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LegalSource™
Certification Assessment
Report for:
SMARTT Timber Sales B.V.
in
Goes, the Netherlands

Report Finalized: 16th December 2014
Report Format: Public Summary
Audit Dates: 9th December 2014
Audit Team: Debora van Boven-Flier

Type of Evaluation: Single
Certificate code: NC-LS-018695
Certificate issued: 17th December 2014
Report based on Standard(s): LegalSource Standard Version 1,
dated 8 January 2013

Organisation Contact: Robert Jan de Waard
Address: Albert Joachimikade 1
4461 BG Goes

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1. INTRODUCTION

The purpose of this report is to document conformance with the requirements of the LegalSource standard by SMARTT Timber Sales B.V., hereafter referred to as "Organisation". The report presents findings of NEPCon auditors who have evaluated organisation systems and performance against the applicable requirements. Section below provides the audit conclusions and any necessary follow-up actions by the organisation.

Dispute resolution: If NEPCon clients encounter organisations or individuals having concerns or comments about NEPCon and our services, these parties are strongly encouraged to contact relevant NEPCon regional office. Formal complaints and concerns should be sent in writing.

2. EVALUATION FINDINGS

Key findings and recommendations

SMARTT Timber Sales B.V. started last year by hiring an advisor to set up a Due Diligence System based on the NEPCon DDS and LS. This system has become part of their daily business and all wood coming from Russia has to be FSC certified, otherwise they will not purchase it.

Recommendation is that the company receive LegalSource certification and proceeds their business as is now usual to them.

Audit Recommendation

Based on Organisation's conformance with LegalSource requirements, the auditor makes the following recommendation:



Certification approved:
Upon acceptance of NCR(s) issued below

Additional comments: N/A

Non-conformity Reports (NCRs)

Note: NCRs describe evidences of Organisation non-conformances identified during audits. NCRs include defined timelines for the Organisation to demonstrate conformance. MAJOR NCRs issued during assessments/reassessments shall be closed prior to issuance of certificate. MAJOR NCRs issued during surveillance audits shall be closed within timeline or result in suspension.

No NCR(s)

Issued for: SMARTT Timber B.V.			
NCR: 01/14	NC Classification:	MAJOR <input type="checkbox"/>	Minor <input checked="" type="checkbox"/>
Standard & Requirement:	NEPCon LegalSource Standard, version 1.0; criteria 7.1.2. 7.1 The organisation shall assess and specify the level of risk of illegal forest products entering the supply chain, including for the following areas: 7.1.1 the risk of legal violations related to forest management activities; 7.1.2 the risk of legal violations within the supply chains in relation to trade and transport of the products, including declaration and classification of the material for customs; and, 7.1.3 risk that the material is mixed with other material of illegal or unknown origin somewhere in the supply chain during transport, processing or storage.		

	EXHIBIT REQUIRED
Report Section:	Appendix A p. 13
Description of Non-conformance and Related Evidence:	
<p>Organisation states that if there are shortcomings between the certified status of products and the EUTR that a risk analysis will be carried out for those issues that are identified as not meeting the EUTR. They check the scope and the validity of the certificates and the certified suppliers.</p> <p>Exh 1, DD-01 Section 9.2 describes the use of the risk analysis checklist. :</p> <p>7.1.1. All documents are in place, with each delivery. List of all required legality documents. Logs have a unique number and could potentially be traced back to the forest.</p> <p>7.1.2 All documents are in place, list of all required legality documents. However, regarding declaration and classification of the material for customs some information is lacking. For SMARTT, the phyto sanitary certificate is a prerequisite before buying from Russia, but that's not complete. The following documents can also be used as part of that:</p> <ul style="list-style-type: none"> • Cargo Specification • Transportation Invoice • Rail Transportation Bill • CMR • Bill of Lading • Phytosanitary Certificate • Customs Declaration <p>7.1.3 All documents are in place.</p> <p>See exh 4.</p>	
Corrective action request:	<p>Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.</p> <p>Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.</p>
Timeline for Conformance:	By the next annual surveillance audit
Evidence Provided by Organisation:	PENDING
Findings for Evaluation of Evidence:	PENDING
NCR Status:	OPEN
Comments (optional):	N/A

Observations

Note: Observations are issued for the early stages of a problem which does not of itself constitute a non-conformance, but which the auditor considers may lead to a future non-conformance if not addressed by the organization; observations may lead to direct non-conformances if not addressed.

