

Applications now being accepted to participate in Chain-of-Custody / Due Diligence system training

(Deadline to apply is June 25, 2015)

- Do your buyers require proof that your wood product is legal or is from certified forests areas?
- Do you lack a system to show legality requirements and want to know how to put a CoC system in place?
- Do you think the cost of CoC training and a CoC audit is beyond your reach?

Background: The Industries Development Corporation (IDC) Environment and Livelihood Development Foundation (ELDF) is implementing a project entitled “*Building Capacity for Training and Auditing Chain-of-Custody Systems*” with support from the European Union (EU) and the Food and Agriculture Organization of the United Nations (FAO) under the EU FAO Forest Law Enforcement, Governance and Trade (FLEGT) Programme.

The project objective is to develop local capacity and expertise to assist Chain-of-Custody (CoC) systems implementation and auditing in support of market compliance of the export-oriented segment of the timber industry. It follows another EU FAO funded project to establish SOP Guidelines for CoC and Due Diligence Systems related to timber legality verification for PWPA and CFIP members. Additionally, the DENR FMB is currently developing guidelines for third party verification/certification that should lead to the accreditation of companies and the development of a credible certification scheme for the Philippines. It is becoming increasingly important for members of the wood product industry to have systems in place to demonstrate that the product they are offering their customers originates from legally verified or certified forest sources. Proof of legality / certification is required by many overseas importing countries as well as some projects within the Philippines such as those under the LEED initiative - failure to meet this proof of legality / certification effectively closes these markets to wood industry members. Industry members which sell into these markets need to have chain of custody (CoC) and/ or Due Diligence systems in place that enable them to handle certified or legally verified timber—either from the Forest Stewardship Council (FSC), the Program for the Endorsement of Forest Certification (PEFC), or legally verified by other credible schemes. Details on project training activities, selection criteria and procedures, and how to apply are listed below.

Project Training Activities: We invite interested members of the wood-product industry to apply for the free CoC and Due Diligence system training that will prepare them for a CoC audit against a number of internationally recognized standards such as FSC, PEFC, or a credible legality verification standard. During the training, industry member participants will undergo a discounted true audit against a CoC system of their choice. Through an application process, the project offers no-cost CoC/Due Diligence system classroom- and field-based training for 15 companies of the Philippines wood industry. The training takes place in a classroom setting as well as on-site at the industry member’s facility, which will enable the instructor to create a standard operating procedure (SOP) that is tailor made for each timber industry member. Advice will also be given as to which CoC system standard will best suit each industry timber member based on the markets they sell into and the origin of the raw material they source. Each timber industry member will be prepared for the audit that it will undergo after the classroom and field training activities, as a required part of the project. The industry member can choose which CoC standard the industry member requests to be audit against. Passing the audit, however, is solely dependent upon each company’s ability and willingness to implement all necessary procedures to fulfil the requirements of the chosen international CoC standard by the time the audit report is finalized.

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The CoC / Due Diligence system implementation training will be provided by Carl Ronnow Logistics Sdn Bhd. The staff at Carl Ronnow Logistics (CRL) combine an in depth knowledge of the timber market place with a wealth of experience in training industry members to prepare for successful independent 3rd party audits under the FSC, PEFC and Rainforest Alliance VLO and VLC (timber legality verification) systems. This considerable understanding of the market place enables CRL to tailor an individual industry members CoC system to give them the maximum access to their own particular markets. NEPcon will carry out the CoC audits. NEPCon is a Danish non-profit organisation with more than 20 years of experience within forest certification systems such as FSC, PEFC and forest legality schemes. NEPCon is formally accredited for both FSC and PEFC certification as well as recognised by the EU commission as Monitoring Organisation under the EU Timber Regulation. NEPCon is also the only organisation formally endorsed by FSC to conduct training of FSC Lead Auditors and are conducting open training courses in several different languages and continents. The project will cover meals and the cost of training during classroom and on-site training sessions provided by internationally recognized experts in third-party audit preparation and forest certification and CoC systems. The project will not cover cost of travel from residence/office station to Manila and vice-versa or directly provide accommodation in Manila during training events.

