

Standard

MTLAS Std1LS

2022-06-13

v1.03

**Myanmar Timber Legality Assurance System
(MTLAS)**

MYANMAR FOREST CERTIFICATION COMMITTEE



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1. Background

1.1. 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 MTLAS.

The key components of MTLAS are:

- I. Definition of legal timber;
- II. Principles and criteria of legal timber;
- III. Source of Timber;
- IV. Control Procedure.

1.2 Definition of Legal Timber

Definition of legal timber is as follows:

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

1.3 Product Coverage

A total of twenty-two (22) such as log, timber and timber products are covered in the scope of MTLAS namely:

No.	Products Lists	HS Code	Remarks
1	Logs	4403	Raw
2	Cladding		Finished
3	Sawn timber/Conversion/Lumber	44.07	Rough Sawn
	a Square	44.07	Rough Sawn
	b Post	44.07	Rough Sawn
	c Flitch	44.07	Rough Sawn
	d Plank	44.07	Rough Sawn
	e Board	44.07	Rough Sawn
4	Scantling	44.07	Semi-Finished
5	Flitch for Veneer	44.07	Rough Sawn
6	Natural Decorative Board/ Table Top	44.07	Rough Sawn
7	Layer/Top Layer	44.18	Semi-Finished
8	Moulded Products	44.18	Finished
9	Deck, Mini Deck, Outdoor Decking	44.18	Finished

10	E2E/E4E	44.18	Semi-Finished
11	T & G Flooring	44.18	Finished
12	Engineering Floor		Finished
13	Lam parquet Flooring	44.18	Finished
14	Laminated lumber	44.18	Semi-Finished
15	Finger Joint Strip/Finger Joint laminated Board	44.18	Semi-Finished
16	Builders' joinery and carpentry of wood including cellular wood panels assembled flooring panels, shingles and shakes.	44.18	Finished
17	Doors & Panel Doors	44.18	Finished
18	Veneer	44.08	Semi-Finished
19	Plywood	44.12	Finished
	Film Face		Finished
20	Tableware and kitchenware of wood	44.19	Finished
21	Furniture Components and Handicrafts	44.20	Finished
22	Furniture	94.03	Finished

The products list in the above table are described according to the lists announced by the Ministry of Natural Resources and Environmental Conservation (MONREC)¹

Although MONREC banned export of round logs harvested from the Natural Forests since 2014², the Ministry issued a statement which will allow to export the round logs extracted from the private owned and state-owned plantations after assessing case by case in 2019³.

1.4. Sources of Timber

MTLAS covers logs, timber and timber products derived from the following sources.

No.	Sources of Timber
1	Reserved Forests (RF);
2	Protected Public Forests (PPF);
3	Unclassified Forest (outside of the Permanent Forest Estate PFE)
4	Plantations (Private Owned and State Owned)
5	Community Forests

¹ Notification No. (thittaw)3/04 (FLEGT)/(1288/2017)

² Notification no: (26/2013)

³ Notification no: (80/2019)

6	Conflict Timber ⁴
7	Conversion Timber ⁵
8	Confiscated Timber ⁶
9	Rubber Plantations
10	Trees outside forests
11	Imported Timber
12	Drift timber

Ministry of Natural Resources and Environmental Conservation (MONREC) declared a moratorium on all logging for the 2016-17 fiscal year as a nationwide⁷ and 10 years (2016-2026) for the Bago Yoma Region⁸. In addition, the Ministry prohibited the export of timber products that include confiscated timber, timber from land clearing and timber from conflict areas but they can be used only in the domestic market.

1.5. Control Procedure

To ensure the supply and export of legal timber as defined above, the MTLAS 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 Department 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 six principles of MTLAS. The corresponding criteria for each principle and detailed description are identified in the Section 2. Principles, Criteria and Indicators of Legal Timber.

1.6. Institutional Arrangement

Myanmar Forest Certification Committee (MFCC) is the National Governing Body (NGB) of forest/timber certification schemes in Myanmar. Currently there are two schemes operating in Myanmar:

- The Myanmar Timber Legality Assurance System (MTLAS);
- The Myanmar Forest Certification Scheme (MFCS).

Myanmar Forest Certification Committee (MFCC) developed Standard Operating Procedures (SOP), Policies, and two standards such as Myanmar Timber Legality Assurance System (MTLAS) for the timber legality and Myanmar Forest Certification Scheme (MFCS) for the Sustainable Forest Management.

In relation to MTLAS, the following Standard Operating Procedures (SOP) have been developed as well as the MFCC itself and the interested parties need to follow the documents which can be find on the MFCC website (www.mfcc.org.mm) since 2018 August.

