



WWF

REPORT

2015

WWF-LAOS

FSC Rattan Certification Implementation in Laos

CONTENTS

ACRONYMS AND ABBREVIATIONS	5
I. INTRODUCTION	6
1.1 Objective	6
1.2 Scope of assignment	6
II. OVERVIEW OF CERTIFICATION SCHEME	7
2.1 Certification scheme of FSC	7
2.1.1 Group certification	7
2.1.2 Small and Low Intensity Managed Forests (SLIMF)	7
2.1.3 Non-Timer Forest Products (NTFP)	7
2.1.4 Controlled wood	8
2.2 Certification scheme in Laos	9
III. RATTAN CERTIFICATION PROJECT IN LAOS	11
3.1 Why has the rattan management group join group certification?	12
3.2 Institution arrangement	14
3.2.1 Department of Forestry (DoF)-group entity	14
3.2.2 PAFO	15
3.2.3 DAFO	16
3.2.4 Village Administrative Committee	17
IV. LESSONS LEARNT FROM RATTAN CERTIFICATION PROJECT IN LAOS	18
4.1 Preparation phase	18
4.1.1 Certification scheme option	18
4.1.2 Feasibility study	18
4.1.3 Project area defining	18
4.1.4 Stakeholder identification	18
4.1.5 Institution arrangement	19
4.2 Rattan management planning and guideline development	19
4.3 Training	19
4.4 Development of record keeping system	20
4.5 Precondition assessment	20

V. RISK ANALYSIS	21
VI. RECOMMENDATION	22
REFERENCE	
ANNEX 1: EXAMPLE OF GUIDELINES ON FOREST CERTIFICATION BY DOF	31
ANNEX 2: EXAMPLE OF DOF STANDARDS FOR INTERNAL ASSESSMENT OF MEMBER MANAGEMENT OPERATIONS	38
ANNEX 3: EXAMPLE OF RATTAN MANAGEMENT PLAN	42
ANNEX 4: RECORD KEEPING IN EACH LEVEL	43

ACKNOWLEDGEMENTS

WWF is one of the world's largest and most experienced independent conservation organizations, with over 5 million supporters and a global network active in more than 100 countries. WWF's mission is to stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature, by: conserving the world's biological diversity, ensuring that the use of renewable natural resources is sustainable, and promoting the reduction of pollution and wasteful consumption.

Report prepared by Souksompong PRIXAR

Published in 2014 by WWF-World Wide Fund For Nature
(Formerly World Wildlife Fund).

© Text 2014 WWF
All rights reserved



ACRONYMS AND ABBREVIATIONS

CoC	Chain of Custody
DAFO	District Agriculture and Forestry Office
DFMU	District Forest Management Unit (of DAFO)
DoF	Department of Forestry
FCGP	Forest Certification Group Policy
FMA	Forest Management Area (within a District), located within a PFA
FME	Forest Management Enterprise
FMP	Forest Management Plan
FMU	Forest Management Unit (FSC term)
FRC	Forest Research Center
FSC	Forest Stewardship Council
FSIP	Forest Strategy Implementation Program
GMCU	Group Management and Certification Unit
GVFO	Group of Village Forest Organization
HCV(F)	High Conservation Value (Forest)
LNCCI	Lao National Chamber of Commerce and Industry
LTFP	Lao Trade and Forest Platform
LPTP	Luang Prabang Teak Plantation
MAF	Ministry of Agriculture and Forestry
NAFRI	National Agriculture and Forestry Research Institute
NTFP	Non-Timber Forest Product
PAFO	Provincial Agriculture and Forestry Office
PFS	Provincial Forestry Section (of PAFO)
RA/SW	Rain Forest Alliance / Smartwood
SUFORD	Sustainable Forestry and Rural Development Project
TFT	Tropical Forest Trust
TFG	Teak Farmer Group
VFO	Village Forest Organization
WWF	World Wildlife Fund

I. INTRODUCTION

The Sustainable Bamboo, Acacia and Rattan Project (SBARP) is supporting Bamboo, Acacia and Rattan processing sectors in the Greater Mekong Region including Laos, Vietnam and Cambodia in sustainable development, environmental improvement as well as contributing to poverty reduction and increasing economic benefits.

SBARP has developed five strategic areas for intervention for 3 years from 2014 to 2017. One of these strategic areas is to improve quality of forest certification systems, focusing on Acacia, Bamboo and Rattan commodities in three target countries.

In addition, with the current success in scaling-up Rattan FSC certification implementation, the Rattan FSC model in Laos has been considered as a best practice to use for replication to SBARP target countries.

This report provides analysis and recommendation to replicate FSC Rattan certification scheme by drawing the lessons from rattan certification of Laos to implement in other countries such as Vietnam and Cambodia through WWF-GM Project “Strengthening and scaling up responsible sourcing and production of Acacia, Rattan and Bamboo by small-scale producers”. This report is based on document review and field visit at Khamkheut DAFO and four targeted villages of Bolikhamxay province.

1.1 Objective

The objective is to review and document the current Rattan FSC certification implementation model in Laos to suggest recommendation for replication in Mekong countries.

1.2 Scope of assignment

The scope of this assignment is to review existing documents/tools, policies through, desk study, to meet and interview WWF and Partners (DOF, FRC, SUFORD, etc) and to compile and write the manual that will present the overview of process and key steps for key stakeholders as well as to propose next steps in Vietnam.

II. OVERVIEW OF CERTIFICATION SCHEME

2.1 Certification scheme of FSC

The Forest Stewardship Council (FSC) is an international body, which accredits certification organizations. In all cases, the forest owners and managers who request the services of a certification, the organization will initiate the process of certification voluntarily. The goal of FSC is to promote environmentally responsible, socially beneficial and economically viable management of the world's forests, by establishing a worldwide standard of recognized and respected Principles of Forest Stewardship.

As the growing public awareness of forest destruction and degradation has led consumers to demand that their purchases of wood and other forest products will not contribute to this destruction but rather help to secure forest resources for the future. It is widely accepted that forest resources and associated lands should be managed to meet the social, economic, ecological, cultural and spiritual needs of present and future generations.

The certification schemes are available to all operations involved in growing and harvesting trees, including forest companies, government forestry agencies, mid-sized forest managers, indigenous peoples and groups of small landowners. The following models of Forest Management certification are briefly described below:

2.1.1 Group certification

Group certification enables multiple landowners, forest managers or processors to be certified under one certificate. A group manager may include a resource manager, cooperative, owner association, forest management company, governmental resource agency or other legal entity that can provide the appropriate management system and administrative oversight to a group of landowners and/or managers. Often, an individual landowner can join an existing group.

2.1.2 Small and Low Intensity Managed Forests (SLIMF)

Group certification enables multiple landowners, forest managers or processors to be certified under one certificate. A group manager may include a resource manager, cooperative, owner association, forest management company, governmental resource agency or other legal entity that can provide the appropriate management system and administrative oversight to a group of landowners and/or managers. Often, an individual landowner can join an existing group.

2.1.3 Non-Timber Forest Products (NTFP)

This is for operations that manage and harvest non-timber forest products. Since 1998, the Forest Stewardship Council has permitted certification of NTFP management systems on a case-by-case basis, and is now reviving the process to define a detailed policy. The

first FSC- approved NTFP certification, granted by SmartWood to an operation in Mexico, occurred in 1999. Since then, others have followed. Whilst SmartWood has been the NTFP certification leader, other FSC-certification bodies are beginning to incorporate NTFPs into their assessments, and are designing and implementing the required internal systems. There are also several regional initiatives to develop certification standards for specific NTFP management systems. Other regional standards specific to NTFPs may emerge with time.

2.1.4 Controlled wood

Controlled wood certification enables forest management companies to demonstrate that their wood products have been controlled to avoid sources of wood that has been (1) illegally harvested, (2) harvested in violation of traditional and civil rights, (3) harvested in forests where high conservation values are threatened by management activities, (4) harvested in forests being converted to plantations or non-forest use, and (5) harvested from forests where genetically modified trees are planted.

© SIMONE STAMMBACH / WWF-SWITZERLAND



A sustainable rattan nursery in Laos.

2.2 Certification schemes in Laos

In 2005, Government of Laos has introduced forest certification scheme to implement in the State Production Forest in two provinces- Khammouane and Savannakhet provinces. In initial stage, forest certification scheme was organized for single scope, by which Khammouane province held one certificate and Savannakhet province held one separately. As part of the 2007 annual audit, SmartWood/Rain Forest Alliance (RA) combined, through the request of DoF, two certified groups into one, which is called “group certification” in order to save costs. The unified group was formed at the Department of Forestry (DOF) as group entity, which has been providing institutional and technical guidance to the members throughout the certification process.

