



Timber



Palm Oil



Beef



Soy

Como usar o Hub de abastecimento da NEPCon num processo de devida diligência

Autumn 2017

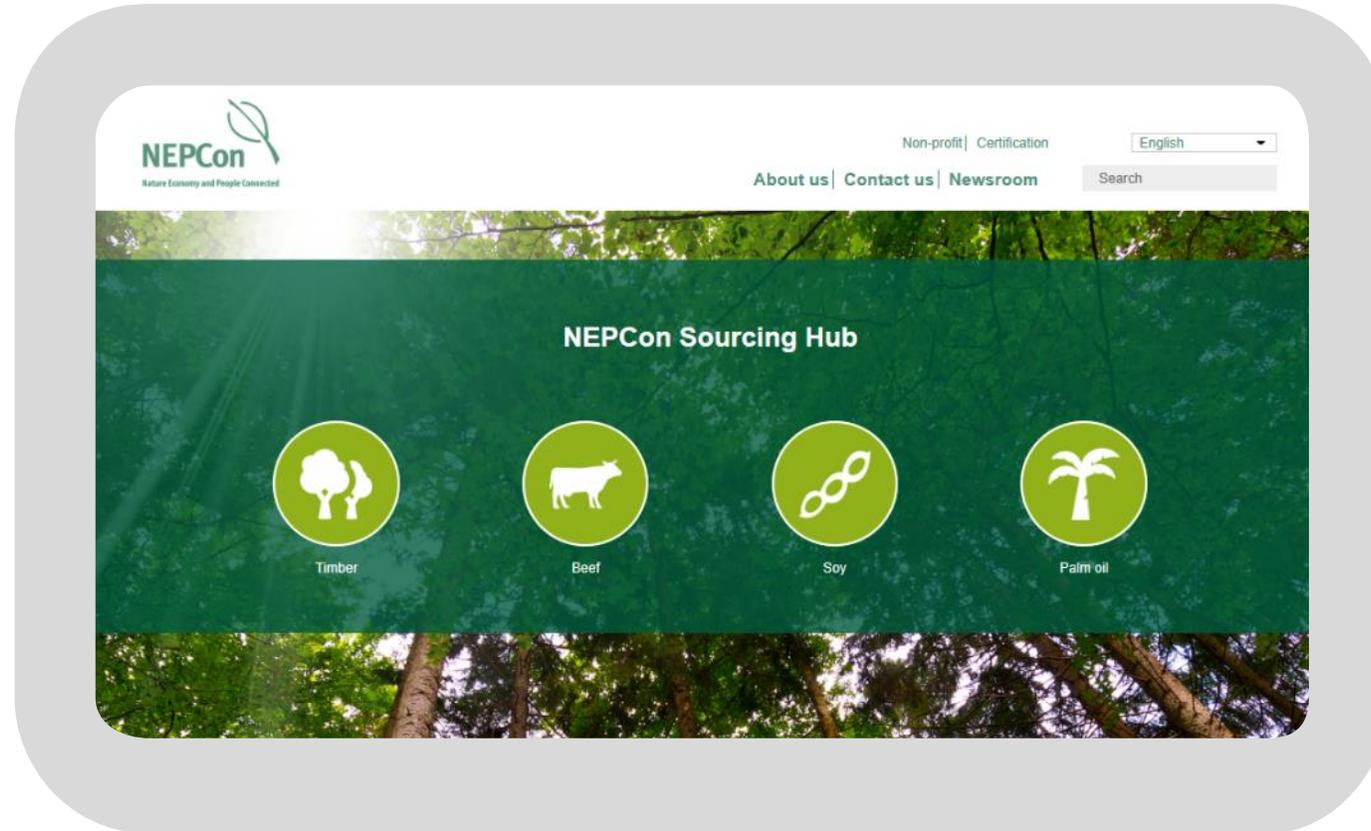


Funded by the LIFE programme of the European Union and UK Aid from the UK government. The European Commission support for the production of this publication does not constitute endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein. This material has been funded by UK aid from the UK government; however the views expressed do not necessarily reflect the UK government's official policies.



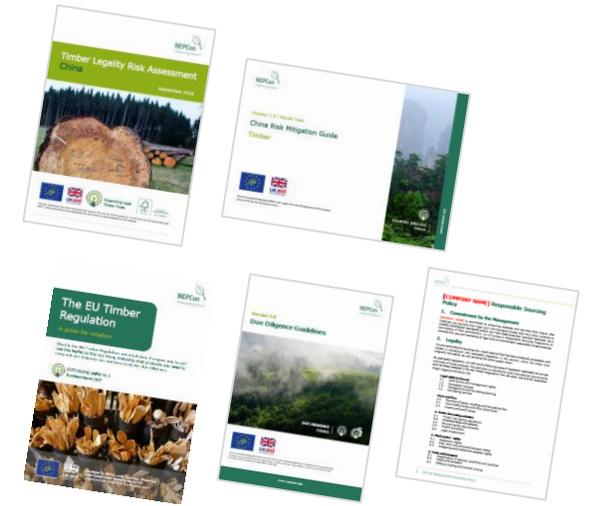
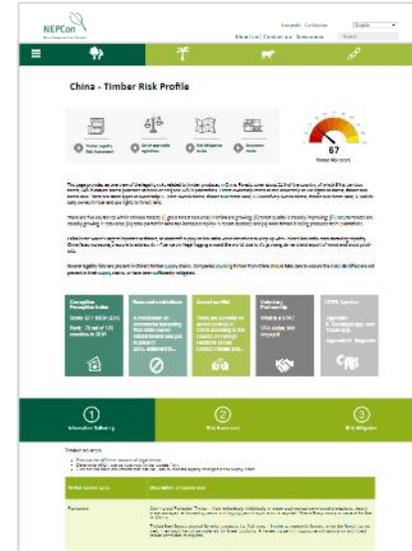
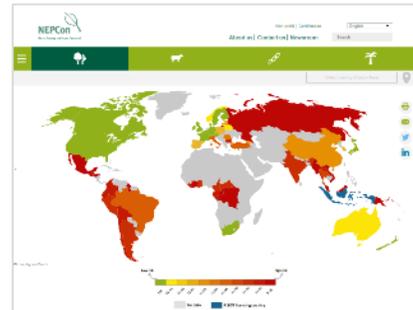
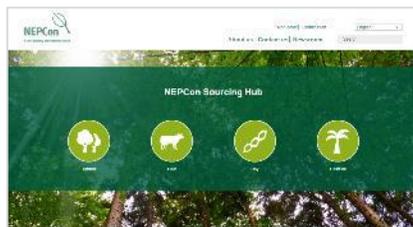
- **Avaliações de risco**
- **Ferramentas para estabelecer um sistema de devida diligência**
- **Ferramentas específicas do país no hub de abastecimento**
- **Outros guias**

Lançado em Agosto 2017... v1.0



www.nepcon.org/sourcinghub

Tudo o que você precisa para a devida diligência em um só lugar



1

SELECIONAR
matéria-prima

2

ACESSO
um mapa feral de riscos de abastecimento
+
SELECCIONAR
país para detalhes

3

VER
Dados de risco detalhados por país
(por exemplo, riscos relacionados a cada tipo de produção florestal ...)

4

EXPLORE
um conjunto de ferramentas nacionais de orientação e de devida diligência para mitigar os riscos

Orientações específicas por País



Avaliação completa do risco de legalidade da madeira para todos os 62 países



Uma visão geral das leis relevantes em um país da **Lista de Legislação Aplicável**



Guia de Mitigação de Riscos para ajudar a identificar os riscos na cadeia de abastecimento e o que fazer com eles para um país de origem



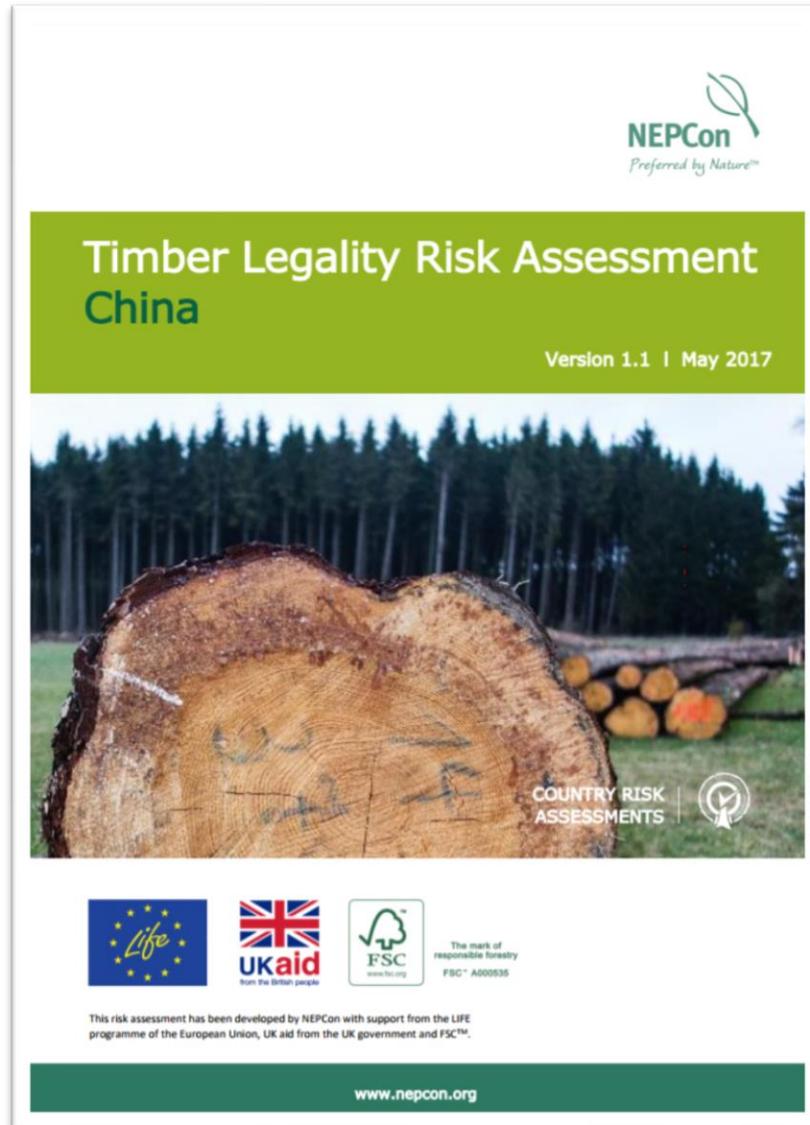
Guia de documentos para ajudar a determinar exatamente qual o tipo de documentos a serem solicitados aos fornecedores, o que eles devem ter em vista e como verificar sua autenticidade

Ferramentas de Devida Diligência



- Cartas do fornecedor
- Diretrizes de Due Diligence
- Formulário de gestão de fornecedores
- Listas de verificação de risco
- Modelo de política
- Formulário de informação do fornecedor
- etc.

Análises de Risco ...