Figure (1) Institutional Arrangement

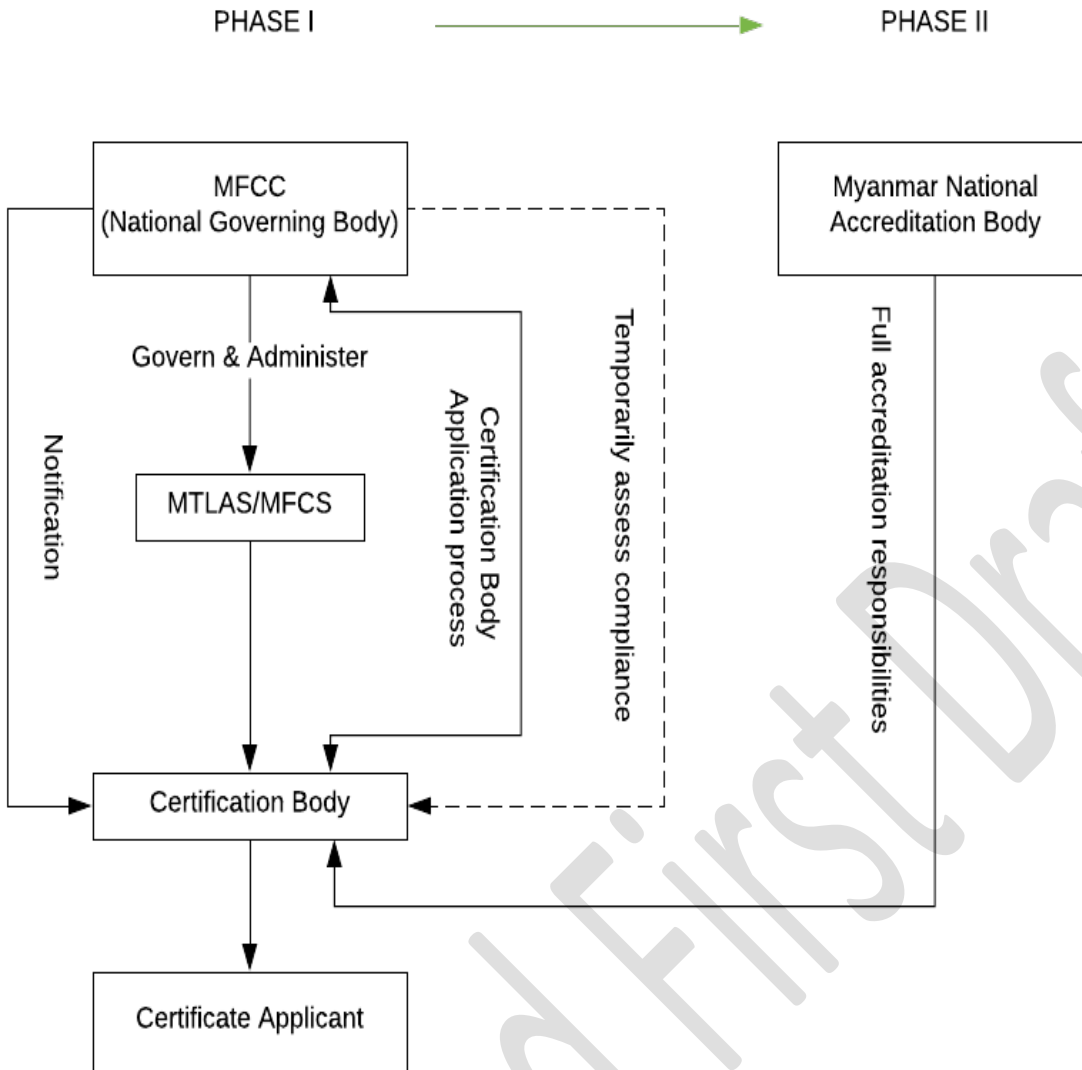
⁴ Notification no: (Thittaw) 4(1)/09(EC) (4)/ (1287/2018) issued on 7th April, 2017

⁵ Notification no: (Thittaw) 4(1)/09(EC) (4)/ (1287/2018) issued on 7th April, 2017

⁶ Notification no: (Thittaw) 4(1)/04(gagyi) (4)/ (1765/2016)

⁷ Notification no: (Thittaw) 3/09(nga)/ (2342/2016)

⁸ ????????



1.7. Definitions

No	Definitions of key terms	
1	CoC	Chain of custody is the path taken by raw materials from the forest to the consumer, including all successive stages of processing, transformation, manufacturing and distribution.
2	Certification Body	Third-Party Conformity Assessment body operating against MTLAS and MFCS certification schemes
3	Community Forests	Community Forestry means any operation carried out according to the Community Forestry Instructions issued under the Forest Law.
4	Commercial Plantations	A commercial plantation is made up of compartments or blocks of trees where the trees of one compartment are all mostly the same species and age, and have all been planted at a fixed spacing.
5	Consignment	A quantity of goods. At the forest level this would be batch of logs. At the processing level, such as a sawmill, a consignment would be one or two containers of product.
6	CFUG	Community Forestry User Group