While the Department of Forestry (DoF) is supporting FSC group certification of sustainable forest management in Laos, the rattan management is an initiative project targeting FSC certification under a Group Certification structure. Sustainable Rattan Project supports 7 villages at Khamkheut district of Bolikhamxay province and of which 4 villages were selected as the site for certification and now it extends to other villages in Bolikhan district, Bolikhamxay province.

Group certification is a process by which multiple landowners or forest managers are certified under one FSC certificate, allows a group entity to be the certificate holder for a group, applies the group entity's certified forest management system to the group's individual forestlands, requires the group entity to meet all FSC policy and procedural requirements and all members to meet the FSC P&C. However, group certification is designed to reduce costs and increase opportunities for forestland owners/forest managers to participate in FSC certification by distributing the costs of certification among a large number of forest landowners.

The group certification can have many members to include into the scope, but if one fails to meet the standard of FSC, the certificate will be withdrawn although other members perform well. Although the group entity may be certified, being a member of the group does not automatically confer membership in the certified pool. A forest owner or manager may choose not to join, or may be removed from the certified pool, but may remain a member of the organization or a client of a certified forest manager.

Therefore, the group entity must have internal monitoring scheme and plan to ensure that all the members in the group meet the requirement of FSC. In case of one member could not meet the standard, the group entity should exclude that member from the group and inform to certified body immediately. At the same time, if other members would like to join this group can be accepted and included in the group through assessment by group entity. The following table is group member who have registered in DoF.

TABLE 1: Group members of forest management certification scheme

Name of FMU	Group Member Contact Details	Property Location (Province)	Total area (hA)
Sub FMA GVD 7		Khammuouane	12,452
Sub FMA Kathong Neua		Savannakhet	25,965
Sub FMA Thapi		Savannakhet	12,371
Sub FMA Naphakeo	Mahaxai DAFO	Khammuouane	11,642
Sub FMA Noncharn	Thapangthong DAFO	Savannakhet	11,289
Sub FMA Nongkan	Thapangthong DAFO	Savannakhet	8,346
Ban Sophouane	Khamkheut DAFO	Bolikhamsay	349
Ban Phonthong	Khamkheut DAFO	Bolikhamsay	376
Ban Don Saad	Khamkheut DAFO	Bolikhamsay	207
Ban Boungpatao	Khamkheut DAFO	Bolikhamsay	210
Ban Phone song	Bolikhans DAFO	Bolikhamsay	8,405
Xiangleu	Bolikhans DAFO	Bolikhamsay	1,306
Xiangxian	Bolikhans DAFO	Bolikhamsay	3,279
Total			96,197

(Source: DoF, 2014)

TABLE 2: Controlled wood

Name of FMU	Property location (Province)	Total area (hA)
Dong Khapho	Savannakhet	51,658
Dong Sithouane	Savannakhet	49,208
Lhao Ngam	Salavan	63,821
Phou Thadlava	Salavan	74,857
Total		239,544

(Source: DoF, 2014)

III. RATTAN CERTIFICATION PROJECT IN LAOS

In recent years, rattan is one of among other Non-Timber Forest Products that has been increasingly recognized as economical and socio-cultural importance at global level. Domestic trade and subsistence use of rattan create benefits substantially. The economic potential of rattan, however, has

not yet been realized through a sustainable use of resource, management, marketing and processing.

In 2007, Rattan Management Project was established with the support of WWF in seven villages at Khamkheut district of Bolikhamxay province. Of which four villages were selected as the site for certification. The project has been implemented with Forest Research Center (FRC) under National Agriculture and Forestry Research Institute (NAFRI) of Laos as well as local authorities.

The communities and DAFO involved with rattan management project has joined the group of Department of Forestry in 2010. Upon the rattan management group application letter to Department of Forestry, DoF has accepted rattan management group as member based on assessment of performance of the project whether it meets the requirement of FSC or not. When the performance of the project complied with FSC standard, DoF issued the acceptance letter to the group for a membership.

Between 2007 and 2009, many attempts have been made to meet FSC standards with significant progress towards achieving FSC certification; it has become imperative to put all conditions in place and more importantly the roles and responsibilities by which the Group Entity will adhere.

TABLE 3: Number of villages in rattan certification scheme in Laos

Village	District	Province	Area (hA)
Ban Sophouane	Khamkheut DAFO	Bolikhamxay	349
Ban Phonthong	Khamkheut DAFO	Bolikhamxay	376
Ban Don Saad	Khamkheut DAFO	Bolikhamxay	207
Ban Boungpatao	Khamkheut DAFO	Bolikhamxay	210
Ban Phone song	Bolikhhan DAFO	Bolikhamxay	8,405
Ban Xiangleu	Bolikhhan DAFO	Bolikhamxay	1,306
Ban Xiangxian	Bolikhhan DAFO	Bolikhamxay	3,279
Total			14,132

(Source: DoF, 2014)

3.1 Why has the rattan management group joined group certification?

As far as certification scheme is concerned, in initial stage the rattan project looked for several options to get certified including SLIMF and group models. After feasibility study, it was found that group certification is the only way to consider based on influenced factors including capacity of villagers and local staff, forest area legality and budget support. The three main options for rattan certification were proposed in initial stage as follows:

1. Village Administrative Committee as certificate holder

The existing Village Administration Committee becomes the Entity by which Village Administrative Committee is certificate holder. The management of FSC certification is under the Village Administrative Committee.

2. District Agriculture and Forestry Office (DAFO)

This option is for DAFO certificate holder and villages will be members of the group. This option is wider than village administrative committee as certificate holder, because villages within district can be candidate for group member. Therefore, group certification is only within district.

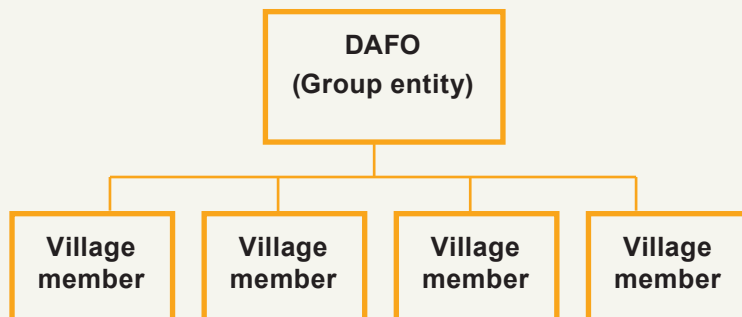


FIG 1: DAFO group entity organization structure

3. Provincial Forestry Section/PAFO as certificate holder

This option is to set up Provincial Forestry Section (PFS) as certificate holder and districts and villages are members. This is wider scope of group certification than the above option. To ensure this, PAFO has to set up official internal monitoring program approved by PAFO. The documentation is not drafted under the Pilot Program by PAFO and Partners needs to be prepared to ensure that functions of PAFO are incorporated into the administration and Group Members aware of the reporting. If PAFO ensures that all FSC requirements have been fulfilled, PAFO can apply certification from certified bodies directly.

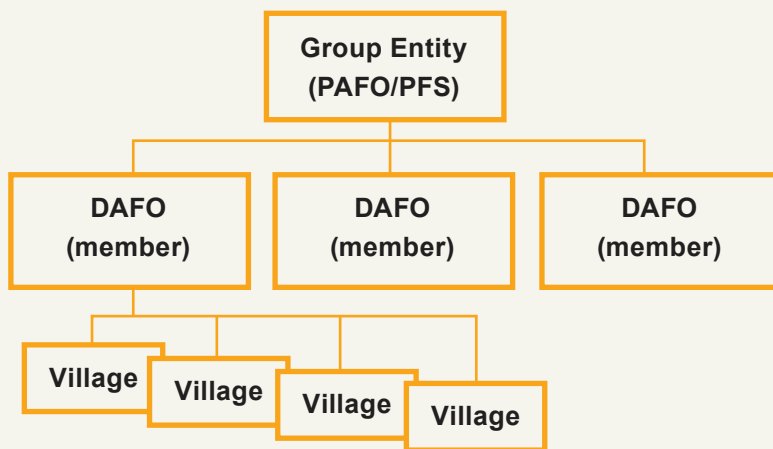


FIG 2: PAFO group entity organization structure

The management of FSC certification is under the PAFO to design and implement. PAFO can directly contact with FSC certifier. PAFO and its members shall fulfil all activities under FSC principle and criteria. PAFO can accept other new members and withdraw the membership, who fails to meet the requirement of FSC from the group. There are three levels under PAFO administrative including PAFO, DAFO and Villages. This option is only within the province.