O coração do Hub

Visão geral do Sector

Recolha de Informação



Tipos de fonte do país para ajudar a identificar as fontes legais de madeira para um país



Visão geral de espécies de risco para ajudar a reduzir os riscos na cadeia de abastecimento



Documentos-chave que podem indicar a legalidade da madeira proveniente de um país



Mitigação de Risco



Instruções claras sobre como mitigar os riscos identificados para um país específico



Guia Completo de Mitigação de Riscos e Guia de Documentos

Análise de Risco

Resumo dos principais riscos de legalidade relevantes para as cadeias de abastecimento de madeira de um país



Legal Rights to Harvest



Taxes and Fees



Timber Harvesting Activities



Third Parties' Rights

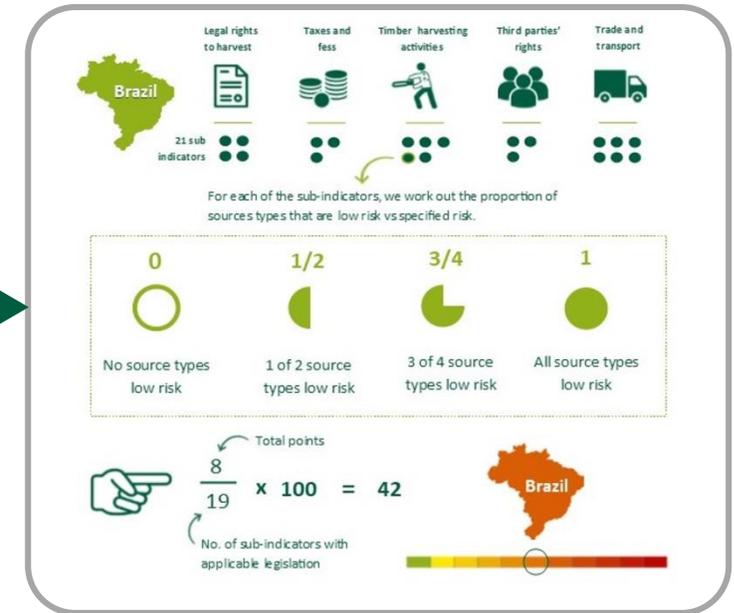
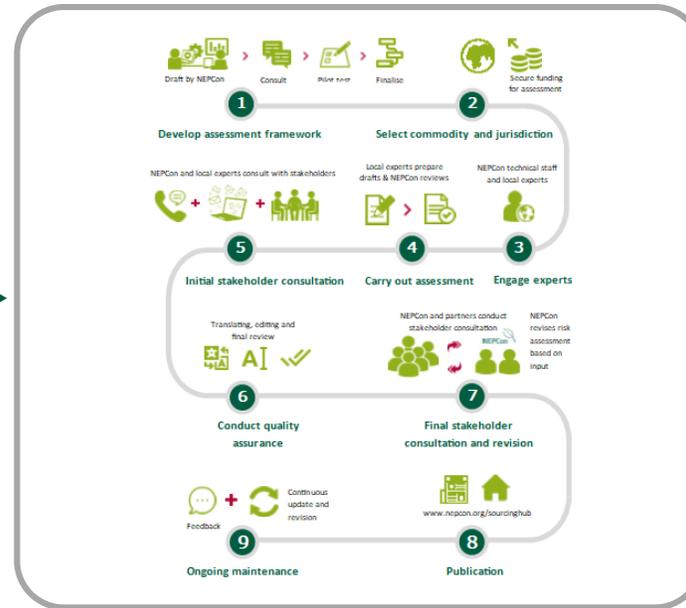
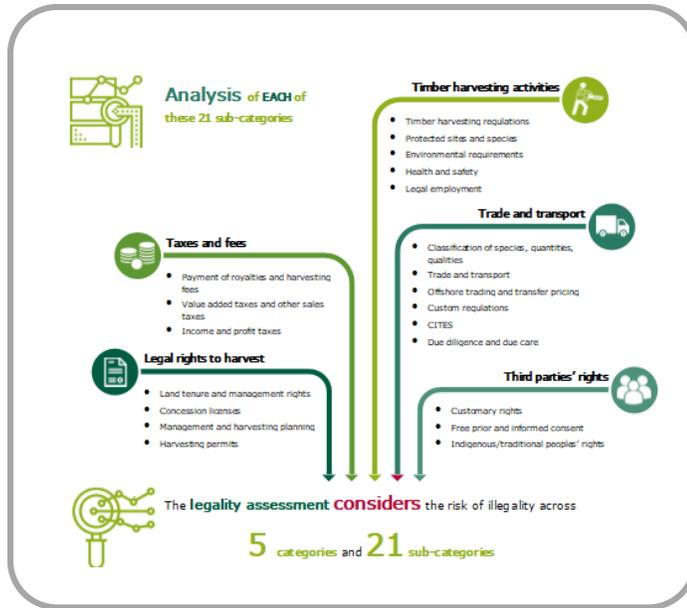


Trade and Transport



Traceability

Avaliações de risco - desenvolvimento do processo



DESENVOLVER

O quadro de avaliação de risco para a commodity, e definindo (sub) categorias

CONDUZIR

análises de risco

+

CONCLUIR

o risco para cada uma sub-categorias

CALCULAR

o resultado para cada país +

CÓDIGO DE COR

no mapa

Abrangente...



Categoria de legalidade

Direitos legais para explorar

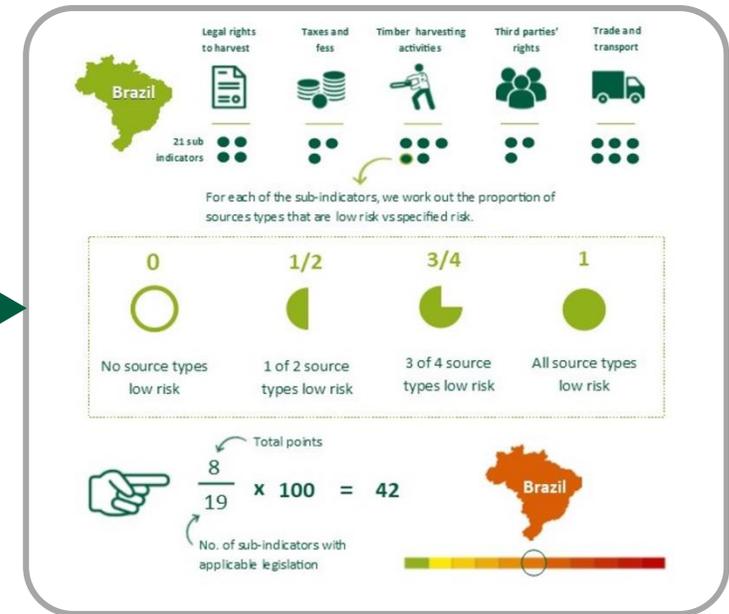
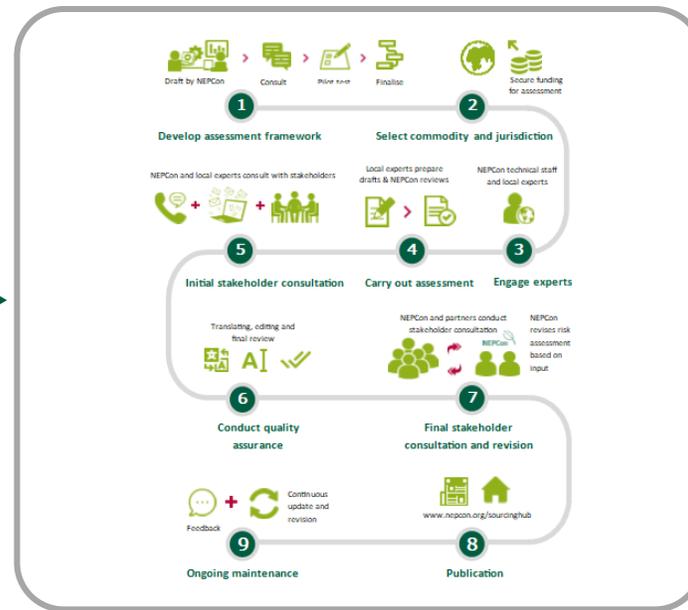
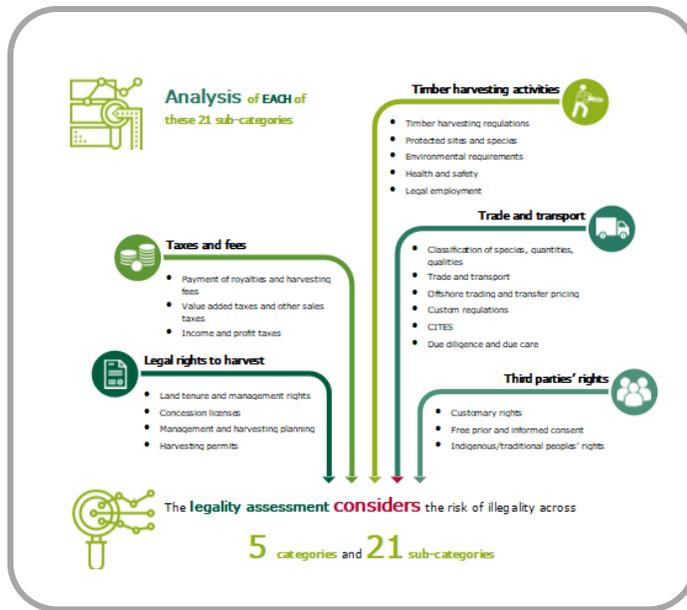
1. O que a lei exige?
2. Quem é a autoridade governamental responsável por essa lei / s?
3. Quais são os documentos legais necessários?
4. Quais são os riscos que a lei não é cumprida?
5. Quais ações de mitigação de risco podem ser tomadas para reduzir o risco?
6. Fontes de informação



Comércio e Transporte

Sub-categoria de Legalidade
<ul style="list-style-type: none">• Direitos de posse e gestão da terra• Licenças de concessão• Planeamento de gestão e exploração• Licenças de exploração
<ul style="list-style-type: none">• Pagamento de royalties e taxas de exploração• Impostos sobre o valor adicionado e outros impostos sobre vendas• Imposto de renda e lucro
<ul style="list-style-type: none">• Regulamentos de exploração de madeira• Sites e espécies protegidos• Requerimentos ambientais• Saúde e segurança• Emprego legal
<ul style="list-style-type: none">• Direitos costume• Consentimento livre, prévio e informado• Direitos dos povos indígenas
<ul style="list-style-type: none">• Classificação de espécies, quantidades, qualidades• Comércio e transporte• Preços offshore de negociação e transferência• Regulamentos personalizados

Avaliações de risco - desenvolvimento do processo



DESENVOLVER

O quadro de avaliação de risco para a commodity, e definindo (sub) categorias

CONDUZIR

análises de risco

+

CONCLUIR

o risco para cada uma sub-categorias

CALCULAR

o resultado para cada país +

CÓDIGO DE COR

no mapa

Abrangente...