7	Conflict timber	Conflict timber” is a term used to describe timber that is produced and sold to finance armed conflict.
8	Conversion Timber	Timber generated during the conversion of natural forest areas to non-forest or plantation use: <ul style="list-style-type: none"> • Infrastructure development (dams, roads) • Agricultural development (large-scale commercial)
9	Confiscated Timber	Timber and Timber Products seized and confiscated by the authorities in terms of country Regulation
10	CITES	Convention on International Trade in Endangered Species (CITES) is an international agreement between governments. Its aim is to ensure that international trade in specimens of wild animals and plants does not threaten their survival.
11	Drift timber	Raft or timber floating without control is considered drift timber. (Forest Law 2018_ Chapter VIII)
12	FD	(Myanmar) Forest Department
13	Forest Land	Forest Land means land including/ comprising reserved forests and protected public forests {Forest law, (Chapter I Title and Definition)}
14	Forest Owners	An individual who is an employee of the FMU manager, a license, contractor or processor, or is an independent owner/operator performing one or more phases involved in the harvesting of timber from a license, or delivery of timber to a processor.
15	H.S Code	HS stands for Harmonized System. It was developed by the WCO (World Customs Organization) as a multipurpose international product nomenclature that describes the type of good that is shipped.
16	Imported Timber	Timber which has been brought into a country from abroad
17	Importer	A person or organization that brings timber and timber products into a country from abroad for sale. (From English Dictionary)
18	Unclassified Forest (outside of the Permanent Forest Estate PFE)	The forests outside of the Permanent Forest Estate (PFE)
19	MTLAS	Myanmar Timber Legality Assurance System contained documents including MFCC policies, Standard Operating Procedures, other supporting system documentation, and the MTLAS Timber Legality Standard.
20	MTE	Myanma Timber Enterprise
21	MFCC	Myanmar Forest Certification Committee
22	Operator	In this policy the operator is any entity operating in the supply chain. This could be the system, a manufacturer (such as a sawmill) or a trader, Forest Department (FD), Myanma Timber Enterprise (MTE).
23	Outside Forest Land	Outside Forest Land means the private owned land, public land, religious land, departmental land and land allocated to the military, the private house compound.

24	Protected Public Forests (PPF)	Protected Public Forest means land declared to be a protected public forest under the Forest Law;
25	wood industry or lumber industry	Wood industry or lumber industry is an economic sector concerned with forestry, logging, timber trade, and the production of forest products, timber, primary forest and wood products (e.g., furniture) and secondary products like wood pulp for the pulp and paper industry.
26	Reserved Forests (RF)	Reserved Forest means land constituted as a reserved forest under the Forest Law (2018) (or) Any land constituted or deemed to have been constituted a reserved forest under the Forest Law, 1992. (Defined in MFCS standard)
27	Supply Chain	The supply chain encompasses all activities associated with the flow and transformation of goods from the raw materials stage through to the end user.
28	SOP	Standard Operating Procedures
29	Trees Outside of Forests	Trees growing outside areas of Reserved Forests, Protected Public Forests. Such areas will normally be classified as agriculture or settlement.
30	Tree Owner	The person who planted trees at private house compound, private owned land, public land, religious land, departmental land, land allocated to the military and registered with the relevant Forest Department.
31	Timber Products	

2. Principles, Criteria and Indicators for legal timber

Principle: 1 Rights to harvest timber

The legal status of the state-owned and privately-owned land shall be clearly defined and boundaries delineated unambiguously. On Forest land, Operator shall prove that they hold authorisation or have a validly obtained applicable permit to operate within the allocated land. On Outside Forest Land, Operator shall prove legal ownership and rights to utilize forest resources within the land.

Criteria	Indicator		Responsibility
(i) Forest Land			
Criterion (1.1) Operator has legal authorisation or permit to conduct forestry-related business in accordance with the requirements of the country where it operates.	1.1.1	Availability of the documents related with legal authorisation or permit to conduct the forestry related business in accordance with the requirements of relevant laws, polices and regulations.	<ul style="list-style-type: none"> ○ Forest Department (FD) ○ Myanma Timber Enterprise (MTE) ○ Forest Owner ○ CFUG
Criterion (1.2) Operator has legal authorisation to manage forest and harvest timber within an unambiguously delineated, allocated state-owned land, as proven by a valid permit or license and/ or approved work plan or quota issued pursuant to the laws and regulations governing the management of forest resources.	1.2.1	Availability of the documents, work plan and licenses related to manage forest within an unambiguously delineated, allocated state-owned land in accordance with the requirements of relevant Laws, polices and regulations.	<ul style="list-style-type: none"> ○ Forest Department (FD) ○ Forest Owners ○ CFUG
	1.2.2	Availability of the documents, harvesting plans to conduct the timber harvesting within an unambiguously delineated, allocated state-owned land in accordance with the requirements of relevant Laws, polices and regulations.	<ul style="list-style-type: none"> ○ Forest Department (FD) ○ Myanma Timber Enterprise (MTE) ○ Forest Owners ○ CFUG
	1.2.3	Legal challenges by a competent authority related to forestry operations of the organization are resolved or are in the process of being resolved through a binding resolution process.	○
	1.2.4	Contractual agreements with harvesting contractors and proof that contracting bodies have the legal right to operate are maintained for a minimum of 5 years	○
	1.2.5	Tree and log grading and measurement comply with regulations and authorized instructions.	○
	1.2.6	Contractual agreements with contracting bodies specify the right of the organization to supervise, monitor and sanction harvesting contractors for non-compliances.	○

(ii) Outside forest Land			
Criterion (1.3) Operator has legal ownership and has the rights to utilise forest resources on the unambiguously delineated outside of the forest land.	1.3.1	Availability of the documents related to legal ownership and the rights to utilise the forest resources issued by the relevant organization in accordance with the requirements of relevant Laws, policies and regulations.	<ul style="list-style-type: none"> ○ Forest Department (FD) ○ Forest Owners ○ Tree Owners ○ Agriculture Department ○ Department of Agriculture Land Management and Statistics (DALMS)
	1.3.2	Legal challenges by a competent authority related to forestry operations of the organization are resolved or are in the process of being resolved through a binding resolution process.	○

Principle: 2 Timber harvest complies with existing laws, regulations, and authorized instructions specify environmental and social requirements for forest operations

Operator shall demonstrate compliance with the applicable laws and regulations concerning environmental, labour and social obligations of a forest management operation and the applicable provisions of CITES.