4. Department of Forestry as certificate holder

Under DoF group certification, it is easier to apply for certification because DoF has already established certification unit within Division of Production Forest Management and Wood Business to work on this. Some guidelines and concerned documents are already in place. However, the staff of DoF in charge of this group certification is still insufficient, but under improvement. In addition, the audit cost will be cheap, because audit cost will be included in DoF annual audit. This scheme can be extended throughout the country; therefore, the organizational structure is wider than PAFO group certification and complicated in management.

The requirements are very strict in a sense that Group Certification requires the group entity to meet all FSC policy and procedural requirements and all members to meet the FSC Principles and Criteria (P&C). This means that if one member fails to meet the requirements, the Group Certificate may be withdrawn. There are four levels under DoF administrative including DoF, PAFO, DAFO and Villages.

The requirements need to be considered from the technical feasibility point of view and capability to administer the group. The technical feasibility can be assessed based on the internal monitoring reports initially. Although audit cost is cheaper, there is a challenge in management of group members. To ensure this, DoF has to

set up internal monitoring program to monitor all activities in FSC certification implementation and internal auditor team has been already trained to perform this work and furthermore; DoF has officially approved the internal monitoring schedule to oversee its members. This option can be extended through out the country.

In proposing the options, it is recognised that the existing group certification under DoF is selected, by which WWF would continue to provide strategic support and guidance to the rattan certification efforts in full collaboration with DoF. Although this option is quite risky under the FSC Group Certification requirements in the context of DoF being the lead implementer.

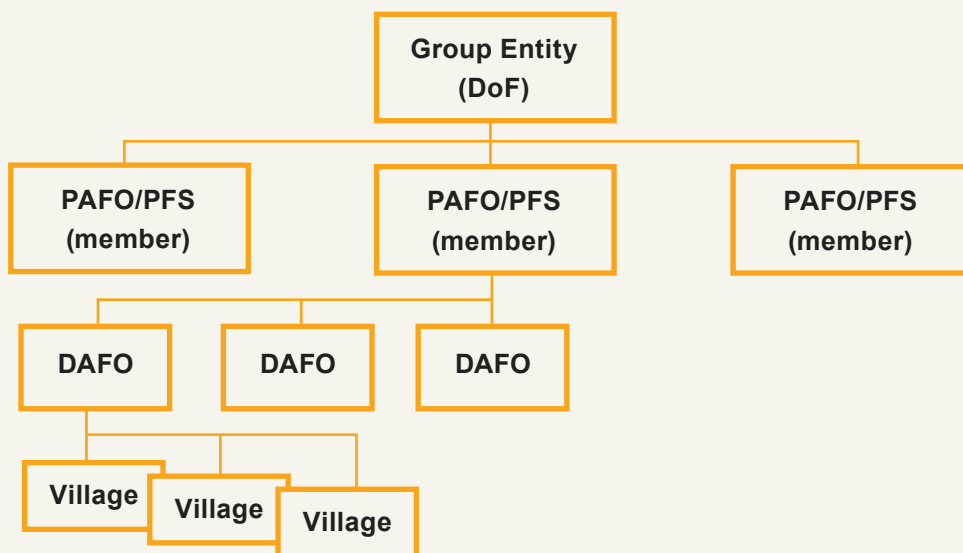


FIG 3: DoF group entity organization structure

3.2 Institution arrangement

After rattan management group decided to join DoF group, the rattan management group had to conform to the group policy and cohere with organization structure. The organization hierarchy and responsibility are described below:

3.2.1 Department of Forestry (DoF)-Group entity

The group certification is a process by which multiple forest managers are certified under one FSC certificate. The group entity (DoF) seeking certification is primarily responsible for:

- Providing individual members of the group with forest management systems, a planning framework and policies that conform to the FSC Principles and Criteria (P&C);

- Establishing a legal entity that would provide administrative oversight and monitoring of the certified members for ensuring that the FSC requirements are met by the forestland owners or managers covered by the certificate;
- Being the primary contact with the certification body for the purpose of communication, coordination of audits and the maintenance of group records.

The role and responsibility of group entity includes:

- Supervise PAFO (group member) in design of annual operation plan and implementing rattan management plan in each phase.
- Compile all annual operation plans and annual harvesting plans from all members to submit to DOF for approval from government.
- Supervise, encourage and monitor forest management authorized by DOF
- Provide capacity building to PAFO, DAFO and village administrative committee.
- Set up internal monitoring program to monitor PAFO, DAFO and villages regularly.
- Record and document keeping for all activities in management.
- Implement management plan based on FSC standard, National Regulations and Laws and other international conventions signed by government.
- Manage the certificate that certified organization authorized for whole country
- Wrap -up, assess, and support provincial certification unit (PAFO), DAFO, villages in implementation of management plan and principle of FSC.
- Propose new members who meet the requirement of FSC standard to certified organization for including those new members in certification group and withdraw the members who fail to meet the requirement of FSC standard.

3.2.2 PAFO

PAFO is the member of DoF certification group and has to allocate responsibility to DAFOs to work closely with Village Administrative Committee as referred to governmental organizational structure. To avoid withdrawing of certificate, PAFO has to set up internal monitoring program and internal auditor team to monitor all activities in FSC certification implementation. In spite of DoF closely supervise PAFO to work properly; the internal auditor team must exist within PAFO. The PAFO that is a member of a group are responsible for:

- Meeting all of the requirements that the group entity has established for entry into the certified pool;
- Complying with all the requirements of the P&C on an individual basis, appropriate to the size and scale of the forest operation.
- Responsibilities for meeting the P&C may not be “traded” between different members (e.g. where one member meets all P&C, while another does not meet any).

Fundamental elements needed for individual member to be eligible for entering a certified group would include:

- Clearly documented title or use rights to the forestland.
- A management plan that would conform to the group's management plan template.
- A history of management that would, under the present ownership, meet the FSC P&C.
- A signed statement that acknowledges participation in the certified pool, adherence to the group policies and commitment to the FSC P&C. Members of a certified group do not hold individual certificates. Each member's forestland is certified under a single forest management certificate held by the group entity. Forest products from these members will be covered by the group entity's chain of custody (COC).

The role and responsibility of PAFO includes:

- Supervise District Certification Unit (DAFO) in developing annual operation plan and implementing annual operation plan in each phase.
- Compile annual operation plan and annual harvesting plan of DAFOs within the province to submit to DoF. (Group Members maintain the right to harvest as owners of the resource)
- Supervise and monitor the harvesting operation in each forest based on Regulation of government and FSC standard.
- Manage accounting and stipulate the budget for implementation of management plan-.
- Provide training on management of rattan and certification to DAFO and village administrative committee.
- Monitor and assess the rattan management activities and certification operation of DAFO and village administrative committee regularly.
- Perform internal monitoring and post- harvest assessment.
- Record keeping.
- Propose new group members who meet the requirements of FSC to DoF.

3.2.3 DAFO

DAFOs are under administrative of PAFO and has to allocate responsibility to Village Administrative Committee to work closely with villagers. To avoid withdrawing of membership of PAFO, DAFO has to set up internal monitoring program and internal auditor team to monitor all activities in FSC certification implementation. In spite of PAFO closely supervise DAFO to work properly; the internal auditor team must exist in DAFO. This is for:

- Meeting all of the requirements that the group entity provided
- Complying with all the requirements of the P&C on an individual basis.
- Responsibilities for meeting the P&C .
- Clearly documented title or use rights to the forestland.
- A management plan that would conform to the group's management plan template.
- A history of management that would, under the present ownership, meet the FSC P&C.
- A signed statement that acknowledges participation in the certified pool, adherence to the group policies and commitment to the FSC P&C. Forest products from these members will be covered by the group's chain of custody.

The role and responsibility of DAFO includes:

- Develop annual operation plan with village administrative committee and submit to PAFO to consider.
- Define and manage the use of village development fund, which is generated from share of rattan sale.
- Monitor and assess the rattan management activities and certification operation of village administrative committee regularly.
- Publicize regulations on rattan management, FSC standard and forest law to villagers.
- Develop record keeping system.

3.2.4 Village Administrative Committee

The villagers are the legal user of the rattan under an agreement of government. The villages are implementers of rattan management plan and their role and responsibility include:

- Participate in development of rattan management plan and annual operation plan
- Prepare condition to implement annual operation plan
- Implement annual operation plan under the supervision of DAFO.
- Develop budgetary plan from village development fund, which is generated from share of rattan sale.
- Record keeping.

IV. LESSONS LEARNT FROM RATTAN CERTIFICATION PROJECT

4.1 Preparation phase

4.1.1 Certification scheme option

As mentioned above, there are several options for certification scheme to be set up. The factors for decision are an existing work system, forest area, capacity of certificate holder and government support and number of certificate holder interested. The certificate holder should clearly understand the concept of FSC certification and should have capacity to comply with FSC standard. Technically and financially the certification scheme should be based on the market demand and sufficient quantity of product to be supplied to make the scheme worthwhile.

