

Standard

MTLAS Std1LS

2019-02-22

v01.01

Myanmar Timber Legality Assurance System (MTLAS)

MYANMAR FOREST CERTIFICATION COMMITTEE



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Myanmar Forest Certification Committee (MFCC)
Forest Compound, Bayintnaung Road, West Gyogone,
Insein Township (11011), Yangon
Myanmar

Tel: (+951) 3644430

Fax: (+951) 3644431

Email: info@myanmarforestcertification.org

Website: www.mfcc.org.mm

Document name:	MTLAS Standard
Reference number:	MTLAS Std 1 v1.01 LS/2019
Approved by:	MFCC
Date:	2019-02-22
Issue date:	2013-02-18
Effective date:	2019-02-22

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Background

1. Introduction

The assurance of legal timber from Myanmar exported to international markets can be provided using licenses/permits issued by Myanmar.

These Licenses /permits will be underpinned by a TLAS.

Key components of TLAS are

- (i) Definition of legal timber
- (ii) Principles and criteria of legal timber
- (iii) Source of Timber
- (iv) Control Procedure

2. Definition of Legal Timber

For the purpose of export, the definition of legal timber is as follows:-

"Timber harvested by authorized agency from approved areas and timber and timber products extracted, transported, manufactured and exported in accordance with the laws, regulations and procedures pertaining to forestry, timber industry and trade of Myanmar."

3. Product Coverage

- (i) Logs
- (ii) Sawn timber
- (iii) Veneer
- (iv) Plywood
- (v) Furniture

8. Principles and Criteria of legal Timber

Six principles or elements of the legal timber are:

- (i) Right to harvest
- (ii) Forest Operations
- (iii) Statutory Charges
- (iv) Other user's Rights
- (v) Mill Operations
- (vi) Trade and Customs

9. Sources of Timber

Myanmar's domestic timber is sourced from the following categories of forest lands;

- (i) Reserved forests (RF)
- (ii) Protected public forests (PPF)
- (iii) Unclassified forest (UCF)
- (iv) Planted forests/ forest plantations (PLN)

Currently most of the timber are harvested from natural forests, which consist of **RF, PPF and UCF**.

As the control procedures between natural forests and planted forests differ significantly, separate procedures for these have to be developed.

6. Control Procedure

To ensure the supply and export of legal timber for export as defined above , the TLAS will be the existing system of assurance of export licenses for timber & timber products from Myanmar.

The control procedures and documents involved in the process of issuing the export licenses for timber product by the Directorate of Trade, Ministry of Commerce will ensure that the laws, regulations and procedures dealing with the licensing of forest harvesting, milling, export and import have been complied with.

The control procedures when implemented will be subjected to an independent monitoring process by a third-party monitor.

The corresponding criteria for each principle and detailed description of the control procedures are identified in **Annex A**.

7. Annex A: Principles, Criteria, Indicators & Control Procedures of a legal timber

Principle 1. Right to harvest					
Criteria	Indicator	Responsibility	Control Procedure	Outputs	Verification
1.1. Approval by the Forest Department (FD)	<ul style="list-style-type: none"> Forest Law, Section {17, 18(a) } The State Timber Board Act(1950) 	<ul style="list-style-type: none"> Forest Department (FD) District Forest Department (FD) 	<ul style="list-style-type: none"> Approval by District Authority (FD) Issuance of permission to harvest 	✓ Permission to harvest	Valid permission
1.2. Environmental Management	<ul style="list-style-type: none"> Environmental Conservation Law (2012) Extraction Manual & Standing Orders for Extraction staff (MTE) 	<ul style="list-style-type: none"> District FD 	<ul style="list-style-type: none"> Ensure that forest harvesting is carried out in accordance with the instructions not to affect the environment Completion report of harvesting by MTE Post-harvest Assessment by FD 	✓ Completion report of harvesting	Records indicated in the outputs
1.3. Plan Preparation	<ul style="list-style-type: none"> Forest Law, Section 10 (B) Departmental Instructions (DI) for Forest Officer (FD) 	<ul style="list-style-type: none"> District FD Extraction Agency (MTE) 	<ul style="list-style-type: none"> FD identifies the area for selection marking of trees for felling based on the management plan schedule. MTE explores the area and prepare harvesting plan. Register hammers to be used in harvesting operations at District FD Office. 	<ul style="list-style-type: none"> ✓ Registration of hammers, ✓ Selection Marking ✓ Harvesting Plan 	Approved harvesting plan / instruction for selection marking of trees.