Criteria	Indicator		Responsibility
Criteria (2.1) Operator conducts environmental and social impact assessments when and where applicable.	2.1.1	Availability of documents and/or activities which have been carried out the environmental and social impact assessments when and where applicable.	<ul style="list-style-type: none"> ○ MTE ○ Forest Owner ○ CFUG ○ Forest Department
	2.1.2	Environmental and social impact assessments are approved by a competent authority and following an official process when and where applicable.	○
	2.1.3	Valid and approved environmental and social action plans are in place and are managed according to regulations and authorized instructions when and where applicable.	○
Criteria (2.2) Operator implements mitigation measures to minimize adverse environmental and social impacts resulting from forestry and ancillary activities in their areas.	2.2.1	Availability of documents and/or activities to minimize adverse environmental and social impacts resulting from forestry and ancillary activities in their areas.	<ul style="list-style-type: none"> ○ MTE ○ Forest Owner ○ CFUG ○ Forest Department

	2.2.2	Timber harvest complies with existing laws, regulations, and authorized instructions for road construction, management of waterways, chemical application, and land use conversion.	<input type="radio"/>
	2.2.3	All legally protected species, including seasonal, wide ranging and big game species, are protected during timber harvest according to regulations and authorized instructions	<input type="radio"/>
	2.2.4	Timber harvest complies with regulations and authorized instructions for seasonal harvest, harvesting area, remaining stand density, retained trees, fire and pest control, slope gradient limitations, and conservation of waterways.	<input type="radio"/>
Criteria (2.3) Operator takes adequate measures to reduce the risk of any unauthorized activities by other parties within the allocated area.	2.3.1	Availability of documents and/or activities to reduce the risk of any unauthorized activities by other parties within the allocated area.	<input type="radio"/> FD <input type="radio"/> MTE <input type="radio"/> Forest Owners <input type="radio"/> CFUG
	2.3.2	All legally required consultations and notifications are carried out according to prescribed methods and time periods, if applicable.	<input type="radio"/>
Criteria (2.4) Operator observes the customary tenure of local communities in accordance with applicable laws.	2.4.1	Availability of documentation, if any, of legal or customary tenure or use rights of local communities within relevant state laws in the FMU or allocated area.	<input type="radio"/> Forest Department <input type="radio"/> Myanmar Timber Enterprise <input type="radio"/> Forest Owner <input type="radio"/> CFUG
	2.4.2	Legal requirements for Free, Prior and Informed Consent (FPIC) are carried out according to prescribed methods and time periods, if applicable.	<input type="radio"/>
Criteria (2.5) Operator complies with restriction on harvesting of timber in accordance with the existing Forest Law, and other extraction related directives and applicable provisions and requirements of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).	2.5.1	Availability of instructions and procedures related with the restriction on harvesting of timber in accordance with the existing Forest Law, and other extraction related directives issued by Forest Department.	<input type="radio"/> Forest Department <input type="radio"/> Myanmar Timber Enterprise <input type="radio"/> Forest Owner <input type="radio"/> CFUG
	2.5.2	Availability of instructions and procedures related with the restriction on harvesting of the international applicable provisions and requirements such as CITES.	
Criteria (2.6)	2.6.1	Availability of documents and/or activities related to prescribed instructions for the right of employees.	<input type="radio"/> Forest Department

Operator recognises the rights of employees and meets requirements of occupational health and safety in forest management as stipulated in labour law and applicable regulations.	2.6.2	Availability of documents and/or measures related to prescribed instructions for forest workers safety and health in the forest management operation.	<input type="radio"/> Myanma Timber Enterprise <input type="radio"/> Forest Owner <input type="radio"/> CFUG
	2.6.3	Employees and workers hired by the organization or by a contracting body are paid legally established wages.	<input type="radio"/>
	2.6.4	Contractual agreements with contracting bodies specify that their employees and workers must be paid legally established wages.	<input type="radio"/>
	2.6.5	Employees and workers hired by the organization or by a contracting body are covered by social benefits and insurances, if legally required	<input type="radio"/>
	2.6.6	Wages, social benefits, and insurances are paid within legally prescribed time periods and according to legally prescribed payment methods	<input type="radio"/>
	2.6.7	Employees and workers hired by the organization or by a contracting body hold legally required certificates of competency for the functions they carry out.	<input type="radio"/>
	2.6.8	Machinery and operating equipment are maintained and are in safe working condition, if legally required.	<input type="radio"/>
	2.6.9	Forced or compulsory labour does not exist at the level of the organization or at the level of contracting bodies.	<input type="radio"/>
	2.6.10	Child labour does not exist at the level of the organization or at the level of contracting bodies.	<input type="radio"/>

Principle: 3 Business operations, payment of taxes, royalties and fees

Operator consistently makes all due payments of obligatory taxes, fees and/or royalties associated with maintaining the legal right to harvest and with harvesting, processing and trading activities.