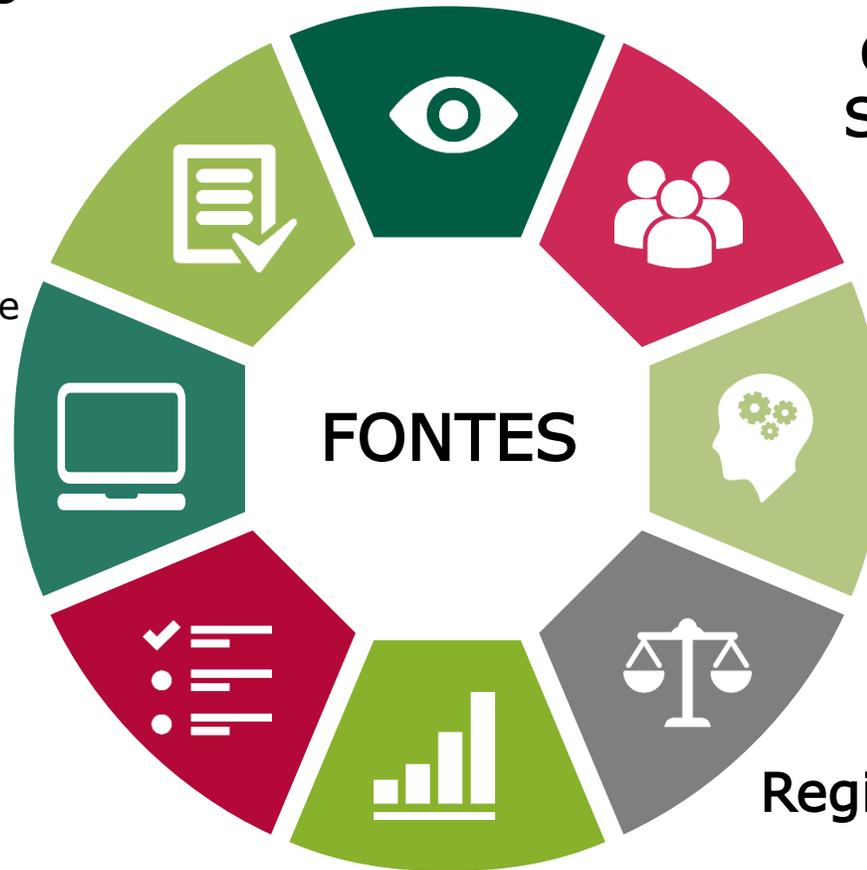
Fontes de dados para avaliações de risco

Resumos públicos de auditorias de certificação

- Transparency International - Índice de Percepção de corrupção
- Chatham House – Exploração ilegal de madeir
- INTERPOL
- Banco Mundial WGI
- EU FLEGT Process
- Forest Legality Alliance
- ELDIS regional country profiles

Relatórios governamentais sobre conformidade

Experiência de campo e relatórios - NEPCon e outros



Relatórios Nacionais de Estatísticas

Consulta de Stakeholders

Contributos de especialistas

Registos de justiça e tribunais

Fontes Múltiplas

Como determinamos o baixo risco ou especificado?

Considerado baixo risco

Problemas que são:

- Temporários
- Incomum ou não sistemático
- Limitado no seu impacto
- Controlado efetivamente pela monitorização e execução por agências governamentais eficientes e eficazes

Considerado risco especificado

Problemas que:

- Afeta uma área ampla e / ou causa danos significativos e / ou continua durante um longo período de tempo.
- Indica a ausência ou quebra da execução do sistema legal.
- Não é corrigido ou adequadamente abordado quando identificado.
- Tem um impacto negativo significativo na sociedade, na produção de produtos florestais e outros serviços, no ecossistema florestal e nas pessoas afetadas direta e indiretamente pelas operações florestais.

Um Sistema de Devida Diligência

1. Gestão da Qualidade

1. Gestão da Qualidade

O Sourcing Hub contém informações extensas sobre como configurar seu sistema de devida diligência (DDS).

O NEPCon DDS inclui vários **modelos** que podem ser usados para garantir que os sistemas e procedimentos sejam desenvolvidos e implementados efetivamente.

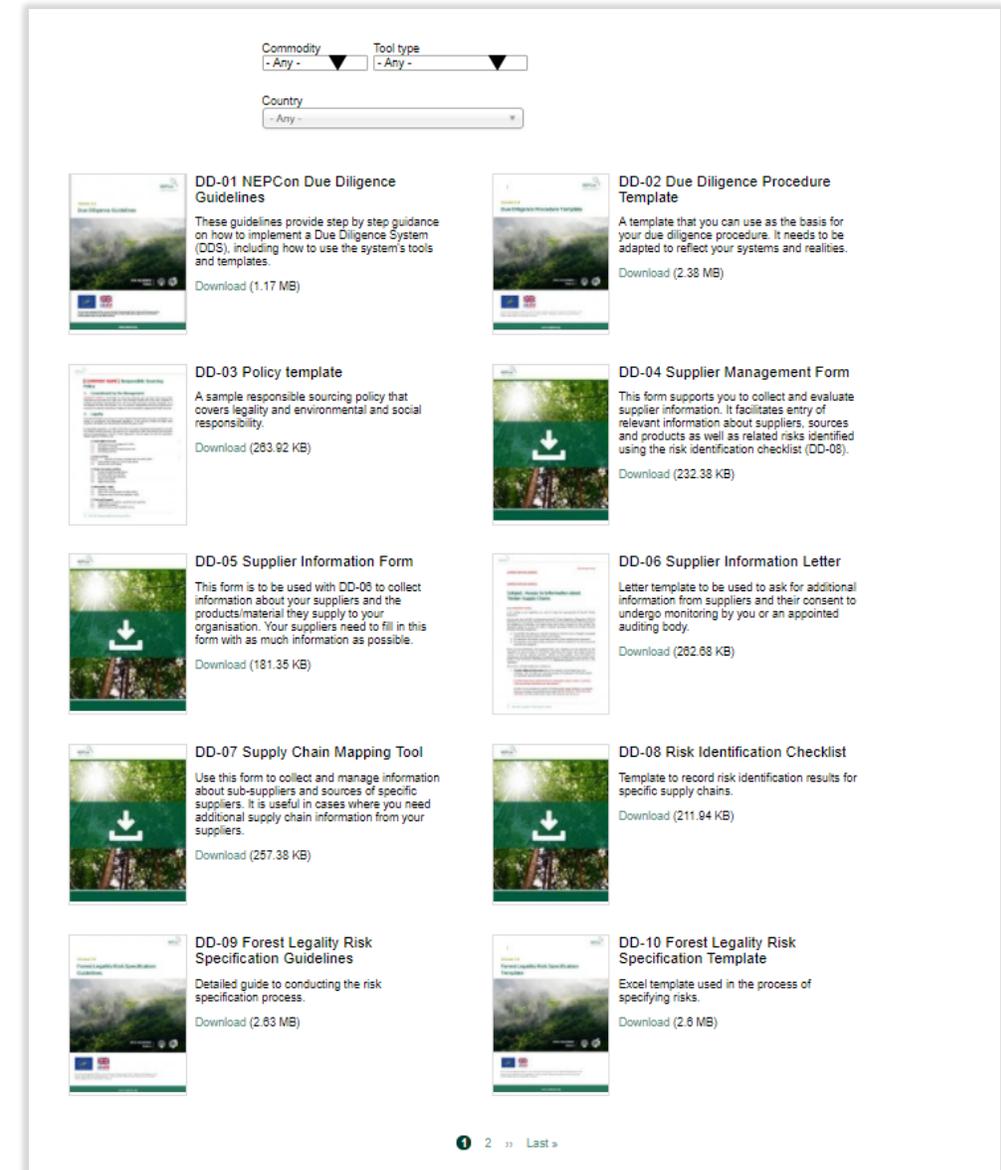
Você pode baixar todas as **ferramentas e modelos** que você precisa para configurar um sistema de devida diligência no seu negócio no Sourcing Hub.



The screenshot shows a website interface with a green header bar containing navigation icons: a hamburger menu, a tree, a cow, a chain, and a palm tree. Below the header, the main content area has a white background with the title "What is due diligence?". To the right of the text are three social media icons: an envelope, a Twitter bird, and the LinkedIn logo. The text below the title reads: "‘Due diligence’ means taking reasonable care to avoid a negative outcome. In the case of the commodities we look at here: For **timber**, we mean minimising the risk that you are placing timber on the market that was harvested, transported or traded illegally in its country of harvest. We have adopted this definition because this is what the EU Timber Regulation requires companies that place timber on the market in the EU to do."

1. Gestão da Qualidade

- Faça o download do sistema NEPCon Due Diligence completo no Sourcing Hub
- <http://beta.nepcon.org/sourcing-hub/info/what-due-diligence>



The screenshot displays the NEPCon Sourcing Hub interface. At the top, there are three dropdown menus: 'Commodity' (set to '- Any -'), 'Tool type' (set to '- Any -'), and 'Country' (set to '- Any -'). Below these filters, a grid of 10 document cards is shown, each with a thumbnail image, a title, a brief description, and a 'Download' button with the file size.

Document ID	Title	Description	Download Size
DD-01	NEPCon Due Diligence Guidelines	These guidelines provide step by step guidance on how to implement a Due Diligence System (DDS), including how to use the system's tools and templates.	1.17 MB
DD-02	Due Diligence Procedure Template	A template that you can use as the basis for your due diligence procedure. It needs to be adapted to reflect your systems and realities.	2.38 MB
DD-03	Policy template	A sample responsible sourcing policy that covers legality and environmental and social responsibility.	263.92 KB
DD-04	Supplier Management Form	This form supports you to collect and evaluate supplier information. It facilitates entry of relevant information about suppliers, sources and products as well as related risks identified using the risk identification checklist (DD-08).	232.38 KB
DD-05	Supplier Information Form	This form is to be used with DD-06 to collect information about your suppliers and the products/material they supply to your organisation. Your suppliers need to fill in this form with as much information as possible.	181.35 KB
DD-06	Supplier Information Letter	Letter template to be used to ask for additional information from suppliers and their consent to undergo monitoring by you or an appointed auditing body.	262.68 KB
DD-07	Supply Chain Mapping Tool	Use this form to collect and manage information about sub-suppliers and sources of specific suppliers. It is useful in cases where you need additional supply chain information from your suppliers.	257.38 KB
DD-08	Risk Identification Checklist	Template to record risk identification results for specific supply chains.	211.94 KB
DD-09	Forest Legality Risk Specification Guidelines	Detailed guide to conducting the risk specification process.	2.83 MB
DD-10	Forest Legality Risk Specification Template	Excel template used in the process of specifying risks.	2.6 MB

At the bottom right of the interface, there is a pagination control showing '1 2 » Last »'.

1. Gestão da Qualidade

NEPCon
Preferred by Nature®

Version 3.0
Due Diligence Guidelines

DUE DILIGENCE TOOLS

Life
UKaid
From the British people

This tool has been developed by NEPCon as a part of the project "Supporting legal timber" funded by the LIFE programme of the European Union and UK aid from the UK government, as well as the project "Responsible Sourcing of Soy, Palm Oil and Cattle" funded by DANIDA, Ministry of Foreign Affairs of Denmark.

www.nepcon.org

NEPCon
Preferred by Nature®

Version 2.0
Due Diligence Procedure Template

DUE DILIGENCE TOOLS

Life
UKaid
From the British people

This tool has been developed by NEPCon as a part of the project "Supporting legal timber" funded by the LIFE programme of the European Union and UK aid from the UK government, as well as the project "Responsible Sourcing of Soy, Palm Oil and Cattle" funded by DANIDA, Ministry of Foreign Affairs of Denmark.

www.nepcon.org

NEPCon
Preferred by Nature®

[COMPANY NAME] Responsible Sourcing Policy

1. Commitment by the Management

[COMPANY NAME] is committed to procuring products and services that ensure that materials are sourced from legal and well-managed forests that have been certified to credible certification standards and/or are from post-consumer recycled materials. As a cornerstone of that commitment, we will pursue a Responsible Sourcing Programme to promote the use and marketing of legal and environmentally responsible forest products.