Principle 2. Forest Operations					
Criteria	Indicator	Responsibility	Control Procedure	Outputs	Verification
2.1. Area Demarcation	<ul style="list-style-type: none"> DI for forest officer (FD) 	<ul style="list-style-type: none"> District FD 	<ul style="list-style-type: none"> Under brushing of boundary Demarcating and repairing of boundary pillars Marking of selected trees along boundary 	<ul style="list-style-type: none"> ✓ Harvesting area clearly demarcated 	Boundary clearly marked on the map and ground.
2.2. Pre-felling Inventory (selection Marking for Felling)	<ul style="list-style-type: none"> DI for forest officer (FD) 	<ul style="list-style-type: none"> District FD 	<ul style="list-style-type: none"> Marking of trees which attain the prescribed girth limits at breast height (4' 6") For Teak: Selection marking for girdling/ green felling For Hardwood Species: Selection marking of trees of different species with different girth limits. 	<ul style="list-style-type: none"> ✓ Teak girdling/ green felling and other hardwood selection marking report together with marking note book and map showing position of trees marked 	Selection marking reports together with marking note books and map showing position of trees marked.
2.3. Marking on trees for felling	<ul style="list-style-type: none"> DI for forest officer (FD) 	<ul style="list-style-type: none"> District FD 	<ul style="list-style-type: none"> Hammer marks at base of the trees which will be left with stump after felling. Hammer marks on the blaze cut under the breast height which will be with the first log of the felled tree. Measuring and recording of trees left 	<ul style="list-style-type: none"> ✓ Trees to be felled, numbered, and recorded. 	Trees marked with different hammers. (Teak and Non-teak hardwoods)
2.4. Control of Timber Production	<ul style="list-style-type: none"> DI for forest officer (FD) Extraction Manual (MTE) Standing Orders for Extraction Staff (MTE) 	<ul style="list-style-type: none"> District FD Myanma Timber Enterprise (MTE) 	<ul style="list-style-type: none"> The number of logs and volume recorded by marked trees in the jungle felling register (MTE control form) MTE hammer marks on stumps and logs 	<ul style="list-style-type: none"> ✓ MTE hammer marking and timber extraction control form ✓ Records of joint measurement by FD and MTE. 	Records indicated in the "Outputs" at the measuring point.

Criteria	Indicator	Responsibility	Control Procedure	Outputs	Verification
			<ul style="list-style-type: none"> Joint measurement of logs by FD and MTE for revenue assessment and putting serial number and “Akauk” (Revenue) mark on logs. Monitoring of harvesting operations. 	✓ Harvesting monitoring report	
2.5. Log Transportation	<ul style="list-style-type: none"> Forest Law (Section 23) DI for forest officer (FD) Extraction Manual (MTE) Standing Orders for Extraction Staff (MTE) 	<ul style="list-style-type: none"> District FD MTE 	<p>Felling Site to Measuring Point:</p> <ul style="list-style-type: none"> Movement of logs by skidding a short distance in the forest. Inspection of log at the measuring point verified by hammer marks of FD and MTE timber harvesting control forms. <p>Measuring Point to Delivery Point</p> <ul style="list-style-type: none"> Movement of logs accompanied by trucking slip with detail of log in consignment. Inspection of log at the check points of FD and MTE outside the forests. <p>Delivery Point to Sawmill and Terminal Depot through rafting/ barging, and Rail Depot</p> <ul style="list-style-type: none"> Movement of logs accompanied by trucking slip with detail of log in consignment. Inspection of Logs at the FD critical points along the main route. 	✓ Trucking slip/ Removal pass/ Mill & Depot Log Book.	Records indicated in the “Outputs” at the measuring points and depots/mills involved.