Criteria	Indicator		Responsibility
Criterion 3.1 Operator has paid all applicable and legally prescribed fees, royalties, taxes and other charges directly relating to timber harvesting, importing, processing and trade to the appropriate authority in a timely manner, as documented through clear evidence.	3.1.1	Availability of documents and records related to payment of prescribed fees, royalties, taxes and other charges for timber harvesting .	<ul style="list-style-type: none"> ○ MTE ○ Forest Owner ○ Trees Owner ○ CFUG
	3.1.2	Availability of documents and records related to payment of prescribed fees, royalties, taxes and other charges for timber processing and trade .	<ul style="list-style-type: none"> ○ MTE ○ Forest Owner ○ Trees Owner ○ CFUG ○ Wood industry or lumber industry
	3.1.3	Availability of documents and records related to payment of prescribed fees, royalties, taxes and other charges for timber importing .	<ul style="list-style-type: none"> ○ Importer ○ Myanmar Custom Department ○ Department of Trade ○ FD
	3.1.4	Payments of royalties, fees or other charges are made within prescribed time periods.	○
	3.1.5	Records of revenue from timber harvest and corresponding sales exist and are accurate.	○
	3.1.6	Volumes, species, and qualities given in receipts or written acknowledgements of receipts are consistent with those given in sales and transport documents.	○
		3.1.7	Sales practices and prices of wood-based products are in line with common market practices and correspond with market prices.

Principle: 4 Trade, transport, import and export

Operator shall prove that it is formally registered with applicable government authorities or that it has obtained applicable permit(s) to trade, transport, export and import timber and wood-based products. Operator shall demonstrate compliance with the applicable laws and regulations concerning transport, trade, import and export procedures.

Criteria	Indicator		Responsibility
Criterion 4.1. Operator has legal authorisation or permit to transport, trade, export and import of logs, timber and wood-based products, where applicable.	4.1.1	Availability of legal authorisation or permit of log transportation from the forest to the final destination related to laws, rules, regulations and instructions.	<ul style="list-style-type: none"> ○ FD ○ MTE ○ Forest Owner ○ Tree Owner ○ CFUG ○ Wood industry or lumber industry
	4.1.2	Availability of legal authorisation or permit for trade and export of logs, timber and wood-based products in accordance with relevant laws and regulations.	<ul style="list-style-type: none"> ○ FD ○ MTE ○ Forest Owner ○ Tree Owner ○ CFUG ○ Myanmar Custom Department ○ Department of Trade
	4.1.3	Availability of legal authorisation or permit for import of logs, timber and wood-based products in accordance with relevant laws and regulations.	<ul style="list-style-type: none"> ○ Importer ○ Department of Trade ○ Myanmar Custom Department ○ FD
	4.1.4	Legal challenges by a competent authority related to business operations of the organization are resolved or are in the process of being resolved through a binding resolution process.	○
Criterion 4.2. Operator complies with applicable legal requirements and procedures concerning trade and transport of logs, timber and wood-based products.	4.2.1	Availability of legal requirements and procedures of logs, timber and wood-based products transported from the forest to the final destination related to laws, rules, regulations and instructions.	<ul style="list-style-type: none"> ○ FD ○ MTE ○ Forest Owner ○ Tree Owner

	4.2.2	Availability of legal documents for trading of logs, timber and wood-based products.	<ul style="list-style-type: none"> ○ CFUG ○ Wood industry or lumber industry
	4.2.3	Volumes, species, and qualities are linked to trade and transport documents.	<ul style="list-style-type: none"> ○
	4.3.4	Volumes, species, and qualities contained in transport batches are consistent with those given in sales and transport documents.	<ul style="list-style-type: none"> ○
	4.3.5	The organizations maintain contractual agreements with transport contractors and proof that contracting bodies have the legal rights to operate.	<ul style="list-style-type: none"> ○
	4.3.6	Contractual agreements with transport contractors and proof that contracting bodies have the legal right to operate are maintained for a minimum of 5 years.	<ul style="list-style-type: none"> ○
	4.3.7	All transport vehicles are in safe working condition and meet minimum insurance requirements.	<ul style="list-style-type: none"> ○
	4.3.8	All vehicle operators have valid and approved driving licenses appropriate for the size and technical specifications of transport vehicles they operate.	<ul style="list-style-type: none"> ○
	4.3.9	Packing lists or delivery notes can be clearly linked to sales contracts and commercial invoices.	<ul style="list-style-type: none"> ○
Criterion 4.3. Operator complies with regulations on customs procedures for import and export of wood-based products	4.3.1	Availability of all documents for import of logs, timber and wood-based products in accordance with legal requirements and procedures.	<ul style="list-style-type: none"> ○ Importer ○ Myanmar Custom Department ○ FD ○ Department of Trade
	4.3.2	Availability of all necessary documents for export of logs, timber and wood-based products in accordance with relevant laws and regulations	<ul style="list-style-type: none"> ○ MTE ○ Exporter ○ Forest Owner ○ Tree Owner ○ CFUG ○ Department of Trade
Criterion 4.4.	4.4.1	Availability of legal information and evidence to verify their imported wood-based products.	<ul style="list-style-type: none"> ○ Importer ○ FD