No observations

OBS: 01/14	Standard & Requirement:	LegalSource Standard Version 1 -8Jan13 6.1.2
	Report Section	Appendix A section 6.1
Description of findings leading to observation:	The full scientific name was not mentioned: instead of Picea abies only Picea spp was mentioned.	
Observation:	This could lead to import of incorrect species who might have higher risk than Picea abies.	

Actions taken by Organisation Prior to Report Finalization

-DCS updated (Siberian Larch was added to the scope and reference to DD-10 was added in section 10.)

3. COMPANY DETAILS

Contacts

Primary contact for Coordination with NEPCon

Primary Contact, Position:	Robert Jan de Waard, Co-Owner and Director
Address:	Albert Joachimikade 1, 4461 BG, Goes
Tel/Fax/Web/Email:	T +31 (0)113 24 26 90 F +31 (0)113 24 26 99 www.smartt.nl rjdw@smartt.nl
Jurisdiction of primary legal entity:	The Netherlands

Billing Contact

Same as shown for "primary contact"

Scope

Scope item	Check all that apply to the certificate scope		Change in scope (N/A for assessments)
Certificate type:	<input checked="" type="checkbox"/> Single Organisation	<input type="checkbox"/> Group or multi-site	<input type="checkbox"/>

Activity:	Primary: Broker/trader with physical possession	Additional: -	<input type="checkbox"/>
Claim and logo use:	<input checked="" type="checkbox"/> Yes, the organisation will use LS claims and logo	<input type="checkbox"/> No claims or logo will be used.	<input type="checkbox"/>
<p>Description of scope: Import and distribution of softwood, especially for Dutch and Belgian markets.</p> <p>Products are rough and planed softwoods, spruce and pine both for timbershops, the packaging -and timber industry. They import from Russia on a monthly basis and also from Norway. They are both FSC and PEFC certified.</p>			

Site details

Organisation Site(s)	Address Tel/Fax/Email	Type of operation	Product groups placed on the market (include brief description)	Visited during this audit (mark the length in hours and auditor if applicable)
SMARTT Timber Sales B.V.	Section 3	Importer	Sawn wood Picea abies Pinus sylvestris Larix siberiensis HS Code: 4407	5 hours

In place of above table, details are found in Exhibit

4. EVALUATION PROCESS

Evaluation Team

Auditor(s)	Qualifications
Debora van Boven-Flier	Debora holds an MSc in Tropical Forestry from Wageningen University and Research Centre, the Netherlands. She has participated in various lead auditor courses for FSC, PEFC, LegalSource and SAN and she has been conducting audits since 2008.

Description of Evaluation Process

Prior to the audit SMARTT Timber Sales B.V. (SMARTT) had submitted their Due Diligence system

for sourcing of timber products, relevant legality documents and the audit reports of their suppliers.

On-site audit was carried out on 9th December 2014 (11.30-15.30) and covered the

following:

1. Opening meeting, audit program and scope
2. Introduction by SMARTT to the organization and their Due Diligence system
3. Evaluation of the documented procedures, including responsibilities, commitments made by the organization, procedures for internal monitoring and definition of product scope
4. Evaluation of the general procedures for access to information, risk assessments and risk mitigation procedures adopted by SMARTT
5. Evaluation of operational implementation of the DD system, including:
 - a. Interview with staff involved in the operational implementation of the DD system
 - b. Evaluation of a sample of supply chains and the implementation of the Due Diligence on the selected samples (access to information, risk assessment and risk mitigation)
6. Closing meeting: presentation of LegalSource audit conclusions and discussions and follow-up.

A wide range of documentation and records were reviewed during the audit, including the following (NEPCon DDS documents are used):

- Handboek Stelsel van Zorgvuldigheidseisen
- Staff Instruction Sheet
- Legality Declaration for Suppliers
- Supplier Consent and Information Form
- Responsible Purchasing Policy
- Letter for request of information

During the audit a sample of consignments (both boat and truck loads) were selected for which SMARTT presented how their Due Diligence system had been implemented.