Criteria	Indicator	Responsibility	Control Procedure	Outputs	Verification
			<ul style="list-style-type: none"> Trucking slips/ removal passes are cancelled and send back to the original depot for reconciliation after due inspection to ensure that the logs have been received by the mill/depot and their details have been recorded in mill / depot log book. 		
2.6. Worker Safety and Health	<ul style="list-style-type: none"> Extraction Manual (MTE) Occupational Safety and Health Act Workmen's Compensation Act 	<ul style="list-style-type: none"> District FD MTE 	<ul style="list-style-type: none"> Records of workers' training on safety Adequacy of safety equipment provided to workers Adequate precautions to provide workers' safety in the event of accidents Provision of required medicines for the workers and assignment of medical staff at the forest camps. Insurance for workers 	<ul style="list-style-type: none"> ✓ Work Instruction ✓ Training ✓ Insurance and Accident records 	Records indicated in the "Outputs"

Principle 3. Statutory Charges					
Criteria	Indicator	Responsibility	Control Procedure	Outputs	Verification
3.1. Royalty and Fees	<ul style="list-style-type: none"> Forest Law {Section 21 (C)} 	<ul style="list-style-type: none"> District FD MTE 	<ul style="list-style-type: none"> Control forms for assessment of royalty made at measuring point Trucking slip/ removal pass and revenue (Akauk) hammer marks on logs to indicate payment have been made. Accepted statement prepared by FD and MTE for settlement of royalty by MTE. 	<ul style="list-style-type: none"> ✓ Revenue (Akauk) hammer marks on logs 	<p>Summary records at measuring point,</p> <p>Logs with revenue hammer marks (Akauk) at measuring point,</p> <p>Documents which show the revenue had been paid by MTE</p>

Principle 4. Other User's Right					
Criteria	Indicator	Responsibility	Control Procedure	Outputs	Verification
4.1. Use Rights of Local Community	<ul style="list-style-type: none"> Forest Law (Section 15, 17) 	<ul style="list-style-type: none"> District FD 	<ul style="list-style-type: none"> Permission to establish community forest in the reserved forest (RF) and protected public forest (PPF) Extraction of forest produce for domestic use without permit Exclusion areas set aside in RF for local community 	<ul style="list-style-type: none"> ✓ Permission by District & Township FD 	<p>Documents related to the rights and privileges given to the local community</p>

Principle 5. Mill Operation					
Criteria	Indicator	Responsibility	Control Procedure	Outputs	Verification
5.1. Control of value-added processing (MTE)	<ul style="list-style-type: none"> Departmental Instructions (MTE) 	<ul style="list-style-type: none"> MTE 	<ul style="list-style-type: none"> Record of incoming logs Record the scantlings obtained and use in different stages of value-added processing Record the outgoing products Inspection and monitoring of mill operations by different levels of MTE staff 	<ul style="list-style-type: none"> ✓ Records of logs, value-added products and balance 	Records of products and balance
5.2. Issuance of Mill license(Sawmill, Wood-based Industry) (Private)	<ul style="list-style-type: none"> Forest Law (section 30) 	<ul style="list-style-type: none"> District FD 	<ul style="list-style-type: none"> Apply for license to FD together with the required documents Comply with the terms and conditions of the license Pay necessary fees 	<ul style="list-style-type: none"> ✓ Mill license 	Valid Mill License
5.3. Control of value-added processing (Private)	<ul style="list-style-type: none"> Forest Law (Section 31) 	<ul style="list-style-type: none"> District FD 	<ul style="list-style-type: none"> Record the incoming logs or scantlings Permission to cut logs into different sizes from FD Record the scantlings obtained and use in different stages of value-added processing Record the outgoing products (Scantlings and wood-based product) Inspection of records and checking the balanced logs and other products by FD staff 	<ul style="list-style-type: none"> ✓ Records of logs and outgoing value-added products and balance 	Records of products and value-added products
5.4. Worker Safety and Health	<ul style="list-style-type: none"> Workmen's Compensation Act (1923) Occupational Safety and Health Act 	<ul style="list-style-type: none"> Department of Labor MTE Private Mill Owners 	<ul style="list-style-type: none"> Records of worker's training on safety and health. Adequacy of safety equipments provided to workers and briefing materials or posters to ensure awareness in the workplace. Adequate precautions in place to provide workers safety in the event of fire and other accidents. Insurance for workers. 	<ul style="list-style-type: none"> ✓ Work instructions, ✓ Training, ✓ Insurance and accident records. 	Work instructions, training, and insurance and accident records.