Operator asks their international suppliers to provide information and evidence that allow them to verify the legality of imported wood-based products. Operator implements adequate measures to assess and mitigate potential legality risks.	4.4.2	Availability of adequate measures to assess and mitigate the potential legality risks in accordance with relevant laws and regulations.	<ul style="list-style-type: none"> ○ Importer ○ Myanmar Custom Department ○ FD ○ Department of Trade
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Principle: 5 Chain of Custody System in supply chain

Operator shall demonstrate compliance with applicable traceability requirements for wood-based products in their supply chain.

Criteria	Indicator		Responsibility	
Criterion 5.1. Operator applies applicable Chain of Custody System requirements for wood-based products to ensure that its origin can be traced along the supply chain and in this way effectively controls the risk of mixing verified legal and non-verified timber sources in the wood-based products.	5.1.1	Availability of documents, maps and or activities related to demarcation of harvesting area.	<ul style="list-style-type: none"> ○ FD ○ MTE ○ Forest Owner ○ Tree Owner ○ CFUG 	
	5.1.2	Availability of documents and maps on selection marking of trees for felling of teak and other hardwoods	<ul style="list-style-type: none"> ○ FD ○ Forest Owner ○ Tree Owner ○ CFUG 	
	5.1.3	Availability of documents related to instructions of felling, logging and measuring of teak and other hardwoods.	<ul style="list-style-type: none"> ○ FD ○ MTE ○ Forest Owner ○ Tree Owner ○ CFUG 	
	5.1.4	(a)	Availability of documents and hammer marks for the traceability of logs in the supply chain from processing facility/depots/ checkpoints to the relevant harvesting sites/forests (State Owned Forest).	<ul style="list-style-type: none"> ○ FD ○ MTE ○ Wood industry or lumber industry
		(b)	Availability of documents and hammer marks for the traceability of logs in the supply chain from processing facility/depots/checkpoints to the relevant harvesting sites/forests (Private Forest, Community Forest, Individual).	<ul style="list-style-type: none"> ○ FD ○ Forest Owner ○ Tree Owner ○ CFUG (NF/PF) ○ Wood industry or lumber industry

	5.1.5	Availability of documents/records related with the incoming logs and sawn timber in accordance with the relevant instructions and regulations	<ul style="list-style-type: none"> ○ FD ○ MTE ○ Forest Owner ○ Tree Owner ○ CFUG ○ Wood industry or lumber industry
	5.1.6	Availability of prescribed procedures, documents/records for controlling timber processing.	<ul style="list-style-type: none"> ○ FD ○ MTE ○ Wood industry or lumber industry
	5.1.7	The organization implements a tracking and tracing system that enables the tracking and tracing of logs to tree stumps.	○
	5.1.8	The tracking and tracing system is documented and all records are maintained for a minimum of 5 years.	○
	5.1.9	The organization maintains up-to-date procedures that delegate overall responsibility to a single person with sufficient management responsibility to ensure that procedures are in place.	○
	5.1.10	The procedures are reviewed annually and revised to reflect regulatory changes or other relevant changes.	○
	5.1.11	The procedures define responsible positions for purchase, receipt, manufacture, sale, and shipping of wood-based products.	○
	5.1.12	Staff or workers that fulfil responsible positions or associated activities are competent and adequately trained	○
	5.1.13	The organization monitors the performance of staff and workers and supports them to continuously perform according to existing laws, regulations, and authorized instructions.	○
	5.1.14	The organization maintains complete forms, records, and documents demonstrating legal compliance for a minimum of 5 years.	○
	5.1.15	Contractual agreements with contracting bodies specify that business operations must comply with existing laws, regulations, and authorized instructions.	○
	5.1.16	Contractual agreements with contracting bodies specify the right of the organization to supervise, monitor and sanction contracting bodies for non-compliances.	○
	5.1.17	All wood-based products purchased and sold by the organization are accompanied by a COC dossier that includes all legally required identifiers, forms, records, and documents.	○

	5.1.18	The COC dossier includes verifiable information about the district of harvest of wood-based products.	○
	5.1.19	The information given in the COC dossier is clear, consistent, and can be linked to all batches of wood products by timber species and volume.	○
	5.1.20	The organization rejects incoming wood-based products that are delivered without an adequate COC dossier.	○
	5.1.21	The organization maintains a material account of wood-based inputs and outputs for the fiscal year that enables a comparison of input and output quantities per timber species and wood-based product group.	○

Principle: 6 Timber processing

Operator shall demonstrate compliance with the applicable laws and regulations concerning environmental, labour and social obligations for timber processing.

