Islands timber industry.

Table 3 below describes these agreed actions and the relevant component tasks in more detail, along with indicative timing and resourcing considerations. The key organisations with responsibility for these will be the Solomon Islands industry, ITTG, MOFR and PHAMA in conjunction with other stakeholders. The component tasks as presented in Table 3 will be reviewed periodically to incorporate the relevant outcomes of earlier actions. An example of the need for this is the interrelated work required for actions 2.2, 2.3 and 2.4.

Table 3 Agreed actions to establish capacity for third party legality verification in Solomon Islands

Activity	Component tasks	Resourcing	Who involved	Indicative timing
1. Establish a Solomon Islands timber industry association.	1.1 <ul style="list-style-type: none"> - Establish a membership Charter. - Elect office bearers. - Establish institutional arrangements, including secretariat support. - Consider longer term self-funding arrangements. 	<ul style="list-style-type: none"> - PHAMA support for secretariat and Technical Adviser inputs. - Collaboration and mentoring as required by ITTG. 	<ul style="list-style-type: none"> - Solomon Islands timber industry - PHAMA - Solomon Islands Chamber of Commerce and Industry - MOFR - ITTG 	3–6 months Target: Nov 30 2015
2. Develop systems and establish an organisation to undertake independent third party verification.	2.1 <ul style="list-style-type: none"> - Continue implementation of legality assurance audits as an interim measure before establishment of new third party organisation. - Outcomes from these activities to inform review, assessment of options, and development of the third party organisation and the standards/systems adopted. 	<ul style="list-style-type: none"> - ITTG supporting local service providers (previously part of Village Eco-Timber Enterprises [VETE]) to conduct audits through fee-for-service arrangements. 	<ul style="list-style-type: none"> - ITTG - Service providers - Solomon Islands timber industry 	Ongoing To phase out once third party organisation in place
	2.2 <ul style="list-style-type: none"> - Conduct a review to assess options for establishing a third party organisation, to consider: <ul style="list-style-type: none"> • Potential structures, personnel and funding requirements. This to include reference to existing organisations and capacity. • Relevant scope and standards, to be verified with reference to existing regulatory framework and recognised good practice, noting an initial focus on Verification of Legal Origin (VLO) with progression towards Verification of Legal Compliance (VLC). • Appropriate system of verification, including audit target areas and frequency, period of certification and related considerations. • Organisational governance and reporting arrangements, with a view to ensuring transparency and accountability. 	<ul style="list-style-type: none"> - PHAMA support for Technical Adviser inputs to conduct review. - To include consultation with relevant stakeholders, including: timber exporters and producers, SIG, NGOs, community groups and associations. 	<ul style="list-style-type: none"> - PHAMA - Technical Adviser (consultant) - Stakeholders: timber exporters and producers, SIG, NGOs, community groups and associations. 	3–6 months Target: Nov 30 2015

Activity	Component tasks	Resourcing	Who involved	Indicative timing
	<ul style="list-style-type: none"> Potential existing and longer term service providers and possible collaborative arrangements with internationally recognised certification bodies. Potential for future development of more than one third party organisation or service provider. 			
	2.3 - Set up a third party organisation. Component tasks to be identified by Stage 2.2, though likely to involve: <ul style="list-style-type: none"> Recruitment of personnel. Organisational arrangements, such as office space, equipment, operational requirements. - Potential requirements for technical and administrative support during early stages of operation.	- To be confirmed by outcomes of Stage 2.2. - Potential support from ITTG, Solomon Islands timber industry and SIG - PHAMA support	- Solomon Islands timber industry - PHAMA - ITTG	12–24 months Target: To be confirmed by outcomes of Stage 2.2
	2.4 - Identify long-term funding arrangements for third party organisation. To be confirmed by 2.2 and 2.3. Potential funding sources include: <ul style="list-style-type: none"> SIG Development Budget Industry levies Timber pricing (both in Solomon Islands and New Zealand) ITTG / New Zealand Ministry of Foreign Affairs and Trade 	- To be confirmed	- To be confirmed	Concurrent with establishment of third party organisation – 2.3.
3. Strengthen the SIG regulatory framework for timber production and export.	3.1 - Support MOFR to ensure appropriate monitoring and verification of timber production through adequate resourcing of the Timber Utilisation Division.	- PHAMA to support MOFR to confirm operational budget requirements and develop draft budget proposals for submission in the 2016 budget cycle.	- MOFR - PHAMA - Solomon Islands timber industry	Next budget cycle June 2016