Therefore, rattan management group decided to be a member of DoF certification group, because (1) to reduce audit cost, (2) DoF has certification unit and all concerned documents regarding to FSC available, (3) under DoF certification group, the rattan project can extend its sub-members throughout the country to increase rattan raw material for CoC certified rattan processing factory.

4.1.2 Feasibility study

After selection of certification scheme to implement, the feasibility study was carried out to collect additional data and information to assess the overall validity of certification scheme including main activities necessary for the certification. The purpose was to determine related factors influencing to certification and to consider the investment of time and resources against outcome of project.

4.1.3 Project area defining

Defined project area includes forest area, villages/village clusters, land use with land use map, socio-economy and others. Project activities can vary in size from hundreds of thousands of hectares, and can be confined to a single or several geographic areas. The project area may be one contiguous block of land or many small blocks of land spread over a wide area. The spatial boundaries of the land need to be clearly defined and properly documented from the start to help accurate measuring, accounting and verification. The project area should have agreement on use right form government or should have legal status. Develop forest management and land use maps of designated forest areas.

4.1.4 Stakeholder identification

In certification process, the stakeholder identification is very important to seek responsibility and relationship of each stakeholder. The identification of stakeholders included: community leader, community members, District/province/ministries, civil societies, donor/investor and communities around project area.

4.1.5 Institution arrangement

The institution arrangement was based on certification scheme that the project selected. In this case of DoF as Group Entity, and then the certification units were established in each level of organization (DoF, PAFO, DAFO and Villages). The organization structure of rattan management certification is referred to fig 3.

After arrangement of institution, the capacity of concerned organizations were assessed at each level, which involves in certification scheme such as Ministries (Department), provincial and district levels to provide technical support so that those concerned organizations would be able to implement FSC standard effectively. The assessment would cover capacity and knowledge of staff on FSC concept, rattan inventory, rattan management planning, annual operation planning, documentation, record keeping, equipment and tools, vehicles and others.

After institutional capacity assessment, the communities and local institutions, which will lead in implementation of certification scheme, have been assessed for training needs.

4.2 Rattan management planning and guideline development

Rattan management planning is a key to guide implementation. The management plan was developed, which included environmental responsibility, social benefit and economic viable management. The balance between social, environment and economic factors should be considered through out the process of certification. The rattan management plan was developed for each village based on condition of each. DoF approved each management plan before putting into practice.

Guidelines on each key activity to support implementation of management plan were also developed such as FSC group certification policy in native language, FSC NTFP standard in native language, rattan inventory, sustainable rattan harvesting, rattan regeneration, forest protection includes forest fire, pest and disease, CoC for transport of rattan from forest to warehouse, rattan storage, post-harvesting assessment, rattan sale, benefit sharing, conflict management, safety measure, HCVPs mapping and management, biodiversity monitoring, internal monitoring and etc.

4.3 Training

The project provided a number of training to its members and stakeholders referring to guidelines above so that all concerned organizations could work properly along the guidelines. The sustainable rattan project developed training programme related to guidelines and then informed DoF for approval. The reports on training including list of participants have been stored at each concerned organization level for evidence. The following trainings were provided:

- Group policy
- Rattan inventory
- Rattan management plan
- Annual operation
- Sustainable rattan harvesting

- HCVPs management
- Biodiversity monitoring
- CoC for transport of rattan from forest to warehouse
- Post-harvest monitoring
- Internal monitoring
- Etc.

4.4 Development of record keeping system

Documents and records of both hard and soft copies are well stored systematically at the responsible organizations to provide evidences during auditing and for review of implementation. This is the key for the set-up of certification scheme. Documents must be developed and updated by all stakeholders. Usually these documents and records will be kept for at least 5 fiscal years, except rattan management plan that must be one fold of its validation, for example; if the management plan validation is 10 years, it must be kept for another 20 fiscal years. The database and record keeping system were installed in each concerned organizations respectively.

4.5 Precondition assessment

Before project applied for certification or membership of certification group, the assessment was carried out to support auditor or group entity in implementation of the FSC standard or group certification system at each concerned level. The project should ensure that all FSC principles and criteria relevant to rattan management have been implemented properly and the concerned documents were in place before annual audit taken place by certified body.

The precondition assessment included process, documentation and storage of records and documents at each concerned organization and performance of members against FSC standard. Therefore, each concerned level should have record keeping in place so as to providing evidence to auditors. The **Corrective Action Request (CAR)** was issued to members when the key performance could not meet the FSC standard. When the members received CARs, they would address them based on recommendation given by group entity known as **Corrective Action Taken**.

The documentation should link with evidences in the field. However, some documents need to publicize. The following is record keeping at each level as example of rattan certification project in Laos, see annex 5.

V. RISK ANALYSIS

The success of a certification development process is highly dependent on the certification scheme, successful identification of relevant stakeholders and the level of their commitment to participate and contribute to the process and benefit they will get. According to FSC; a stakeholder or stakeholder group is defined as any individual or group who may be affected or express interest in the field of the standard implementation. It is important that every effort is made to accommodate those groups that express an interest in the process.

Group certification is designed to reduce costs and increase opportunities for forestland owners/forest managers to participate in FSC certification by distributing the costs of certification among a large number of forest landowners.

If project is to expand the scope of their Group Certificate to include new members; it should be aware of the additional risk of the strategy. The limited capacity of group members will undoubtedly make this group complex to manage and resource hungry both in terms of manpower and budget. The more members in the group, the higher the risk of non-compliance detectable at time of external audit increased likelihood of suspension.

Although project is well versed in FSC certification; it remains a relatively unknown concept in the local level. This will prove a big challenge in taking on the additional group and has the possibility to cause issues with other products under the FSC certificate. The certificate holder's capacity is continually improved and internal monitoring operation implemented effectively that will be possible to manage the group members.

The project has to analyze cost-effectiveness under certification scheme in detail. The maintenance cost of certificate and income from certified products should be taken into account. We should keep in mind that the application of certification scheme is not for project objective, but for marketing of products.

In each option proposed above, there is a risk, which may be occurred in each option based on capacity of group entity to fill the gap. The following factors are relevant to the risk of the project:

- Consent of members to work for FSC certification
- Number of member to join the group
- Clear concept of FSC certification
- Cost-effectiveness of the project
- Capacity of group entity and member to meet FSC standard.
- Internal monitoring by group entity

VI. RECOMMENDATIONS

The replication of rattan certification in other sites should consider the following key factors:

6.1 Feasibility study

The feasibility study is prior task to collect preliminary basic data to assess the outcome of certification scheme including main activities necessary for the certification. The purpose is to determine related factors influencing to certification scheme and to consider the investment of time and resources against outcome of project. The feasibility study includes: legal and political feasibility, financial and resource feasibility, operational feasibility, cultural feasibility and certification option. The most important consideration is that who will be certificate holder and its capacity to comply with FSC standard. The feasibility study includes:

- Legal
 - Community has legal tenure rights
 - Community has management rights
 - Agreement from Government to villages' use right of natural forest for rattan management
 - Etc.
- Resource and financial
 - Community has sufficient time
 - Community has legal rights over resources
 - Community currently carrying out rattan inventories/rattan management
 - Cost analysis of investment
 - Etc.
- Operational
 - Villagers likely to benefit from rattan management
 - Availability of human resources
 - Who can communicate and work effectively with certification body.
 - Community agrees to do certification
 - Etc.
- Cultural
 - No significant cultural impacts, or conflicts
 - Community is willing to work together
 - No cultural barrier to quantify and commercialize rattan resource
 - Cultural values or norms allow all members in society to actively participate in rattan certification activities
 - Etc.
- Certification option
 - The selection of certification scheme is based on the situation as described in 3.1.

6.2 Stakeholder identification

In certification process, the stakeholder identification is very important to seek responsibility and relationship of each stakeholder. The identification of stakeholders included: community leader, community members, District/province/ministries, civil societies, donor/investor and communities around project area.

6.3 Institution arrangement

After rattan project select certificate holder, then project has to define organization structure to work on and assign staff responsible for certification work in particular. Prior to making the final decision on the structure and selection of the Group Entity, the project should consult certification body about the best option available. The advice should be formal, distributed to key stakeholders and this document becomes the basis for the selection of the final Group Entity.