2. Legality

We are committed to sourcing only wood material that has been produced, processed, and traded in compliance with applicable legislation in the country where the trees were originally harvested, as well as along the entire supply chain.

By applicable legislation, we refer to the following types of legislation applicable to harvest and trade of forest products. This definition is intended to meet international requirements such as those adopted in the EU Timber Regulation, the US Lacey Act and the Australian Illegal Logging Prohibition Act:

Legal rights to harvest

- 1.1 Land tenure and management rights
- 1.2 Concession licenses
- 1.3 Management and harvesting planning
- 1.4 Harvesting permits

Taxes and fees

- 1.5 Payment of taxes, royalties and harvesting fees
- 2.2 Value-added taxes and other sales taxes
- 2.3 Income and profit taxes

3. Timber harvesting activities

- 3.1 Timber harvesting regulations
- 3.2 Protected Sites and species
- 3.3 Environmental requirements
- 3.4 Health and safety
- 3.5 Legal employment

4. Third parties' rights

- 4.1 Customary rights
- 4.2 Free, Prior and Informed Consent (FPIC)
- 4.3 Indigenous and traditional peoples' rights

5. Trade and transport

- 5.1 Classification of species, quantities and qualities
- 5.2 Trade and transport
- 5.2 Offshore trading and transfer pricing

1 DD-03 Responsible Sourcing Policy

2. Recolhendo Informação

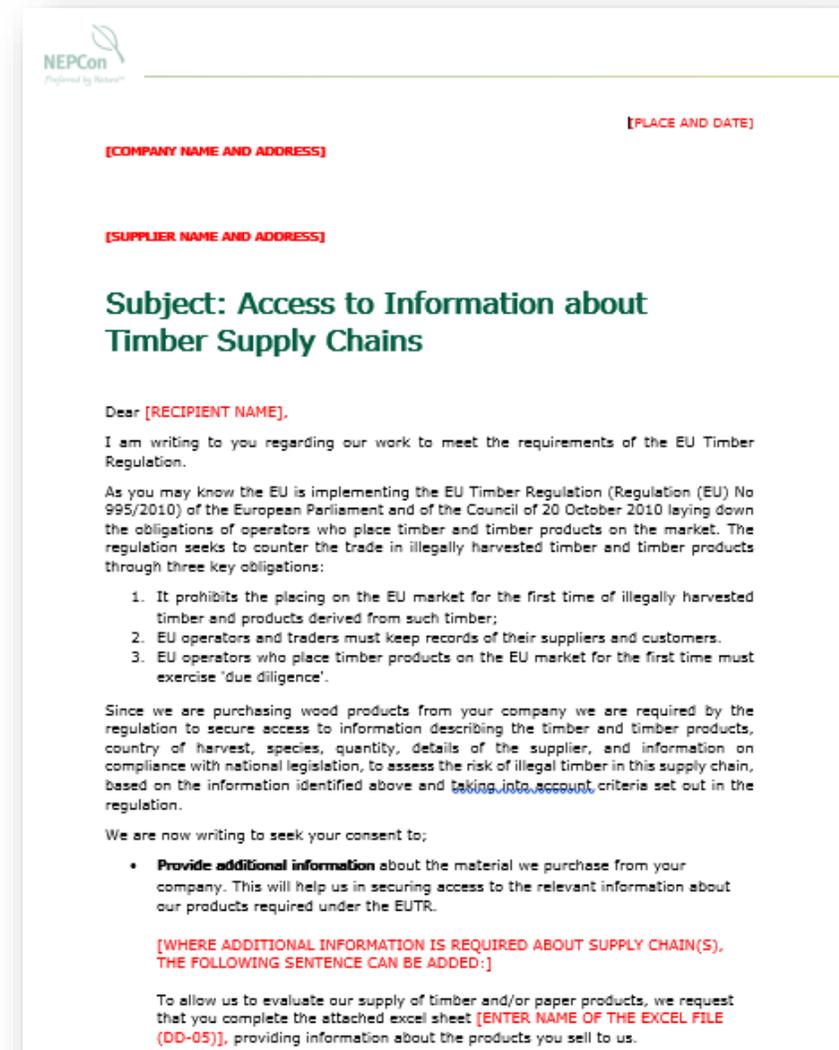
2. Recolhendo Informação

Informar fornecedores
de requisitos DD e
solicitar informações
sobre a cadeia de
abastecimento
(DD-06)



2. Recolhendo Informação

- Para informar os fornecedores de necessidades de informação
- Para solicitar informações sobre cadeias de abastecimento
- Formulário de consentimento para garantir acesso a provas, auditorias e materiais de teste.



NEPCon
Prepared by NEPCON

[PLACE AND DATE]

[COMPANY NAME AND ADDRESS]

[SUPPLIER NAME AND ADDRESS]

Subject: Access to Information about Timber Supply Chains

Dear [RECIPIENT NAME],

I am writing to you regarding our work to meet the requirements of the EU Timber Regulation.

As you may know the EU is implementing the EU Timber Regulation (Regulation (EU) No 995/2010) of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market. The regulation seeks to counter the trade in illegally harvested timber and timber products through three key obligations:

1. It prohibits the placing on the EU market for the first time of illegally harvested timber and products derived from such timber;
2. EU operators and traders must keep records of their suppliers and customers.
3. EU operators who place timber products on the EU market for the first time must exercise 'due diligence'.

Since we are purchasing wood products from your company we are required by the regulation to secure access to information describing the timber and timber products, country of harvest, species, quantity, details of the supplier, and information on compliance with national legislation, to assess the risk of illegal timber in this supply chain, based on the information identified above and taking into account criteria set out in the regulation.

We are now writing to seek your consent to:

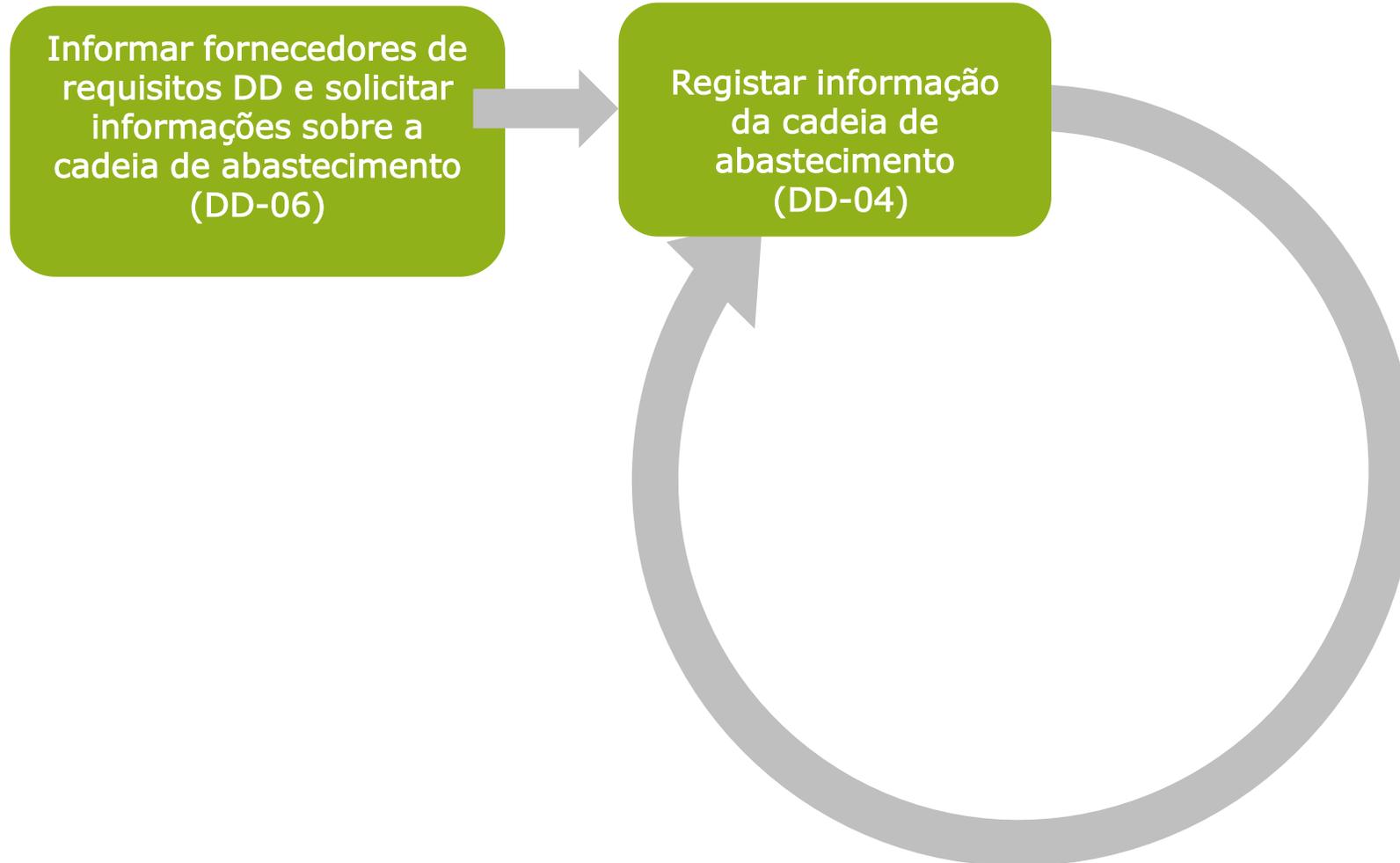
- **Provide additional information** about the material we purchase from your company. This will help us in securing access to the relevant information about our products required under the EUTR.

[WHERE ADDITIONAL INFORMATION IS REQUIRED ABOUT SUPPLY CHAIN(S), THE FOLLOWING SENTENCE CAN BE ADDED:]

To allow us to evaluate our supply of timber and/or paper products, we request that you complete the attached excel sheet [ENTER NAME OF THE EXCEL FILE (DD-05)], providing information about the products you sell to us.