Principle 6. Trade and Custom					
Criteria	Indicator	Responsibility	Control Procedure	Outputs	Verification
6.1 Export Regulations (MTE)	<ul style="list-style-type: none"> Myanmar Custom Act Control of Imports and Export Act 	<ul style="list-style-type: none"> Customs Department MTE 	<ul style="list-style-type: none"> Logs and value-added products are prepared into lots for sale by size and quality. Ensure that the amount for the timber has been paid by the buyer. Obtain the Customs Export Declaration Form and other supporting documents. The products sold are transported to the ship by truck with the necessary documents for shipment. (Truck slip etc.) 	✓ MTE and customs documents required for export.	Valid documents for export.
6.2. Registration of Companies (Private)	<ul style="list-style-type: none"> Myanmar Companies Act (1914) 	<ul style="list-style-type: none"> Ministry of National Planning and Economic Development. 	<ul style="list-style-type: none"> Ensure that company has been registered for processing and export with Myanmar Company Act. Payment of registration fee. Other conditions needed under registration guidelines. 	✓ Registration Certificate.	Valid registration certificate.
6.3. Export Regulations (Private)	<ul style="list-style-type: none"> Myanmar Custom Act 	<ul style="list-style-type: none"> Directorate of Trade Ministry of 	<ul style="list-style-type: none"> Ensure applicant for export license is a registered exporter. Ensure timbers exported are legal. 	✓ Export license and Custom declaration.	Valid export license.

Criteria	Indicator	Responsibility	Control Procedure	Outputs	Verification
	<ul style="list-style-type: none"> Control of Imports and Export Act 	Commerce <ul style="list-style-type: none"> Customs Department 	forest product recommended by FD <ul style="list-style-type: none"> Issuance of export license. Submission of Customs Export Declaration Form and other supporting documents. 		
6.4. Import Regulations	<ul style="list-style-type: none"> Myanmar Custom Act Control of Imports and Exports Act Plant Quarantine Law 	<ul style="list-style-type: none"> Ministry of National Planning and Economic Development Ministry of Commerce. 	<u>For logs and large scantlings</u> <ul style="list-style-type: none"> Company registered with Myanmar Company Act. Importer to furnish the certificate of origin. FD to inspect timber consignment at legal landing site. Provide import license and Customs Import Declaration. 	✓ Import license.	Valid import license.
6.5. Transportation of Exported and Imported Timber	<ul style="list-style-type: none"> Forest Law (Section 23) 	<ul style="list-style-type: none"> District FD. 	<u>Export (From mill/ depot to port)</u> <ul style="list-style-type: none"> Movement of timber and timber product accompanied by MTE required documents and export license and recommendation by FD for private companies. <u>Import (From port to mill/depot)</u> <ul style="list-style-type: none"> Movement of timber accompanied by import license and Customs Declaration. 	✓ Export and import licenses and necessary documents (Truck Slip).	Valid documents indicated in "outputs".

Document History

Date of Issue:	Version	Approval date:	Requested by:	Nature of Change	Approved by:
2019.02.22	V1.01	2019.02.22	MFCC	V 01.00 has issued at 2018.03.28.and this version 01.01 is inserted only into standard template but there are no changes this v01.00 of MTLAS audit form.	MFCC