The Group Members must be consulted towards reaching consensus of Group Entity. If consensus is reached on Group Entity actions should be implemented towards a formal agreement on the roles and responsibilities under the Group Certificate including budget for operating cost. It is recommended that:

- *The Group Members are consulted in terms of the proposed Group Entity with the target being consensus on the Group Entity and associated Roles and Responsibilities;*
- *Roles and responsibilities agreed between Group Members.*
- *The role of the key stakeholders should also be agreed and documented in the agreement.*

However, to assign key staff for coordination with FSC certified organization and its group members, it needs some training course to explain them on how to do with certification work and also assign them officially to work with.

6.4 Group policy development

Policy of group certification should be developed in native language with the support of project and the project shall distribute the group certification policy guideline to its group members. The example is provided in annex 1.

6.5 Rattan management plan and guideline development

The project has to develop Forest/NTFPs Management Plan that includes a general management and the detail of each group member in line with the FSC requirements. The management plan will be based on each situation/each locality. The feature of rattan management plan in Laos is briefly described in annex 3.

Prior to the external audit; the existing Forest/NTFPs Management Plan of each group member needs to be combined with the group entity management plan so that auditor has a similar look to the existing plans with the addition of each group member details.

The key activities should have operational guidelines including: rattan/NTFPS inventory,

sustainable rattan/NTFPs harvest, rattan/NTFPs regeneration, forest protection, HCV(F) mapping and management, CoC for transport of rattan/NTFPs, post-harvest assessment, internal monitoring (example provides in annex 2) and etc.

6.6 Documentation and record keeping system development

Documents and records of both hard and soft copies should be well stored systematically at the responsible organizations to provide evidences during auditing and for review of implementation. Usually these documents and records shall be kept for at least 5 fiscal years, except rattan management plan that must be one fold of its validation. The database and record keeping system must be installed in each concerned organizations (group entity and group members) respectively.

6.7 Training

The project has to provide trainings to its members and stakeholders referring to guidelines, which will be developed by group entity including:

- Group policy (1)
- Rattan inventory (2)
- Rattan management plan (2)
- Annual operation (2)
- Sustainable rattan harvesting (2)
- HCVPs management (3)
- Biodiversity monitoring (3)
- CoC for transport of rattan from forest to warehouse (2)
- Post-harvest monitoring (3)
- Internal monitoring (4)
- Etc.

Some guidelines can be organized in the same training as indicated in bracket above. This is to facilitate all concerned organizations can work properly along the guidelines. The training schedule must be developed. The reports on training including list of participants shall be stored at each concerned organization level for evidence.

6.8 Internal monitoring system development and audit

In the internal monitoring on implementation of certification scheme is an important task to assess the progress of activities on regular basis. The internal monitoring shall be carried out annually. This internal monitoring shall be performed by project or group entity or outside organizations.

The responsible organizations shall develop monitoring standard and the officers in charge, who will carry out this work, shall be trained systematically. In each level in the group entity organization, there is a structure responsible for internal monitoring to meet minimum requirement and over gradually. The internal monitoring plan must be developed

with fix schedule and approved by group entity.

Annual audit by third party (certification body) will be taken place every year after certificate is issued. The paperwork must be ready before. Then the staff in charge must summarize all activities implemented as well as Corrective Action taken.

The documents and records related to certification work are closely checked by auditors and therefore, the record keeping must be in order at each level of organization. Some key documents must be summarized in English. Maps of annual rattan/NTFPs harvesting sites, forest management area, land use, HCV (F), forest cover and etc. shall be well developed according to FSC standard and maintained at each organization level.

6.9 Summary of key activities to support FSC certification preparation

SN	Activities	Input	Tools	Output
I	Preparation phase			
1.1	Feasibility study	Project/consultant	Refer to 6.1	Report
1.2	Select certification model	Project support	Refer to FSC guideline / 3.1 in this report	Certification model
1.3	Stakeholder identification	Project support	Consultation workshop	report on number and role of stakeholders and keep this report at group entity office
1.4	Institution arrangement	Group entity	Based on existing organizations	Organization structure
1.5	Laws and regulations	Laws: Forest, wildlife, environment, land, CBD, CITES and others Regulations: Village regulations on use of timber and NTFPs	Compile from sources	Hard copies and keep them in each level office

1.6	Studies on social and environmental impact assessment, HCV (F) and biodiversity (wildlife) in each management site	Project support third party of educational institute to study	Consultant / education institute	Reports and keep in each level
II	Implementation phase			
2.1	Legal status of members	Each member should have: <ul style="list-style-type: none"> - Land use right certificates of villagers in and around Rattan management area - Agreement on rattan management in these areas between villages approved by government - Conflict resolution for land use, timber use and NTFP use (if any) 	Compile from members	<ul style="list-style-type: none"> - Copies of land use right certificates (if any) in villages and keep in each level - Copies of agreement by government and keep in each level - Copies of reports, keep in each level
2.2	Translate FSC standard in native language	Project support	Consultant / project staff to translate	FSC standard in native language and keep it in each level office
2.3	Organise certification unit at each level	<ul style="list-style-type: none"> - Group entity should issue agreements on appointment staff to be responsible for certification work at each level - Develop mandate of group entity and members 	Consultation with members and develop agreement and then approve by group entity	<ul style="list-style-type: none"> - Copies of agreement (keep in each level) - Copies of mandate (keep at each level)

2.4	Develop group policy guideline	Project and group entity	FSC guideline / example in annex 1	Guideline and keeps it in each level office
2.5	Training on group policy and certification	Project organize training for group entity and members	Summarize from group policy and FSC standard	Copy of report and keep in each level
2.6	Develop rattan management plan for each site of members	Project support each member to develop management plan	Consultant / forest officer. The management plan shall include result of studies on social and environmental impact assessment, and biodiversity (wildlife) in each management site in the management plan	<ul style="list-style-type: none"> - After completing the management plan of each site, those rattan management plans should be approved by group entity and / or concerned government sectors - Rattan management plan of each site keep in group entity and particular member
2.7	Maps	Project support mapping of rattan management area, land use and HCVFs in each rattan management site	GIS and HCVFs guideline of FSC to identify HCV(F)s in the management areas.	<ul style="list-style-type: none"> - Maps of rattan management area, land use and HCVFs in each site. - Keep maps in each level
2.8	Training on rattan management, sustainable harvesting of rattan	Group entity	Refer to management plan	Report on training, keep in each level

2.9	Develop annual operation plan in management site	Project / group entity support each member	Interpret from each management plan	Annual operational plan keeps it in each level
2.10	Develop key guidelines on rattan / NTFPs inventory, sustainable rattan / NTFPs harvest, rattan / NTFPs regeneration, forest protection, HCV(F) conservation, CoC for transport of rattan / NTFPs, post-harvest assessment, internal monitoring system and etc.	Project / group entity support	Learn from: - Management plan - FSC standards - FSC guidelines - Rattan / forest silviculture	Guidelines keep in each level
2.11	Training on key guidelines as specified in 3.7	Group entity	Summarize from each guideline	Reports on training, keep in each level
2.12	Apply for membership of group entity	Each member	Write interest letter to group entity	Registration in group entity database
2.13	Pre-assessment of each member interested in joining the group	Group entity	Use standard of assessment	Report kept by group entity
2.14	Issuance of acceptance / rejection letter	Group entity	Write letter to inform certification body that performs the assessment	Keep in group entity database
2.15	Inform certified body of new members and / or rejected old members	Group entity	Write letter to inform certification body that performs assessment	Keep in group entity database

2.16	<ul style="list-style-type: none"> - Internal monitoring schedule plan - Develop internal monitoring guideline - Provide training on internal monitoring to assignment 	Group entity	<ul style="list-style-type: none"> - Based on group entity decision - Use FSC standard (10 principles) as reference - Train the assigned staff, who will carry out internal monitoring 	<ul style="list-style-type: none"> - Schedule kept by group entity and members -Guideline and keep these documents in the group entity office - Report on training, kept in the office
------	---	--------------	---	---

REFERENCE

Bounchan Mekaloune and Buaphet Bounsoulath, 2008.	Report on rattan inventory in Sophouane and Phonthong villages, Khamkheuth district, Bolikhamxay province, WWF Great Mekong, Lao PDR Country Programme.
DoF, 2009.	Guideline on NTPFs (rattan) certification management, Department Forestry, Ministry of Agriculture and Forestry, Lao PDR.
DoF, 2008.	Policy on FSC group certification, Department of Forestry, Ministry of Agriculture and Forestry, Laos.
DoF, 2010.	Report on FSC rattan certification implementation in Laos
FSIP, 2010.	Report on Teak Plantation Certification Option for Small Holder Teak Plantations in Luang Parabang, Laos.
FRC and WWF, 2008	Report on sustainable rattan harvest and production, WWF Great Mekong, Lao PDR Country Programme.
RA/SW, 2008.	Interim standard for forest management assessment in Lao PDR.
Smartwood, 2002.	Non-Timber Forest Products Certification Standards Addendum, Guideline note.
WWF, 2008	Report on sustainable rattan harvest and production in Ban Soupphouan, Ban Phonthong and Ban Nongxong villages, Bolikhamxay province, WWF Great Mekong, Lao PDR Country Programme
WWF/ Khamkheuth DAFO, 2009	Rattan management plan for Sopphouane and Phonthong villages, Khamkheuth district, Bolikhamxay province

ANNEX 1: EXAMPLE OF GUIDELINES ON FOREST CERTIFICATION BY DoF

1. Purpose

This manual has been developed to provide guidance to forest managers in operating forest certification as a group entity, specifically in selecting and assessing candidate member for membership in the certified pool of the group, conducting annual audits of certified group members, using and availing of the benefits of certification, and communicating with the certifier all relevant aspects concerning rattan certification.