2. Recolhendo Informação



2. Recolhendo Informação

- Documento em Excel
- Para registo sistemático de todos os fornecedores e informações da cadeia de abastecimento
- Ajuda a identificar lacunas na informação
- Conclusões de risco de documento

[ORGANISATION NAME] Supply Chain Overview

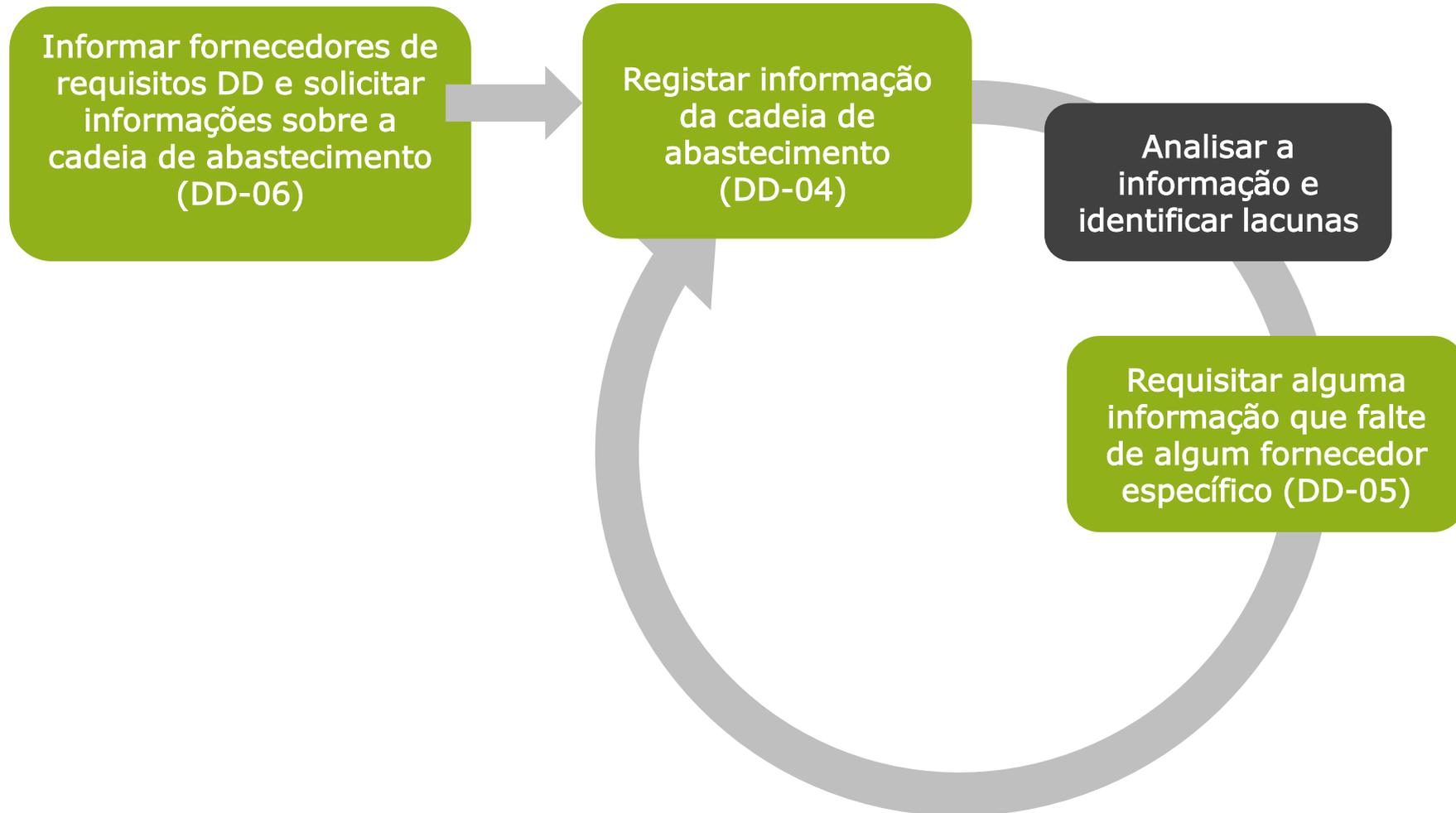
This document is the principal record for cataloguing supply chain information from all suppliers and recording risk assessment and mitigation actions as part of the [ORGANISATION NAME] due diligence system.

1. Supplier information					2. Product information								3. Material Origin				
Supplier ID	Supplier name	Supplier country	SUPPLIER verification/certification	Certification code	Product ID	Product description	EU Product Group	PRODUCT verification / certification	Component or single material	Component description	Species (scientific name)	Species (trade name)	Volume	Country of harvest	Sub-national region of harvest (if known)	Harvest concession (if known)	Site information
Enter the name or ID of the first tier supplier.	Enter the name of supplier	Enter the country in which the supplier is based	Select the type of certification/verification applicable to the SUPPLIER.	Enter the certification code of the supplier	Enter the product ID	Enter the description of the product or component. This should contain information that can identify the product.	Select the relevant EU customs product code, if applicable.	Select the type of certification/ verification applicable to the PRODUCT, if applicable.	If more than one component is used per product, please indicate this by selecting "component" and go to the "COMPONENT PRODUCTS" tab.	If a component product, note the type of component in each line.	Enter the scientific name of the species.	Enter the trade name of the species.	Enter the volume purchased during the last 12 months	Enter the country of HARVEST of the material.	Enter information about the region of harvest, if known.	Enter location of harvest, if known.	Do you have access to information about the chain of production?

Page 1

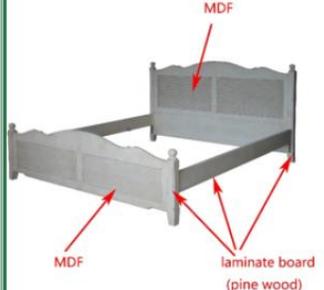


2. Recolhendo Informação



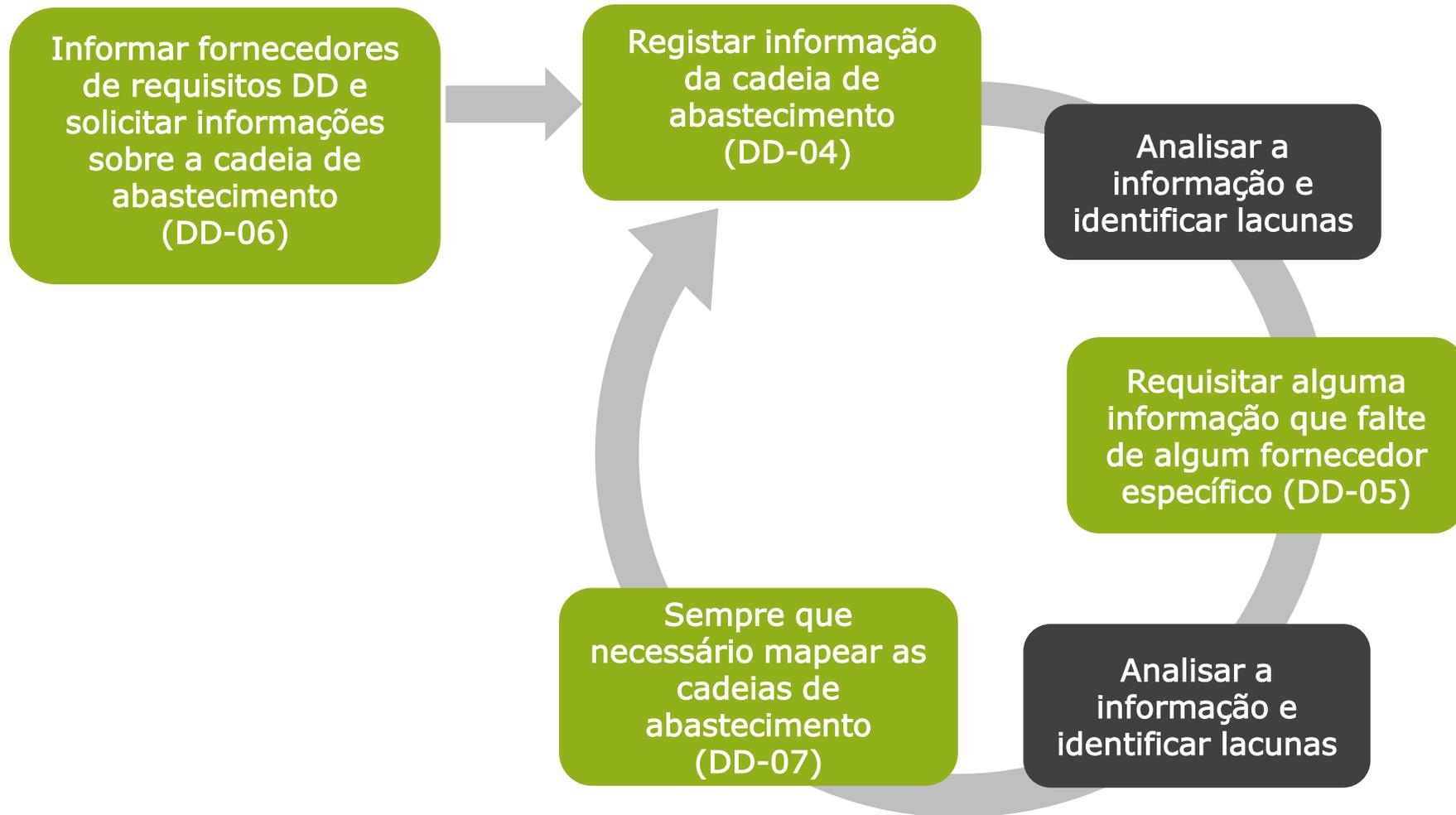
2. Recolhendo Informação

- Recolher informações em falta de um fornecedor específico
- Fornece ao fornecedor uma visão geral das informações atuais para deixar claro onde existem lacunas
- O fornecedor completa a folha e retorna informações em falta e evidências de suporte

1. Product Information						2. Information about origin			4. Agreement on materials included?	
Product type/description	EU Product Group	PRODUCT verification / certification	Component or single material	Species (scientific name)	Species (trade name)	Country of harvest (if known)	Sub-national region of harvest (if known)	Harvest concession (if known)	Image	NEPCon Comments
10194021	9403 30, 940...		Component	1. Cunninghamia lanceolata, 2. MDF[Eucalyptus, pinus, and other mixed woods], 3. Plywood[Populus spp., plywood with Pinus spp veneer]	1. China Fir 2. Eucalyptus species, Pine species, other unknown species 3. Pine specie(s) + Poplar specie(s)	China		1. FIR FROM GUIZHOU PROVINCE 2. MDF FROM FUJIAN PROVINCE 3. LAMINATE BOARD PLYWOOD FROM GUANGXI PROVINCE		1. No Cunninghamia lanceolata in the image.