Activity	Component tasks	Resourcing	Who involved	Indicative timing
	3.2 - Work to improve the existing regulatory framework to include: <ul style="list-style-type: none"> Solomon Islands timber industry involvement in review of the Forest Resources and Timber Utilisation Act. Solomon Islands timber industry engagement with MOFR on opportunities to improve accessibility of licensing for producers and to simplify licence application processes. 	- PHAMA support	- MOFR - Solomon Islands timber industry - PHAMA	Start in 2015 and continue throughout 2016
4. Improve awareness of requirements for timber licensing and sustainable forest management among producers and communities.	4.1 - Conduct awareness program for producers and communities on timber production and forest management, to include: <ul style="list-style-type: none"> Roll out of third party legality verification. Requirements for VLO and VLC. Sustainable forest management practices. 	- To be informed by 2.2 and 3.2	- MOFR - Solomon Islands timber industry - Partners such as NRDF and SPC.	2016
5. Document a joint commitment between Solomon Islands and New Zealand industries in progressing work towards the provision of independent third party legality assurance.	5.1 - Memorandum of Understanding (or similar) between Solomon Islands timber industry association (formed in Activity 1) and ITTG. <ul style="list-style-type: none"> Memorandum of Understanding to confirm timeframes and agreed steps for establishment of third party organisation and other areas for collaboration (e.g. technical and training exchanges). MOFR to be recognised as an observer. 	- PHAMA support to facilitate drafting and finalising of agreed Memorandum of Understanding, in collaboration with Solomon Islands timber industry association and ITTG.	- Solomon Islands timber industry - ITTG - MOFR - PHAMA	Target: Jan 2016 Following completion of 2.2

3.2 Formation of a Solomon Islands Timber Industry Association

The Solomon Islands timber industry has met to form an industry association – the Solomon Islands Timber Processors and Exporters Association (SITPEA). It is anticipated that SITPEA will initially have 10–15 members, including sawmills, timber yards and timber sellers to domestic and export markets. Members intend for SITPEA to be established and formally registered by the end of September 2015. Members of SITPEA will agree to a Code of Practice (or similar document) that will outline a timber sourcing policy and include initiatives to promote sustainable forest management among timber producers and landowners.

Formation of SITPEA will be a significant outcome in strengthening the Solomon Islands timber industry, in terms of legality assurance as well as broader industry capacity. SITPEA will become a single representation for the industry that will be able to contribute to the establishment of a third party organisation and any subsequent certification initiatives. It will also become the focal point for engagement between industry and MOFR, which will include input to the forthcoming review of the Forest Resources and Timber Utilisation Act (1969) and ensuring compliance of timber producers with licensing requirements.

PHAMA will act as a secretariat to SITPEA during the early stages of its operation ahead of transitioning to a self-sustaining model. This will be supported under a separate PHAMA activity relating to the broader development of all Industry Working Groups (IWGs) (timber, cocoa, coconut, fish and horticulture) established in Solomon Islands. IWG members will be involved in SITPEA either as full members or observers, and the new association will take on the functions of coordinating and prioritising the (IWG) industry strategy.

3.3 Implementation

3.3.1 Communications and Progress Reporting

Ongoing communication between key stakeholders will be critical to the efficient implementation of the agreed actions. To ensure clear communications, the Solomon Islands industry (supported by PHAMA) will provide periodic progress reports to the ITTG on the implementation status of the activities. It is anticipated that these reports will be on a two-monthly basis until January 2015, after which they will move to a quarterly basis. Reports will be provided by email to a nominated contact person within the ITTG and will be copied to a representative of the Solomon Islands timber industry and MOFR.

3.3.2 Alignment with the IWG Timber Industry Strategy

As has been noted above, the IWG has an existing industry strategy that identifies priority initiatives to strengthen the Solomon Islands timber industry. As of April 2015, the two highest priority initiatives of the strategy are: (1) legality verification and forest certification support; and (2) timber quality improvement (which includes the development of timber grading rules and activities to improve timber processing facilities and skills). Discussions during the New Zealand industry visit have focussed on legality assurance, which aligns with the first priority of the industry strategy. As such, Table 3 above now describes the approach for implementation of this initiative from the industry strategy.

3.3.3 PHAMA Resourcing

Arising from the New Zealand industry visit and ongoing work of PHAMA to support the Solomon Islands timber industry, there are various activities to be progressed concurrently over the coming months. The initial focus areas for which appropriate resourcing should be ensured will be:

- Support for the formation and early operation of SITPEA, which will take over the role and functions of the IWG.
- Coordination of activity 2-2 (from Table 3) to *conduct a review to assess options for establishing a third party organisation*. This will involve the engagement of a Technical Adviser to conduct the assessment and associated stakeholder engagement.
- Coordination of activity 4-1 (from Table 3) to *improve awareness of requirements for timber licensing and sustainable forest management among producers and communities*. This will involve the engagement of a Technical Adviser to facilitate a stakeholder workshop.