2. Scope

- The manual covers the various activities related to rattan certification such as:
 - Selecting forest certification schemes
 - Promoting participation in rattan certification.
 - Selecting candidate new members for certification.
 - Using the certification assessment standards.
 - Assessing and accepting new members for certified pool membership.
 - Annual audits by the certifier
 - Group certification maintenance.
- The manual includes the objectives, procedures, institutional arrangements, and timing in conducting rattan certification related activities, as well as the expected rewards for certified operations.

3. Objectives

The objectives of rattan certification are:

- To obtain recognition in putting the natural forests under sustainable rattan management by maintaining forests.
- To obtain an independent confirmation that sustainable rattan management is being implemented at acceptable standards in the country's forest areas.
- To access markets for certified rattan/NTPFPs products and obtain other benefits of rattan/NTPFPs certification.

4. Procedures

1. Selecting forest certification schemes:

Among available forest certification organizations, the Forest Stewardship Council (FSC) has been selected, and among available certifiers, the Rainforest Alliance-SmartWood (RA-SW) has been selected for the following reasons:

- FSC is well recognized all over the world and FSC certified products are well accepted in the world market.
- RA-SW is accredited by FSC, well experienced in dealing with community based forest management, and offers good services commensurate to a modest cost of forest certification maintenance.
- The FSC group certification scheme being run by RA-SW is most appropriate for the situation in Lao PDR where forest management operations are many, but using a common or similar systems of forest management.
- Availing of FSC as forest certification organization and RA-SW as certifier shall therefore continue into the foreseeable future.

5. Promoting participation in forest certification

1. Forest certification shall be maintained at DOF as a group certification scheme that is recognized by FSC and supervised by RA-SW.
2. Forest certification shall be open to all forest management operations in PFAs, as well as in protected areas and forest plantations. The difference between certification in PFA/forest plantation and protected areas is that certified timber can only be produced in PFAs/forest plantations and not in protected areas, which are all closed to commercial timber production. However, certified members from either a PFA or a protected area may produce certified NTFPs.
3. Forest management operations, which are practicing high standards of participatory, sustainable management as determined from internal assessment, shall be invited to join the certified pool of the DOF-based certified group.
4. Participation shall be voluntary and in no case mandatory.

6. Selecting candidate members for certification

1. Candidate members for certification must:
 - a. Have been in operation for at least two years and have completed all management planning and implementation activities at least once.
 - b. Have no major CARs (issued as results of internal assessment) that are still outstanding.
 - c. Have no minor CARs scheduled for closing in the current year.
 - d. Have confirmed its interest to join the certified pool of the group by signing a confirmation letter.
2. Candidate members shall have to pass further certification assessment to be able to actually join the certified pool of the DOF-based certified group.

7. Using the certification assessment standards

1. Assessment of candidate members, as well as annual audits of certified members, shall be based on FSC standards, which is currently the “RA-SW Interim standards for assessing forest management in Lao PDR”.

2. The assessment standards are based on the following FSC Principles of Forest Stewardship:

Principle 1: Compliance with Laws and FSC Principles.

Forest management shall respect all applicable laws of the country in which they occur, and international treaties and agreements to which the country is a signatory, and comply with all FSC Principles and Criteria.

Principle 2. Tenure and use rights and responsibilities

Long-term tenure and use rights to the land and forest resources shall be clearly defined, documented and legally established.

Principle 3: Indigenous peoples' rights.

The legal and customary rights of indigenous peoples to own, use and manage their lands, territories, and resources shall be recognized and respected.

Principle 4: Community relations and workers' rights.

Forest management operations shall maintain or enhance the long-term social and economic well being of forest workers and local communities.

Principle 5: Benefits from the forest.

Forest management operations shall encourage the efficient use of the forest's multiple products and services to ensure economic viability and a wide range of environmental and social benefits.

Principle 6: Environmental impact.

Forest management shall conserve biological diversity and its associated values, water resources, soils, and unique and fragile ecosystems and landscapes, and, by so doing, maintain the ecological functions and the integrity of the forest.

Principle 7: Management plan.

A management plan – appropriate to the scale and intensity of the operations – shall be written, implemented, and kept up to date. The long-term objectives of management, and the means of achieving them, shall be clearly stated.

Principle 8: Monitoring and assessment.

Monitoring shall be conducted – appropriate to the scale and intensity of forest management – to assess the condition of the forest, yields of forest products, chain of custody, management activities and their social and environmental impacts.

Principle 9: Maintenance of high conservation value forests.

Management activities in high conservation value forests shall maintain or enhance the attributes, which define such forests. Decisions regarding high conservation value forests shall always be considered in the context of a precautionary approach.

Principle 10: Plantations.

Plantations shall be planned and managed in accordance with Principles and Criteria 1-9, and Principle 10 and its Criteria. While plantations can provide

an array of social and economic benefits, and can contribute to satisfying the world's needs for forest products, they should complement the management of, reduce pressures on, and promote the restoration and conservation of natural forests.

3. DOF shall develop and use a simplified set of criteria and indicators suitable to situations in Lao PDR to be used in assessing candidate members.

8. Assessing and accepting new members for certified pool membership

1. As the operator of group certification, DOF shall assess candidate members for membership in the group's certified pool.
2. DOF shall form a team of trained auditors to assess candidate members for certification in the current year. Auditors may be drawn from trained individuals from its divisions or from other forestry institutions including and those in the private sector.
3. PFS may also form a team of trained auditors to conduct certification assessment at the request of DOF, provided that:
 - a. DOF remains as the responsible party for certification.
 - b. The PFS team is responsible to DOF for its findings.
 - c. The PFS findings are subject to review, confirmation, and further processing by DOF.
4. Candidate new members shall provide all information required for certification assessment.
5. The certification assessment process shall include the following steps:
 - a. Initial assessment. Each candidate member shall undergo internal assessment (see Chapter 4), which shall be considered as the initial assessment for certification.
 - b. Document review. The auditing team shall review the documents submitted by the candidate members including the letter of interest to join the certification scheme, progress reports, and accomplishment reports. The document review shall:
 1. Conduct a background check of the candidate members.
 2. Check management plan implementation in the candidate member against the FSC certification standards.
 3. Fill in the necessary information to be provided in the Report of Certification Assessment of the new member.
 - c. Field assessment. The auditing team shall conduct a field assessment by:
 1. Field checking the progress of annual operations based on the current annual operations plan and progress reports.

2. Field checking the conduct of annual operations, such as accuracy of tree maps, pre-harvesting inventory tree measurements, chain-of-custody markings in harvested products, recording of daily transactions, etc.
 3. Field checking management operations for compliance with laws, regulations, guidelines, international conventions signed by LAO PDR, and the FSC Principles of Forest Stewardship.
 4. Conducting village interviews to complement and supplement the field checks.
- d. Preparation and distribution of assessment report.
1. Within a month after the field assessment, the DOF auditing team shall prepare a Report of Certification Assessment of the Candidate member using the format provided.
 2. The certification assessment report shall provide a pre-conditions and conditions, based on weaknesses observed in management implementation in the management area. A pre-condition is a serious weakness that must be corrected before the new members can be accepted to the certified pool. A condition is an ordinary weakness that will remain as a Corrective Action Request (CAR) with a prescribed time period for rectifying, if the candidate member is accepted to the certified pool.
 3. A copy of the draft certification assessment report shall be furnished to the member managers to enable them to give their comments, which must be received by DOF within a period of two weeks.
- e. Peer review. DOF shall appoint two peer reviewers to check the draft certification assessment report. The peer reviewers must have previous training and experience in conducting certification assessment.
- f. Final report preparation. The draft certification assessment report shall be finalized incorporating the comments of the new member managers and the findings of the peer review.
- g. Acceptance to the certified pool. The candidate member shall be accepted to the certified pool of the group if it has no pre-condition, but only conditions, which shall remain as CARs to be closed within the prescribed period.
- h. Further assessment. A candidate member that has pre-conditions shall be allowed one year to close them and be accepted to the certified pool. A pre-condition assessment shall be conducted to verify the actions undertaken to close the pre-condition. If the one-year period has elapsed without closing the pre-conditions, then the members will have to repeat the assessment process to be certified.
- i. Publication. A copy of the final certification assessment report shall be provided to the member managers within one month after closing the pre-conditions. A public summary of the certification assessment report shall be published in the DOF website.