2. Recolhendo Informação

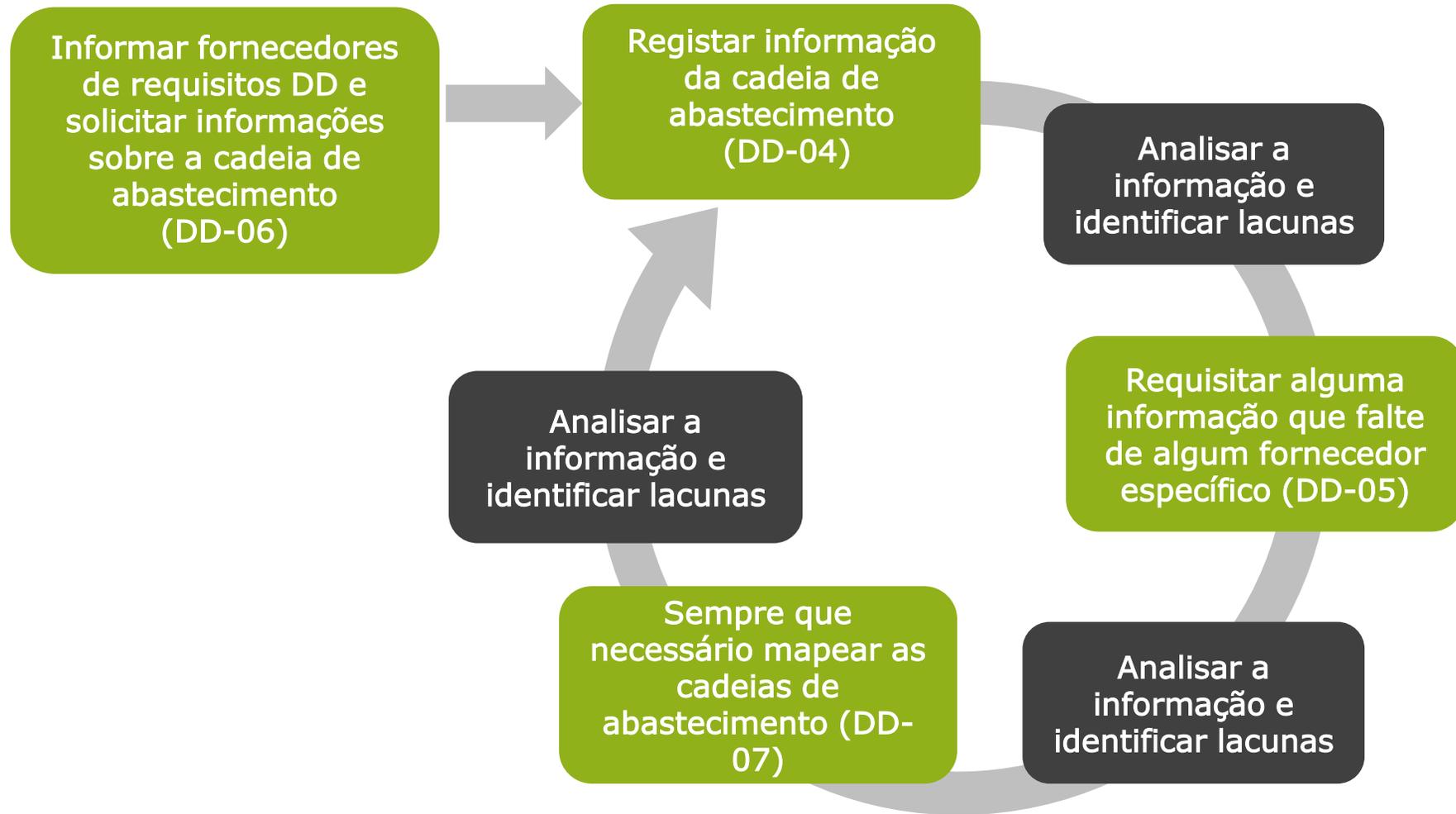


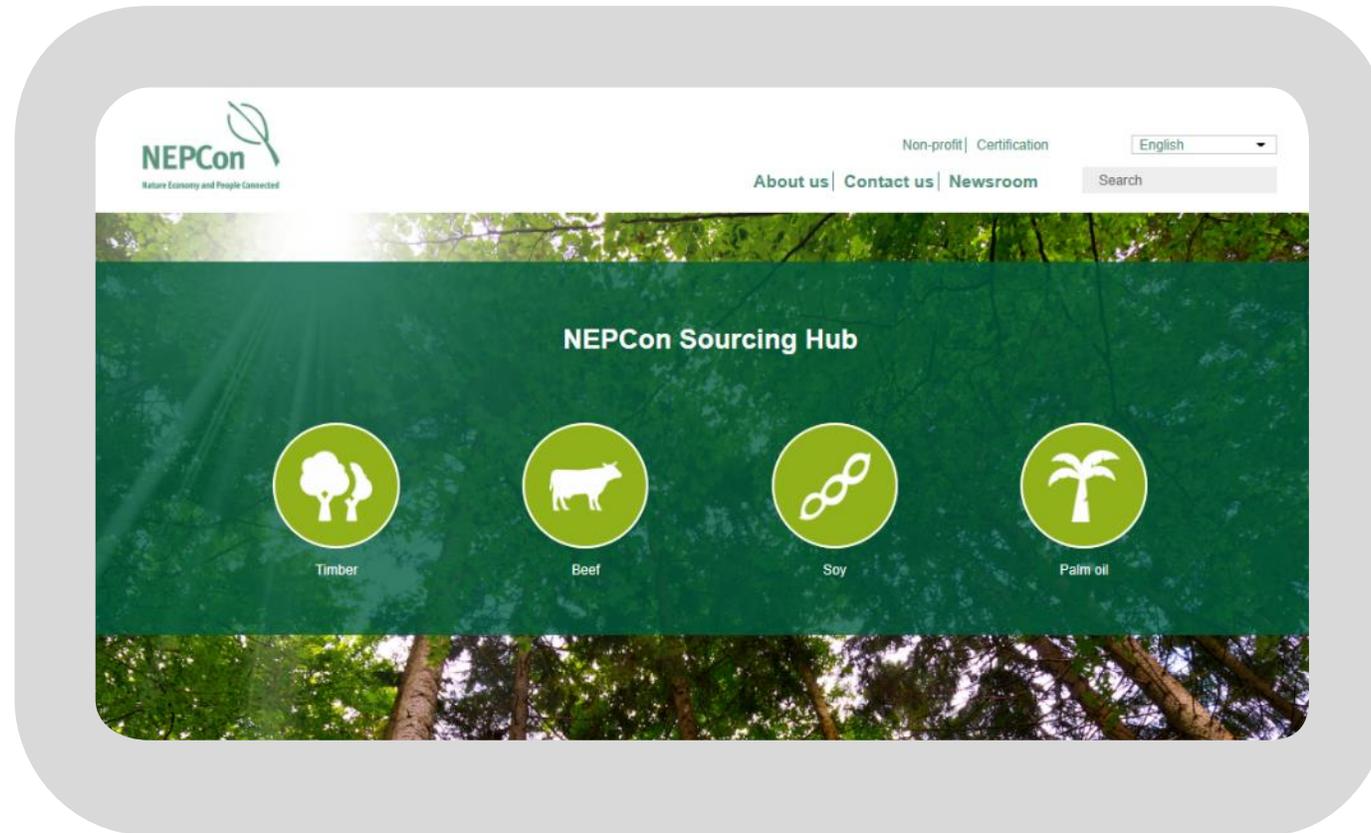
2. Recolhendo Informação

- Quando necessário, mapeie a cadeia de abastecimento de volta à fonte
- As informações em cada fornecedor a montante podem ser inseridas
- Incluindo nome, endereço, tipo de empresa, certificação

Material/Product:									
ID:									
Supply Chain Detail									
Tier	Supplier Name	Type of entity	Material Type	Species (scientific name)	Material certification (if applicable)	Certification code of supplier (if applicable)	Location	Contact information	Supporting Documentation
See GUIDE tab	Enter the name of the supplier.	Enter the type of entity for supplier. (primary manufacturer, secondary manufacturer, forest manager, trader, etc.)	Enter the material type. (logs, sawn timber, planed timber, veneer, plywood, MDF, chips, etc.)	Enter the names of the species in each product	Enter the type of certification/verification, if applicable.	Enter the certification code for the applicable certification.	Enter the location (country, region, address) of the supplier.	Enter relevant contact details for the supplier. (contact person, email, telephone)	List documentation (or other information) to support the information
Supply Chain Example									
1	Components Ltd	Secondary Manufacturing	Furniture parts	Quercus mongolica	No	N/A	Vietnam		#1 Supply contract with components factory (price information covered) #2 Invoices and delivery notes for supply of sawn timber
2	Sawmills Ltd	Sawmill	Sawn Timber	Quercus mongolica	No	N/A	China, Jilin		#1 Business registration of sawn mill #2 Supply contract with forest #3 Invoices and delivery notes for supply of sawn timber #4 Transport licences
3	Forestry Inc	Forest Enterprise	Logs	Quercus mongolica	No	N/A	Russia		#1 Invoices (price information covered) to Sawmill #2 Transport licences #3 Harvest licences #4 Approved Management Plan

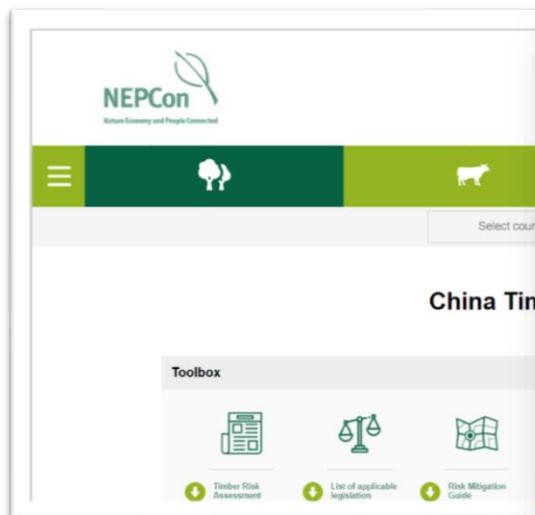
2. Recolhendo Informação





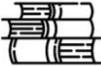
www.nepcon.org/sourcinghub

...você pode baixar o Guia de Documentos para descobrir mais:




Version 1.0 | April 2017

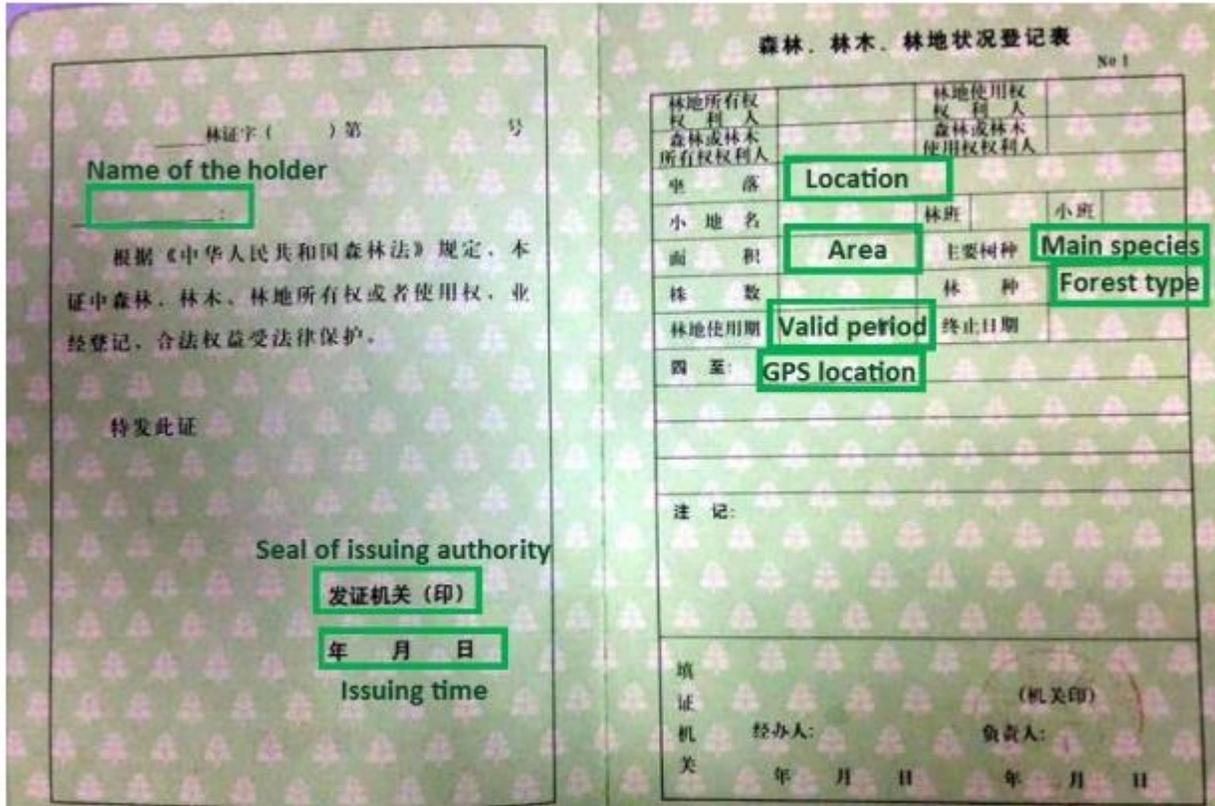
China Document Guide





This publication has been developed with support from the LIFE programme of the European Union and UK aid from the UK government.