- Scoping of activities to progress the industry plan initiative of improving timber quality, which could encompass:
 - Collaboration with Solomon Islands industry, New Zealand industry and local saw doctors to design and implement a program for saw doctor training. A possible approach to this would be to facilitate New Zealand saw maintenance specialists conducting training in Honiara for the broad industry in the use and maintenance of bandsaws and associated maintenance equipment over a 2–3 week period. Overseas instructors could work with qualified local saw doctors to conduct the training, identify skills enhancement requirements and design any follow up training programs.
 - Facilitating the development and implementation of a national system for timber grading in Solomon Islands (utilising existing draft grading rules).

Appendix A

Attendees at Solomon Islands – New Zealand Industry Meeting

Appendix A Attendees at Solomon Islands – New Zealand Industry Meeting

Venue: Commodities Export Marketing Authority building, Commonwealth Avenue, Point Cruz, Honiara

Date: Wednesday 12 August 2015

Time: 8:30am – 2:00pm

Name	Organisation
Guy Reading	PHAMA
Steven Wong	Pacific Alliance Export
Terry Wu	Top Timber
Stephan	Timber Utilisation Division – MOFR
Mathew Carter	New Zealand delegation
Malcolm Scott	New Zealand delegation
Paul Wickham	New Zealand delegation
Peter Hutchinson	New Zealand delegation
Grant Rosoman	New Zealand delegation
Dale Hamilton	PHAMA
Reginald Pitakesa	John Wesley Timber
Gordon Konairamo	MOFR
Joe	MOFR
Leith Veremaito	PHAMA
Semy Siakimotu	PHAMA
Kimo Levi	KHL Timber Export
Simba	Observer
Collin Potakana	Australian Department of Foreign Affairs and Trade
Grant Rose	New Zealand delegation
Robert Mesa	Lagoon Timber
Joseph Wane	JSL Invest Corporation
John Aleve	Fair Trade
David Salt	Kolombangara Forest Products Limited
Eric Tolilalo	VATA
Adam Barttlet	Hatanga
Andrew Piper	PHAMA
Andrew Sale	PHAMA
Alick Hou	VETE
Ridol Gebe	Lagoon Timber
Julius Horia	Timber Utilisation Division, MOFR
Geoff Dennis	VETE

Appendix B

Overview of Timber Legality Assurance and Forest Certification

Appendix B Overview of Timber Legality Assurance and Forest Certification

Certification systems that apply to forest management and timber supply chains are designed to demonstrate the legality and/or the sustainability of forest management and forest and wood products.

Different types of certification apply to different activities along the supply chain. These can be broadly grouped into those that apply to forest management (forest management certification) and those that track the path of timber from the forest to the consumer (chain of custody certification).

Within the context of forest certification, a further differentiation is made between certification of legality and the broader scope of forest management. Timber legality certification (legality assurance) is designed to verify that timber and wood products have been legally sourced, while forest management certification encompasses economic, social and environmental requirements to verify that forests are sustainably managed. This differentiation can be used to categorise forest certification into two main 'levels', with legality assurance seen as the initial threshold when working towards certification of sustainable forest management.

Legality assurance schemes comprise two broad components:

- Verification of Legal Origin (VLO) verifies that producers have the right to access and harvest, complying with the relevant timber harvesting laws and regulations. This includes possession of required approvals and permits, adherence to production quotas and allowable species, and payment of all relevant fees, charges, taxes and royalties.
- Verification of Legal Compliance (VLC) verifies that legal origin has been demonstrated and that producers have complied with all relevant local, national and international forestry, environmental, social and labour regulations, codes of practice and conventions.

Figure 1 outlines the scope of legality and Chain of Custody schemes for forest products, and their interaction in the broader context of sustainable forest management initiatives. In this framework, VLO and VLC assessments relate to forestry operations within the harvested 'forest area', and the Chain of Custody extends from the forest area to the end consumer of wood products.

There are a range of programs worldwide that are based specifically on legality assurance, encompassing VLO and VLC, and supported by associated Chain of Custody systems. Examples of these include VLO and VLC standards established and implemented by organisations such as Smartwood, SGS (Société Générale de Surveillance S.A.), and Certisource.

Figure 1 Types and scope of forest certification and chain of custody schemes