9. Annual audits by the certifier

1. Certification actions by DOF shall be subject to audit by the certifier.

2. Based on the certifier's policy, all new members of the certified pool will be included in the most immediate annual audit by the certifier.
3. All other certified members may be included in the annual sample of certified members that will be included in the audit by the certifier.

10. Group certification maintenance

1. DOF shall communicate with the certifier within a month of any changes in the certified pool including acceptance of new members and suspension or removal of existing members.
2. DOF shall conduct an annual audit of the members of the certified pool. DOF may also conduct an unscheduled audit of the members of the certified pool especially to verify reports of activities of members that are relevant to their membership of good standing in the certified pool.
3. DOF shall conduct an annual audit of the members of the certified pool as follows: a. Sampling. If the number of certified members has increased beyond the capacity of DOF to include all of them in the annual audit, DOF shall select a sample of certified members to be included in the annual audit. The sample size shall depend on the capacity of DOF. DOF may also request PFS to conduct an annual audit of certified sub-FMAs on its behalf in order to increase the number of certified members that are audited in a year.
4. Auditing process and preparation of annual audit report. The process in conducting an annual audit shall be similar to the process of certification assessment, except that no peer review is necessary and only a set of three FSC Principles shall be examined in detail, although the auditors shall be on the lookout for any contravention of each of the ten FSC Principles.
5. The annual audit may result in the issuance of CARs to the members. A CAR may be major or minor depending on the severity of the weakness or contravention of the FSC Principles. Member management shall be asked to perform actions to close the CARs.
6. A major CAR must be closed during the prescribed time period. DOF shall conduct a major CAR audit to verify the actions by member management to close the major CAR. A member that is unable to close a major CAR within the specified time period shall be suspended from the certified pool. A suspended members shall have one year to perform further actions to close the major CAR. If unable to do so, it will be removed from the certified pool and could be reinstated only by repeating a certification assessment.
7. A minor CAR shall become a major CAR if it is not closed within the prescribed period. Auditing of actions to close minor CARs shall take place during the annual audit.

11. Use of forest certification trademark

1. The FSC certification trademark can be placed only in products from certified members and in products that are listed as having verified sustainable production systems.
2. The following requirements must be met when using the FSC trademark:
 - a. The DOF FSC authorized code number must be included. This can be placed under the FSC logo or in parenthesis after the copyright claim.
 - b. The copyright claim must have included: “FSC Trademark © 1996 Forest Stewardship Council A.C.”
 - c. The FSC logo must be at least 10mm in size.
 - d. The FSC logo must be of appropriate color and contrast.
 - e. There should be no text or graphic within the exclusion zone of the FSC logo (area around the “checkmark-and-tree”.
3. For products containing less than 100% FSC-certified material, a percentage-based claim including the minimum percentage number beside the FSC logo must be given using the same size of typeface.
4. When the FSC trademark is used in promoting products made from certified products of the group, the product reference must not be confusing or misleading, i.e. it must be obvious which products are certified and which are not.

12. Institutional arrangements

1. DOF shall head a group of forest management operators that include PFS in each province, DAFO in each district, and GVFO/VFO in each village cluster.
2. The group, referred to as the National PSFM Group, shall maintain a certified pool of forest management operations (members), as well as a pool of members that are still in the process of improving their operations to certifiable standards.

13. Timing

1. In principle, interested member operations can apply for membership and undergo certification assessment any time during the year.
2. For efficiency time-wise in carrying out certification assessments, the following annual program of forest certification assessment activities shall be carried out:
 - a. Obtaining final results of internal assessment: by 31 August.
 - b. Inviting qualified members to join the certified pool: by 30 September.
 - c. Receiving applications for certification including initial set of documents needed for review of candidate operations: 30 November.
 - d. Document review: December.
 - e. Field assessment: January-February.
 - f. Dissemination of draft assessment report: by 31 March.

- g. Submitting comments on the draft assessment report: by 15 April.
- h. Submission of report of peer reviewers: by 30 April.
- i. Dissemination of final assessment report: by 31 May.
- j. Actions to close pre-conditions: June-November.
- k. Pre-condition audit document review: December.
- l. Pre-condition audit field assessment: January-February.
- m. Decision on certification of candidate members: by 31 March.

ANNEX 2: EXAMPLE OF DOF STANDARDS FOR INTERNAL ASSESSMENT OF MEMBER MANAGEMENT OPERATIONS

1. Introduction

The DOF standards for internal assessment of member management operations are based on a set of principles of participatory, sustainable management (PSFM) in a PFA(Production Forest Area). These are ten principles of model PFA management include:

1. Forest area
2. Institutions
3. Human resources
4. Facilities
5. PFA resources
6. Forest management plans
7. Annual operations plans
8. Annual operations
9. Monitoring
10. Impacts

2. Principles, criteria and indicators

Principle 1: Forest area

The PFA should be officially declared and demarcated with visible signs at strategic sites including important compartments.

Criterion 1.1: The PFA should be officially declared by the Prime Minister

Criterion 1.2: Satellite imagery and maps needed for proper management of the PFA should be available.

Criterion 1.3: The boundaries of the PFA should be demarcated.

Criterion 1.4: The boundaries of important compartments in sub-FMAs should be demarcated.

Principle 2: Institutions

All institutions participating in PFA management should be already established, provided management jurisdiction over parts of the PFA, and fully operational.

Criterion 2.1: The Provincial Forestry Section (PFS) should be fully functional in overseeing, coordinating, and providing support to the management of PFAs in the province.

Criterion 2.2: A District Forest Management Unit (DFMU) should be established and fully operational at each District Agriculture and Forestry Office (DAFO) participating in PFA management.

Criterion 2.3: A Village Forestry Organization (VFO) named after the village should be already established and fully operational at each participating village.

Criterion 2.4: A Group of Village Forestry Organizations (GVFO) named after the Group for Village Development (GVD) should be already established and fully operational at each sub-FMA.

Criterion 2.5: A PSFM agreement should already be entered into by the sub-FMA management partners, namely: DFMU and GVFO, signed by authorized signatories of DAFO and GVD and confirmed by district and provincial authorities.

Principle 3: Human resources

Forest officers at all levels and villagers should be aware of their role in PSFM and fully capable of performing their functions.

Criterion 3.1: PFS officers assigned to PSFM in PFAs are aware of their role in PSFM and fully capable of performing their functions.

Criterion 3.2: DFMU officers are aware of their role in PSFM and fully capable of performing their functions.

Criterion 3.3: VFO/GVFO officers and team members are aware of their role in PSFM and fully capable of performing their functions.

Principle 4: Facilities

Facilities for conducting PSFM operations should be fully available.

Criterion 4.1: Office and field facilities for PSFM are available at PFS.

Criterion 4.2: Office and field facilities for PSFM are available at DFMU.

Criterion 4.3: Office and field facilities for PSFM are available at VFO/GVFO.

Principle 5: PFA resources

The different kinds of resources in the PFA should be fully assessed for management purposes.

Criterion 5.2: NTFP resources have been categorized, zoned, mapped, and inventoried, if indicated by the establishment of NTFP village enterprises.

Criterion 5.3: High conservation values including wildlife and biodiversity have been identified and mapped.

Criterion 5.4: Local knowledge on forest resources, their management, and utilization has been documented in village practices and rules.

Principle 6: Forest management plan

The PFA should have an approved forest management plan integrated from approved sub-FMA management plans.

Criterion 6.1: Sub-FMA management objectives have been identified with stakeholders' participation.

Criterion 6.2: Plans for sub-FMA zoning, sustainable timber resources management, sustainable NTFP management, forest restoration, maintenance of high conservation value forests, and forest protection have been prepared with stakeholders' participation.

Criterion 6.3: The sub-FMA management plan has been prepared with stakeholders participation and approved by DOF.

Criterion 6.4: The integrated PFA management plan has been consolidated from sub-FMA management plans; this applies when all sub-FMAs in the PFA have been put under PSFM.

Principle 7: Annual operations plan

The PFA should have an approved annual operations plan integrated from approved sub-FMA annual operations plans.

Criterion 7.1: For sub-FMAs with production forest resources, pre-harvest inventory has been done covering the current year's annual coupe.