Criteria	Indicator		Responsibility
Criterion 6.1. Operator has legal authorisation or permit to process timber and other wood-based products, where applicable.	6.1.1	Availability of documents such as permit or License to process timber and other wood-based products.	○ MTE ○ Wood industry or lumber industry ○ FD ○ Department of Trade
Criterion 6.2. Operator implements mitigation measures to minimize adverse environmental impacts resulting from timber processing and ancillary activities as stipulated in applicable regulations.	6.2.1	Availability of activities and or records concerning with the mitigation measures to minimize adverse environmental impacts resulting from timber processing.	○ MTE ○ Wood industry or lumber industry ○ ECD
	6.2.2	Operational processes meet legally prescribed requirements for storage, handling, and discarding of hazardous chemicals and substances.	○
	6.2.3	Operational processes meet legally prescribed requirements for storage, handling, and discarding of waste materials.	○
Criterion 6.3. Operator recognises the rights of employees and meets requirements of occupational health and safety in timber processing as stipulated in labour law and applicable regulations.	6.3.1	Availability of documents and or records covering health and safety of employees and their rights in timber processing plant as stipulated in labour law and applicable regulations.	○ MTE ○ Wood industry or lumber industry ○ Labour Department

			○ Social Security Board
6.4.1	Employees and workers hired by the organization or by a contracting body hold legally required certificates of competency for the functions they carry out.		○
6.4.2	Forced or compulsory labour does not exist at the level of the organization or at the level of contracting bodies.		○
6.4.3	Child labour does not exist at the level of the organization or at the level of contracting bodies		○

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2. 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 1.00 has issued at 2018.03.28.and this version 1.01 is inserted only into standard template but there are no changes this V 1.00 of MTLAS audit form.	MFCC
2021.01.26	v1.02	2021.01.26	MFCC	<p>1. At the whole section, The usage of TLAS is changed into MTLAS.</p> <p>2. Section (3) Product Coverage In the MTLAS V 1.01, the standard only covers five products such as Logs, Sawn timber, Veneer, Plywood and Furniture. But in this MTLAS V 1.02, the standard covers a total of twenty-two (22) such as log, timber and timber products. The products coverage lists are described according to the lists of HS Code announced by the Ministry of Natural Resources and Environmental Conservation (MONREC)¹.</p> <p>3. Deleted Section (8) Principles and Criteria of Legal Timber</p> <p>4. Section (9) Sources of Timber, added "Community Forests, Conflict Timber, Conversion Timber, Confiscated Timber, Rubber Plantations, Trees outside forests, Imported Timber and Drift Timber".</p> <p>Added a paragraph "Ministry of Natural Resources and Environmental Conservation in the domestic market."</p> <p>5. Added Section (1.6) "Institution Arrangement".</p>	MFCC

				<p>6. Added Section (1.7) "Definition".</p> <p>7. The MTLAS Version 1.02 had been developed and based on ASEAN Timber Legality Standards (2019) Draft.</p>	
2022.06.13	V 1.03	2022.06.13	MFCC	<p>1.2. "Definition of Legal Timber" has been changed from</p> <p>"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." to</p> <p>"Timber produced and harvested domestically by authorized entities in approved areas, and timber and timber products, transported, manufactured and exported in accordance with the laws, regulations and procedures pertaining to forestry, timber industry and trade of Myanmar."</p>	MFCC
				<p>Principle (1), Criteria (1.2), added more indicators such as;</p> <p>Indicator (1.2.3): Legal challenges by a competent authority through a binding resolution process.</p> <p>Indicator (1.2.4): Contractual agreements with harvesting contractors for a minimum of 5 years.</p> <p>Indicator (1.2.5): Tree and log grading and measurement comply authorized instructions.</p> <p>Indicator (1.2.6): Contractual agreements with contracting bodies specify for non-compliances.</p> <p>Criteria (1.3), Indicator (1.3.2): Legal challenges by a competent authority resolved through a binding resolution process.</p>	
				<p>Principle (2), Changed the title:</p> <p>"Forest management, including compliance with applicable environmental, labour and social regulations" is changed into "Timber harvest complies with existing laws, regulations, and authorized instructions specify environmental and social requirements for forest operations".</p> <p>Criteria (2.1), added more indicators such as;</p>	