Example of forest tenure certificate



森林、林木、林地状况登记表 No 1

林地所有权 权利人	林地使用权 权利人		
森林或林木 所有权权利人	森林或林木 使用权权利人		
坐落	Location		
小地名	林班	小班	
面积	Area	主要树种	Main species
株数	林种	Forest type	
林地使用期	Valid period	终止日期	
四至	GPS location		
注 记:			
填证机关 经办人: 负责人: (机关印)			
年 月 日 年 月 日			

林证字()第 号

Name of the holder

根据《中华人民共和国森林法》规定,本证中森林、林木、林地所有权或者使用权,业经登记,合法权益受法律保护。

特发此证

Seal of issuing authority

发证机关(印)

年 月 日

Issuing time

3. Análise de Risco

2. Análise de Risco

- No passo anterior, você garantiu o acesso a informações sobre suas cadeias de abastecimento.
- Agora, você pode avaliar o risco associado a esses produtos.

1

Information Gathering

2

Risk Assessment

3

Risk Mitigation

2. Análise de Risco

Na guia *Avaliação de Riscos* (2), há um resumo dos riscos identificados a nível de país. Eles são divididos em cinco áreas de direito relevantes para a EUTR:



Risk assessment summary

Legal rights to harvest



- Risk of lack of registration and tenure certificates (applicable only to collective forest plantation only)
- Risk of conflicts in relation to land rent (applicable only to collective forest plantation only)
- Risk of lack of management plans and failure to meet the requirements for drafting management plans (applicable on to state-owned forest management enterprises)
- Risk of harvesting without permit and unlawful issuing of harvesting permit

Taxes and fees



- Risk that value-added taxes (VAT) are not paid appropriately

Timber harvesting activities



- Risk of lack of use of safety equipment
- Risk of lack of employment contracts
- Risk of lack of social security payments

Trade and transport



- Mis-/under reporting on customs declarations

Tracability



- Risk of false declaration of origin
- Risk of timber mixing in production and trade

B. Overview of timber legality risks in China

Timber Risk Score: 73 / 100 in 2017

This report contains an evaluation of the risk of illegality in China for five categories and 21 sub-categories of law. We found:

- **Specified risk for 5 sub-categories.**
- **Low risk for 13 sub-categories.**
- **No legal requirements for 3 sub-categories.**

The Timber Risk Score for China is 73 out of 100. The key legality risks identified in this report concern legal rights to harvest, taxes and fees, timber harvesting activities and trade and transport.

For **Legal Rights to Harvest**, there is a risk of:

- A lack of registration and tenure certificates (applicable only to collective forest plantation only) (Sub-category 1.1)
- Conflicts in relation to land rent (applicable only to collective forest plantation only) (1.1.)
- A lack management plans and failure to meet the requirements for drafting management plans (applicable on to state-owned forest management enterprises) (1.3)
- Harvesting without permit and unlawful issuing of harvesting permit and the (1.4)

For **Taxes and Fees**, there is a risk that that value-added taxes (VAT) are not paid according to law (1.6).

For **Timber Harvesting Activities**, there is risk that:

- Safety equipment is not used in harvesting activities (1.11)
- Employment contracts are not in place for all employees (1.12)
- Social security payments are not up to date for all employees

For **Trade and Transport**, there is a risk of miss-/under reporting on customs declarations, exacerbated by the issues related to corruption and poor governance (1.19).

Timber source types and risks

There are three timber source types found in China. Knowing the "source type" that timber originates from is useful because different source types can be subject to different applicable legislation and have attributes that affect the risk of non-compliance with the legislation. We have analysed the risks for all source types and found the risks differ between them.

Plantation Forest	Commercial Plantation Timber – from collectively, individually or corporately owned commercial plantations, mostly state managed. A harvesting permit and logging permit application is required. The is the primary source of timber in China.
--------------------------	--

This matrix summarises the findings of the timber legality risk assessment set out in this report.

Legal Category	Sub-Category	Source Type		
		Natural forest	Plantation forest	Bamboo forest
Legal rights to harvest	1.1 Land tenure and management rights	Low	Specified	Low
	1.2 Concession licenses	N/A	N/A	N/A
	1.3 Management and harvesting planning	Specified	Specified	Specified
	1.4 Harvesting permits	Specified	Specified	Specified
Taxes and fees	1.5 Payment of royalties and harvesting fees	Low	Low	Low
	1.6 Value added taxes and other sales taxes	Low	Low	Low
	1.7 Income and profit taxes	Low	Low	Low
Timber harvesting activities	1.8 Timber harvesting regulations	Low	Low	Low
	1.9 Protected sites and species	Low	Low	Low
	1.10 Environmental requirements	Low	Low	Low
	1.11 Health and safety	Specified	Specified	Specified
	1.12 Legal employment	Specified	Specified	Specified
Third parties' rights	1.13 Customary rights	Low	Low	Low
	1.14 Free prior and informed consent	N/A	N/A	N/A
	1.15 Indigenous/traditional peoples rights	Low	Low	Low
Trade and transport	1.16 Classification of species, quantities, qualities	Low	Low	Low
	1.17 Trade and transport	Low	Low	Low
	1.18 Offshore trading and transfer pricing	Low	Low	Low
	1.19 Custom regulations			
	1.20 CITES	Low	Low	Low
Diligence/due care procedures	1.21 Legislation requiring due diligence/due care procedures	N/A	N/A	N/A

D. Legality Risk Assessment

LEGAL RIGHTS TO HARVEST

1.1. Land tenure and management rights

Legislation covering land tenure rights, including customary rights as well as management rights that includes the use of legal methods to obtain tenure rights and management rights. It also covers legal business registration and tax registration, including relevant legal required licenses. Risk may be encountered where land rights have not been issued according to prevailing regulations and where corruption has been involved in the process of issuing land tenure and management rights. The intent of this indicator is to ensure that any land tenure and management rights have been issued according to the legislation.

1.1.1. Applicable laws and regulations

- 1) Constitution of the People's Republic of China dated 4th of December 1982 - Article 5-23 & 26. Available at: http://www.npc.gov.cn/npc/xinwen/node_505.htm
- 2) General Principle of Civil Law of the People's Republic of China dated 12th of April 1986 - Article 80-83. Available at: http://www.npc.gov.cn/wxzl/wxzl/2000-12/06/content_4470.htm
- 3) Law of the People's Republic of China on the Contracting of Rural Land ("Rural Land Contracting Law") dated 29th of August 2002 - Article 2 & 23. Available at: <http://en.pkulaw.cn/display.aspx?cgid=41762&lib=law>
- 4) Property Law of the People's Republic of China ("Property Law") dated 16th of March 2007 - Article 124, 125 & 127. Available at: <http://en.pkulaw.cn/display.aspx?cgid=89386&lib=law>
- 5) Forest Law of the People's Republic of China ("Forest Law") dated 20th September 1984, 1998 Amendment. Revised 27th of August 2009 - Article 3. Available at: <http://en.pkulaw.cn/display.aspx?cgid=20095&lib=law>
- 6) Regulation on the Implementation of the Forestry Law of the People's Republic of China [Revised], dated 29th January 2000 - Article 15, 34. Available at: <http://www.forestry.gov.cn/main/3950/content-459869.html>
- 7) Processing Measures for the Disputes of Forest Trees and Forest Land Tenure and Ownership dated 14th October 1996 - Article 2. Available at: <http://www.forestry.gov.cn/main/3951/content-204759.html>
- 8) Administration Measures for Forest and Forestland Tenure Registration dated 31st December 2000 - Article 3-9. Available at: <http://www.forestry.gov.cn/main/3951/content-204744.html>
- 9) Law of the People's Republic of China on the Mediation and Arbitration of Rural Land Contract Disputes dated 1st January 2010 - Article 2-6. Available at: <http://www.forestry.gov.cn/main/24/content-204668.html>
- 10) Company Law of the People's Republic of China (2005 Revision) dated 1st January 2006 - Article 6-9. Available at:

<http://wenku.baidu.com/link?url=rkIYkWRxwQBLXhGrPRie6q73Ns0fxTfa8Ed6YpN3ujsiDQ5pRXKD3WAqNe3nHctvkkx-V4rMQ95qpywjRanHwewDrrFSs67bAffZWpGPh17>

- 11) Taxation Registration Administration Measure dated 1st February 2004 - Chapter 1 & 2. Available at: http://www.gov.cn/gongbao/content/2004/content_62924.htm
- 12) Regulations Governing Examination and Approval of Occupation and Requisition of Forest Land dated 4th January 2001. Available at: http://www.gov.cn/gongbao/content/2002/content_61894.htm
- 13) Land management law of P. R. China dated 25th of June 1986 and revised 28th of August 2004. Available at: <http://www.china.com.cn/chinese/law/647616.htm>

All the provinces shall apply the laws listed above but may still take different approaches to ensure the right of land tenure and management.

1.1.2. Legal authority

- State Forestry Administration and forest bureaus at different levels are responsible for the laws about forest, forest trees and forest land.
- State Administration of Taxation is responsible for Taxation, Registration, Administration and Measure.
- State Administration for Industry and Commerce is responsible for Company Law.

1.1.3. Legally required documents or records

Numbers below refers to the numbers in section 1.1.1.