Criterion 7.2: For sub-FMAs that are going into NTFP enterprise development, inventory of the given NTFP has been done.

Criterion 7.3: For sub-FMAs with extensive areas of future production forests a forest restoration assessment has been done.

Criterion 7.4: The sub-FMA annual operations plan complete in the component plans prescribed in the sub-FMA management plan has been prepared for the current year with stakeholders participation, approved by DAFO, and confirmed by PFS and PAFO.

Criterion 7.5: The integrated PFA annual operations plan has been consolidated from sub-FMA annual operations plans; this applies when all sub-FMAs in the PFA have been put under PSFM.

Principle 8: Annual operations

All PSFM activities included in the annual operations plan of each sub-FMA should be implemented properly and as fully as possible.

Criterion 8.1: Pre-harvest inventory to obtain information for the current year's operations has been conducted following prescribed procedures.

Criterion 8.2: Pre-harvesting operations including tree marking, preparation of logging infrastructures, logging contracting, and conduct of pre-logging conference have been conducted following prescribed procedures.

Criterion 8.3: Harvesting operations including logging, timber chain-of-custody markings and recordings, second landing operations such as log scaling and grading, and timber sale have been conducted following prescribed procedures.

Criterion 8.4: Post-harvesting operations including post-harvest assessment and sharing and transfer of revenue share have been conducted following prescribed procedures.

Criterion 8.5: NTFP resources management and monitoring have been conducted following prescribed procedures.

Criterion 8.6: Forest restoration assessment and implementation have been conducted following prescribed procedures.

Criterion 8.7: Maintenance of high conservation value forests have been conducted following prescribed procedures.

Criterion 8.8: Forest protection against various agents of deforestation and forest degradation has been conducted following prescribed procedures.

Principle 9: Monitoring

Annual operations should be properly monitored for the purpose of improving standards of management and for generating information needed to update forest management and annual operations plans and to evaluate impacts.

Criterion 9.1: PSFM transactions recorded and filed at VFO/GVFO, DFMU, and PFS.

Criterion 9.2: PSFM activity reports filed at VFO/GVFO, DFMU, and PFS.

Criterion 9.3: Regular PSFM progress reports prepared by DFMU, consolidated by PFS, and forwarded to DOF.

Criterion 9.4: PSFM activities, outcomes, and issues discussed in meetings of the Provincial PSFM Group.

Criterion 9.5: Participatory, internal monitoring and assessment of PSFM.

Criterion 9.6: Participatory monitoring of forest condition and impacts of PSFM.

Principle 10: Impacts

The PFA and its sub-FMAs should generate favorable social, economic, and environmental impacts from their management.

Criterion 10.1: Social and economic impacts

ANNEX 3: EXAMPLE OF RATTAN MANAGEMENT PLAN

Criterion 10.2: Environmental impacts

1. General Situation

- Location and socio- economy
- Location, geography, climate and soil
- Socio-economic condition
- Biodiversity conservation.
- Land and water Resource Reservation
- The identification of high conservation value forest (HCVF)
- Location and Conditions of Management Area

2. Growth and Yield of rattan

- Use data from permanent sample plots for calculating yield
- Use data from rattan inventory for calculating annual allowable harvest.

3. Procedures for rattan management

- Identification of land use in and around management area
- Identification of rattan management area
- Annual allowable cut
- Sustainable rattan harvesting
- Marking of COC for transport rattan from forest to warehouse
- Rattan sale and benefit sharing
- Post-harvest survey

4. HCV(F)s management

5. Rehabilitation and maintenance

- Rattan regeneration and maintenance
- Protection measures: forest fire, pest and disease
- Etc.

6. Record keeping

ANNEX 4: RECORD KEEPING IN EACH LEVEL

I. DoF group entity level

1. Group policy No. 2201, dated 1/Dec/2009
2. Rattan management plan
3. Report on monitoring No. 204, dated 21/Sep/2010
4. Consent letter for certification group membership, No. 1252, dated 20.Sep.2010
5. Regulation on VFO role and duty, dated 19/11/2008
6. Report on policy of group certification and rattan management plan, No. 01039, dated 21/Jun/2010
7. Village regulation on forest management
8. Agreement on appointment of staff responsible for rattan certification at DAFO and PAFO, No. 0889, dated 26/May/2010
9. Meeting minute on the result of rattan inventory , dated 5/11/2009
10. Report on rattan inventory, dated 31/July/2009
11. Document on land and forest allocation, dated Nov/2008
12. Agreement on rattan certification scheme support between DOF and WWF, dated 9/April/2010

II. Provincial Forestry Section (PFS)/PAFO

1. Report on rattan harvest monitoring, No. 0743, dated 26/April/2010
2. Report on post-harvest of rattan, No. 0671, dated 9/Jun/2009
3. Contract on buying rattan between Chaemchan and Phonthong village, No.002, dated 17/2/2010
4. Village application to DAFO on certification membership, dated 2/9/2010
5. Letter to DOF on membership of group certification, No. 1252, dated 20/Sep/2010
6. Report on implementation of 7 villages for rattan management, August/2010
7. Report on progress of implementation of rattan project, 2010
8. Report on progress of implementation of rattan project, 2009
9. Report on meeting of 7 villages for rattan management, dated 14/Jun/2010
10. Regulation on conservation forest management (Rattan management area)
11. Rattan management plan
12. Annual operation plan, Sophoane, Phonthong, Donsat and Thavaeng, August/2010
13. Record on profit sharing from rattan sale, Phonthong and Sophoane village, dated 17/2/2010
14. DoF Instruction on Forest certification and NTFPs Management, Dec/2009
15. Agreement on Role and responsibility of forest and NTFPs certification organizations,

No. 2201, dated 1/Dec/2009

16. Report on rattan certification training, dated 25/6/2010

17. Land use map of Phonthong, Sophouane, Donsat and POUNGPATAO villages

III. Khamkheut DAFO

1. Report on rattan harvest monitoring, No. 0743, dated 26/April/2010

2. Report on post-harvest of rattan, No. 0671, dated 9/Jun/2009

3. Contract on buying rattan between Chaemchan and Phonthong village, No. 002, dated 17/2/2010

4. Village application to DAFO on certification membership, dated 2/9/2010

5. Letter to DoF on membership of group certification, No. 1252, dated 20/Sep/2010

6. Report on implementation of 7 villages for rattan management, August/2010

7. Report on progress of implementation of rattan project, 2010

8. Report on progress of implementation of rattan project, 2009

9. Report on meeting of 7 villages for rattan management, dated 14/Jun/2010

10. Regulation on conservation forest management (Rattan management area)

11. Rattan management plan

12. Annual operation plan, Sophoane, Phonthong, Donsat and Thavaeng villages, August/2010

13. Record on profit sharing from rattan sale, Phonthong and Sophoane village, dated 17/2/2010

14. DoF Instruction on Forest certification and NTFPs Management, Dec/2009

15. Agreement on Role and responsibility of forest and NTFPs certification organizations, No. 2201, dated 1/Dec/2009

16. Report on rattan certification training, dated 25/6/2010

17. Land use map of Phonthong, Sophouane, Donsat and POUNGPATAO villages

18. Agreement on rattan management group establishment, August/2010

IV. Villages

1. Group policy No. 2201, dated 1/Dec/2009

2. Rattan management plan

3. Village regulation on forest management

4. Record for post-rattan harvest No. 0671, dated 9/Jun/2009

5. DoF Instruction on Enforcement of Labour Law, No. 1035, dated 23/April/2010

6. Record on profit sharing from rattan sale, No. 001, dated 17/2/2010

7. Contract on buying rattan between Chaemchan and Phonthong village, No. 001, dated 17/2/2010

8. Report on rattan harvest monitoring, No. 0743, dated 26/April/2010 by DAFO

9. Report on rattan certification training

10. Guideline on rattan survey, February/2009 FRC and WWF.

11. Agreement on appointment of rattan certification management group
12. Annual operation plan, August/2010
13. Report on rattan certification group at village level
14. Report on meeting of 7 villages for rattan management, No.01039, dated 12/Jun/2010
15. Regulation on the use of NBCA and rattan management area
16. Report on rattan certification management training, date 25/6/2010
17. Village application to DAFO on certification membership, dated 1/9/2010
18. Report on progress monitoring of rattan certification precondition, dated 20/Sep/2010, DOF.
19. Meeting minute on readiness for membership of group certification of targeted villages, dated 3/9/2010, DAFO.
20. Report on result of rattan survey, rattan harvest and quota 5/11/2009
21. Report on rattan harvest and post-harvest assessment, dated 31/July/2009
22. Accounting of nursery and rattan planting group
23. Accounting for rattan sale
24. List of rattan in the stock
25. List of rattan harvest monitoring
26. Land use map