				<p>Indicator (2.1.2): Environmental and social impact assessments are approved an official process when and where applicable. Indicator (2.1.3): Valid and approved environmental and social action plans are in place when and where applicable.</p> <p>Criteria (2.2), added more indicators such as; Indicator (2.2.2): Timber harvest complies with existing laws, regulations application, and land use conversion.</p> <p>Indicator (2.2.3): All legally protected species, including seasonal, wide ranging to regulations and authorized instructions</p> <p>Indicator (2.2.4): Timber harvest complies with regulations and authorized instructions gradient limitations, and conservation of waterways.</p> <p>Criteria (2.3), added Indicator (2.3.2): All legally required consultations and notifications are carried out according to prescribed methods applicable.</p> <p>Criteria (2.4), added Indicator (2.4.2): Legal requirements for Free, Prior and Informed Consent (FPIC) are carried out if applicable.</p> <p>Criteria (2.6), added more indicators such as; Indicator (2.6.3): Employees and workers hired by the organization or by a contracting body Wages.</p> <p>Indicator (2.6.4): Contractual agreements with contracting bodies specify that their employees established wages.</p> <p>Indicator (2.6.5): Employees and workers hired by the organization or by a contracting body a if legally required.</p> <p>Indicator (2.6.6): Wages, social benefits, and insurances are paid to legally prescribed payment methods.</p>	
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				<p>Indicator (2.6.7): Employees and workers hired by the organization or certificates of competency for the functions they carry out.</p> <p>Indicator (2.6.8): Machinery and operating equipment, if legally required.</p> <p>Indicator (2.6.9): Forced or compulsory labour does not exist at the level of contracting bodies.</p> <p>Indicator (2.6.10): Child labour does not exist at the level of contracting bodies.</p>	
				<p>Principle (3), Criterion (3.1), added more indicators such as; Indicator (3.1.4): Payments of royalties, fees or other charges prescribed time periods.</p> <p>Indicator (3.1.5): Records of revenue from timber harvest and are accurate.</p> <p>Indicator (3.1.6): Volumes, species, and qualities given in receipts or written in sales and transport documents.</p> <p>Indicator (3.1.7): Sales practices and prices of wood-based products are correspond with market prices.</p>	
				<p>Changed Principle 5: Trade, transport, import and export of v1.02 into Principle (4) Trade, transport, import and export of v1.03.</p>	
				<p>Principle (4), Criterion (4.1), added Indicator (4.1.4): Legal challenges by a competent authority related to business operations of the organization through a binding resolution process.</p> <p>Criterion (4.2), added more indicators such as; Indicator (4.2.3): Volumes, species, and qualities and transport documents.</p> <p>Indicator (4.2.4): Volumes, species, and qualities contained in transport batches are consistent transport documents.</p>	

				<p>Indicator (4.2.5): The organizations maintain contractual agreements with transport contractors the legal rights to operate.</p> <p>Indicator (4.2.6): Contractual agreements with transport contractors and proof that contracting bodies for a minimum of 5 years.</p> <p>Indicator (4.2.7): All transport vehicles are in requirements.</p> <p>Indicator (4.2.8): All vehicle operators have valid and approved driving licenses appropriate they operate.</p> <p>Indicator (4.2.9): Packing lists or delivery notes can be clearly linked commercial invoices.</p>	
				<p>Changed Principle (6): Trade, transport, import and export of v1.02 into Principle (5): Chain of Custody System in Supply Chain of v1.03.</p> <p>Updated Criterion (5.1): Operator applies applicable Chain of Custody System requirements for wood-based products to ensure that its origin can be traced along the supply chain and in this way effectively controls the risk of mixing verified legal and non-verified timber sources in the wood-based products.</p> <p>Criterion (5.1), added more indicators such as;</p> <p>Indicator (5.1.7): The organization implements a tracking and tracing system that enables to tree stumps.</p> <p>Indicator (5.1.8): The tracking and tracing system is documented and for a minimum of 5 years.</p> <p>Indicator (5.1.9): The organization maintains up-to-date procedures that delegate overall responsibility to to ensure that procedures are in place.</p> <p>Indicator (5.1.10): The procedures are reviewed annually or other relevant changes.</p>	

			<p>Indicator (5.1.11): The procedures define responsible positions for purchase wood-based products.</p> <p>Indicator (5.1.12): Staff or workers that fulfil responsible positions or and adequately trained.</p> <p>Indicator (5.1.13): The organization monitors the performance of staff and workers and supports them authorized instructions.</p> <p>Indicator (5.1.14): The organization maintains complete forms, records, and documents minimum of 5 years.</p> <p>Indicator (5.1.15): Contractual agreements with contracting bodies specify that business operations regulations, and authorized instructions.</p> <p>Indicator (5.1.16): Contractual agreements with contracting bodies specify the right of the organization for non-compliances.</p> <p>Indicator (5.1.17): All wood-based products purchased and sold by the organization are accompanied by a COC dossier forms, records, and documents.</p> <p>Indicator (5.1.18): The COC dossier includes verifiable information about the district of harvest of wood-based products.</p> <p>Indicator (5.1.19): The information given in the COC dossier is clear, consistent, and can be linked to timber species and volume.</p> <p>Indicator (5.1.20): The organization rejects incoming wood-based products an adequate COC dossier.</p> <p>Indicator (5.1.21): The organization maintains a material account of wood-based inputs and outputs and wood-based product group.</p>	
			<p>Changed Principle 4: Timber Processing of v1.02 into Principle 6: Timber Processing of v1.03.</p>	

				<p>Principle (6): Timber Processing, Criterion (6.2), added more indicators such as; Indicator (6.2.2): Operational processes meet legally prescribed requirements for hazardous chemicals and substances.</p> <p>Indicator (6.2.3): Operational processes meet handling, and discarding of waste materials.</p> <p>Criterion (6.3), added more indicators such as;</p> <p>Indicator (6.3.1): Employees and workers hired by the organization or by a contracting body competency for the functions they carry out.</p> <p>Indicator (6.3.2): Forced or compulsory labour does not exist at the level of the organization or at the level of contracting bodies.</p> <p>Indicator (6.3.3): Child labour does not exist at the level of the organization or at the level of contracting bodies</p>	
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