- 8) Administration Measures for Forest and Forestland Tenure Registration dated 31st December 2000 - Article 3-9:
 - Forest Tree and Forest Land Tenure Certificate (Forest Tenure Certificate)
- 10) Company Law of the People's Republic of China (2005 Revision) dated 1st January 2006 - Article 6-9:
 - For companies leasing forest land for forest management: Forest land contract in addition to the above certificate.
 - Business Registration Certificate, only applicable for companies mentioned above
- 11) Taxation Registration Administration Measure dated 1st February 2004 - Chapter 1 and 2:
 - Tax Registration Certificate, applicable only for companies

1.1.4. Sources of Information

- 1) Chatham House. Available at: <http://www.illegal-logging.info/>;
- 2) ELDIS regional and country profiles. Available at: <http://www.eldis.org>;
- 3) Environmental Investigation Agency. Available at: <http://www.eia-international.org>;

- 2) Greenpeace (2005). *Investigation on APP's Hainan Project*. Greenpeace, pp. 1-8. Available at: <http://www.greenpeace.org/eastasia/Global/eastasia/publications/reports/forests/2005/investigation-app-hainan-project.pdf> [Accessed 22 Sep. 2015]
- 3) Blog.sina.com.cn (N.Y.). *Report on Foreign Forest Companies*. [online]. Ren. Available at: http://blog.sina.com.cn/s/blog_436698a40100f0p6.html [Accessed 15 July 2015]
- 4) Ping, L. (2014). *Large-Scale Land Acquisition: Field Findings and Recommendations*. Washington, DC: Rights and Resources Initiative, pp. 3-37. Available at: <http://www.rightsandresources.org/publication/large-scale-land-acquisition-for-app-forest-plantations-field-findings-and-recommendations/> [Accessed 3 November 2015]
- 5) Ping, L. and Xiaobei, W. (2014). *Forest Land Acquisition by Stora Enso in South China: Status, Issues, and Recommendations*. Washington, DC: Rights and Resources Initiative, pp. 3-45. Available at: <http://www.rightsandresources.org/publication/forest-land-acquisition-by-stora-enso-in-south-china-status-issues-and-recommendations/> [Accessed 3 November 2015]
- 6) Kram, M., Bedford, C., Durnin, M., Luo, Y., Rokpelnis, K., Roth, B., Smith, N., Wang, Y., Yu, G., Yu, Q., and Zhao, X. (2012). *Protecting China's Biodiversity: A Guide to Land Use, Land Tenure, and Land Protection Tools*. (N. Smith, Ed.) Beijing: The Nature Conservancy. Available at: <http://www.nature.org/media/china/chinabook-wholebook-lowres.pdf>
- 7) zgxcfx.com. (2013). *Forest tenure disputes and its reasons during collective forest tenure reform*. [online]. Available at: www.zgxcfx.com/Article/53458.html
- 8) forestry.gov.cn. (2012). *Forest tenure certificate issued for forest on non-forestry land in Sinan County, Guizhou*. [online]. Forestry website for China. Available at: <http://www.forestry.gov.cn/portal/main/s/102/content-567294.html>
- 9) Transparency.org. (2014). *Corruption by Country/Territory: Corruption Perceptions Index 2014 for China*. [online]. Transparency International. Available at: <http://www.transparency.org/country/#CHN>
- 10) The World Bank. (2014). *Worldwide Governance Indicators for China: Country Data Report for China, 1996-2014*. [online]. Available at: <http://info.worldbank.org/governance/wgi/index.aspx#countryReports>

1.1.5. Risk determination

Overview of legal requirements

The Constitution, General Principle of Civil Law, and the Forestry Law of China provide that forest resources are owned by the State except for those owned by collectives according to laws. There are three forms of ownership to forest, timber and forest land:

- (i) State-owned forest, timber and forest land;
- (ii) Collectively owned forest, timber and forest land; as well as

included in forestry land subject to planning. This could be considered a potential risk. However, these non-forestry lands are included within land use rights certificates, which can serve as evidence that the certificate holder owns the use right of land and the right to use the resources on the land. At any rate, to safeguard the interests of farmers, China now allows the issuing of forest tenure certificates for forest on non-forestry land, and some cities or provinces have been implementing the policy.

Risk Conclusion

Based on the available information, the risk in this category has been generally assessed as Low at the country level. However, also based on the available information, risks in some southern provinces in China persist and can be assessed as Specified, including: Hainan, Yunnan and Guangdong. The risks are reflected in two aspects: 1) some collective forests are not registered or issued with forest tenure certificates; and 2) harvesting on non-forestry land.

1.1.6. Risk designation and specification

Low risk:

China

Specified risk:

Commercial Plantations in some areas in Hainan, Yunnan, Guangdong and possibly other provinces within the Southern Collective Forest Region (Hunan, Jiangxi, Fujian, Zhejiang, Hubei).

1.1.7. Control measures and verifiers

- Harvesting permit may be used to confirm the ownership or tenure.
- In areas with land tenure conflicts: Consultation with neighbors, local communities and other stakeholders shall confirm that land tenure rights are clear and - where applicable - lease of the land has been agreed by all the land owners.
- Contractors shall have a valid forest land contract signed by all land tenure owners involved in the area.
- Contractors leasing forest land shall hold the forest tenure certificate (or similar document) to show the tenure transfer registration.
- Stakeholder consultation shall confirm that the legal status of the operation or rights for conducting the established activities are not subject to court orders or other legally established decisions to cease operations.
- Valid business registration documents (Business Registration Certificate and Tax Registration Certificate) shall exist for companies.

1.2. Concession licenses

Legislation regulating procedures for the issuing of forest concession licenses, including use of legal methods to obtain concession license. Especially bribery, corruption and nepotism are well-known issues in connection with concession licenses. The intent of this indicator is to avoid risk related to

Ferramentas adicionais para auxiliar no processo de avaliação de risco:

- Anexo 2 de **DD-01** As Diretrizes de Devida Diligência introduzem o processo de identificação de risco.
- O modelo de lista de verificação de identificação de risco **DD-08** fornece um modelo para conduzir a identificação de risco em cadeias de abastecimento específicas.
- Registre a conclusão de risco no Formulário de Gestão de Fornecedores **DD-04** para fornecer uma visão geral do risco em todas as cadeias de abastecimento.
- A Ferramenta de Mapeamento da Cadeia de abastecimento **DD-07** pode ser usada para registrar informações da cadeia de abastecimento em um nível detalhado.
- Anexo 3 de **DD-01** As Diretrizes de Devida Diligência fornecem orientação sobre como especificar riscos
- A Lista de verificação de avaliação do sistema de certificação **DD-13** pode ser usada para registrar a avaliação do esquema de certificação.

4. Mitigação de Risco

4. Mitigação de Risco

Version 1.0 | May 2017

China Risk Mitigation Guide

Timber



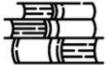
This tool has been developed by NEPCon with support from the LIFE programme of the European Union and UK aid from the UK government.



Customs Regulations

Risk	Applicable to	Indicator of legal compliance	Potential mitigation actions	How to verify legal compliance (verifier)
Mis-/ under reporting on customs declarations	All timber sources	Products shall be correctly classified (type, HS customs code, species, quantities, etc.).	Review and verify documents Check information on all import/ export documentation (including Customs Declaration Registration Approval Certificate and phytosanitary certificate (where applicable)) and verify that information corresponds to material received.	Find relevant key document examples in the China Document Guide <ul style="list-style-type: none">• Customs Declaration Registration Approval Certificate• Phytosanitary certificate (where applicable)

4. Mitigação de Risco



Example 14: Customs declaration registration approval certificate for customs declaration company

(Registration form of external trade proprietor)

Applicable to: Forest entities who export timber to other countries

Purpose and content of document: All entities that have import and export business should register at Ministry of Commerce of China to obtain the right to import and export. The registration form shows that the holder has the right to legally import and export. The contents of the registration certificate are: name of the entity (both English and Chinese names), address, organisation code, contact information, business registration code etc.

Holder of document: Forest entities exporting timber to other countries

Document issued by: Ministry of Commerce

Signature/Seal required by: Local branches of Ministry of Commerce

Key considerations when checking the document:

- Is the name the same as on the business registration certificate?
- Is the business registration code the same as that appearing on the business registration certificate?
- Is the information in the custom registration system:

Example of Customs declaration registration approval certificate for customs declaration company

Customs Declaration Registration Approval Certificate
对外贸易经营者备案登记表

备案登记表编号: 00841088 进出口企业代码: 1100100009512

经营者中文名称	Company name		
经营者英文名称	S		
组织机构代码	100009512	经营者类型 (由备案登记机关填写)	国有企业
住所			
经营场所(中文)			
经营场所(英文)			
联系电话	59518667	联系传真	59518636
邮政编码	100861	电子邮箱	zhuk@cssemc.com
工商登记注册日期	1999-9-22	工商登记注册号	Business registration code

依法办理工商登记的企业还须填写以下内容

企业法定代表人姓名	周文明	有效证件号	450403194408280919
注册资金	贰仟零肆拾玖万元	(折美元)	

依法办理工商登记的外国(地区)企业或个体工商户(独资经营者)还须填写以下内容

企业法定代表人/个体工商户负责人姓名		有效证件号	
企业资产/个人财产		(折美元)	

备注
英文名称变更, 旧证号: 00621165

填表前请认真阅读背面的条款, 并由企业法定代表人或个体工商户负责人签字、盖章。

Seal of issuing authority
备案登记机关
2010年12月21日



Página do País



Análise de Risco



Guia de Mitigação de Riscos



Listagem de documentos



Listagem de legislação aplicável

China, Honduras, Liberia

Agora disponível

Agora disponível

Agora disponível

Agora disponível

Agora disponível

Ghana e DRC

Agora disponível

Agora disponível

Agora disponível

Agora disponível

Outros 57 países

Agora disponível

Agora disponível

Quase pronto

Quase pronto

The EU Timber Regulation

A guide on managing good relations with your suppliers

Are you required to carry out due diligence on the timber products you buy? Use this leaflet to find out how to get all the information you need from your suppliers while also maintaining good relations with them.

EUTR Guiding Leaflet no. 2
Published May 2017

The EU Timber Regulation

A guide for retailers

What is the EU Timber Regulation and what does it require? Use this leaflet to find out more, including what products you need to carry out due diligence on, and how to do the due diligence.

EUTR Guiding Leaflet no. 1
Published March 2017

EUTR Guiding Leaflet no. 2
Published May 2017

Developed by NEPCon under the project "Supporting Legal Timber Trade" funded by the LIFE programme of the European Union and UK Aid from the UK government.

Developed by NEPCon under the project "Supporting Legal Timber Trade" funded by the LIFE programme of the European Union and UK Aid from the UK government.

Fake Documents

How to spot them and what to do about them

Thematic article series no. 2
Published July 2017

Developed by NEPCon under the project "Supporting Legal Timber Trade" funded by the LIFE programme of the European Union and UK Aid from the UK government.

creative commons

NEPCon has adopted an "open source" policy to share what we develop to advance sustainability. This work is published under the Creative Commons Attribution Share-Alike 3.0 licence. Permission is hereby granted, free of charge, to any person obtaining a copy of this document, to deal in the document without restriction, including without limitation the rights to use, copy, modify, merge, publish, and/or distribute copies of the document, subject to the following conditions: The above copyright notice and this permission notice shall be included in all copies or substantial portions of the document. We would appreciate receiving a copy of any modified version.

The European Commission support for the production of this publication does not constitute endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

This material has been funded by UK aid from the UK government; however the views expressed do not necessarily reflect the UK government's official policies.

Developed by NEPCon under the project "Supporting Legal Timber Trade" funded by the LIFE programme and UK Aid from the UK government.

The European Commission support for the production of this publication does not constitute endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

This material has been funded by UK aid from the UK government; however the views expressed do not necessarily reflect the UK government's official policies.

The End

NEPCon Sourcing Hub was developed
in partnership with the **Forest Stewardship Council**

With support from

MINISTRY OF FOREIGN AFFAIRS OF DENMARK

DANIDA | INTERNATIONAL
DEVELOPMENT COOPERATION



NEPCon Sourcing Hub is funded by UK Aid from the UK government, the LIFE programme of the European Union and DANIDA, Ministry of Foreign Affairs of Denmark. Donors are not responsible for any claims or views presented in this material. The European Commission support for the production of this publication does not constitute endorsement of the contents which reflect the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein. The views expressed do not necessarily reflect the UK government's or DANIDA's official policies.