Project Training Activities: Fifteen (15) slots are available for industry member companies for this Manila-based training program, which follows:

1. Project inception workshop (July 21, 2015) hosted by UN FAO and ELDF and attended by the project trainers and auditors, members of the Government of the Philippines (DENR, FMB, DTI), leadership from Philippine Associations (SFFI, CFIP, PWPA), and other interested stakeholders.
2. Classroom training (July 30, 2015) that will concentrate on general parts of CoC and DD systems then are almost identical for all CoC systems under different schemes. Two staff of each company are required to attend this consisting of 1 administrative and 1 operational staff member.
3. Site visit to an industry member who is already operating, and has attained certification / legality verification for a credible CoC system (1 day, anticipated in August 2015).
4. Site Visits to participating industry members' facilities where individual CoC implementation instruction at the industry members' facility to prepare them for the audit they will later undertake (3 days, anticipated in August and October 2015).
5. Three field audits – each industry member will be audited by NEPCon against the CoC / Due Diligence standard of their choice (3 days, anticipated between October & December 2015).
6. Project completion workshop (1 day, anticipated during the final week January 2016).

Selection Criteria:

1. A company should have main production facilities within the National Capital Region (NCR) or nearby Provinces (Bulacan, Pampanga, Cavite, Laguna or Batangas). Companies outside of the NCR can participate in the training and CoC Audit opportunity if they pay for the cost of travel and accommodations of the auditors and trainees, as necessary.
2. Complete the attached information sheet as part of the evaluation process.
3. Each selected company will be required to sign a letter of responsibility at the start of the training noting their responsibility to pay the discounted rate of USD 1,500 for the internationally recognized, industry-standard true audit at their facility.

To apply:

Send an email to eldf@idcmejore.com and jlgarganera@gmail.com before **June 25, 2015** with the subject line: “*Application (Company Name) – CoC Audit Training*” with the following:

1. Brief letter expressing interest in the training program and willingness for undergoing an audit.
2. Completed company profile information sheet (attached).

Selected companies will be notified of their selection by July 7, 2015

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Information Survey Required as Partial Application (due June 25, 2015) for Industry Member Training for the Project Entitled “Building Capacity for Training and Auditing Chain-of-Custody Systems”*

Please complete this form as part of the non-binding application for training and submit along with your brief letter of interest in the training program and willingness to undergo an audit.

Your contact information	
Organisation name:	
Primary contact:	Name: <input type="text"/>
	Position: <input type="text"/>
Mailing address:	Country: <input type="text"/>
	Street./no: <input type="text"/>
	Phone: <input type="text"/>
	City: <input type="text"/>
Other info:	Business registration no: <input type="text"/>
Membership of Trade bodies	Website: <input type="text"/> <input type="checkbox"/> CFIP <input type="checkbox"/> PWPA <input type="checkbox"/> Other If other which Trade body? <input type="text"/>

Company Information	
Earlier evaluations:	Has your company been assessed before for any type of certification / legality verification? <input type="checkbox"/> Yes <input type="checkbox"/> No
	If yes, please specify the certification body who conducted the evaluation and the type of certification / legality verification: <input type="text"/>
Locations:	Please include all locations and facilities to be included in the CoC capacity building training and describe the function of each location (if different from above): <input type="text"/>
Company size:	Number of employees: <input type="text"/>
	Gross annual sales turnover of all wood based products (including non-certified): USD <input type="text"/>
Company profile:	<input type="checkbox"/> Primary manufacturer <input type="checkbox"/> Trader/agent/broker/timber harvesting company: <input type="checkbox"/> Secondary manufacturer <input type="checkbox"/> Printing house/publisher
Main Products:	<input type="checkbox"/> Lumber <input type="checkbox"/> Plywood/Veneer <input type="checkbox"/> OSB, MDF, HDF etc. <input type="checkbox"/> Pulp/paper <input type="checkbox"/> Furniture/Cabinets <input type="checkbox"/> Logs (logging) <input type="checkbox"/> Doors / Windows <input type="checkbox"/> Garden products Other (please specify): <input type="text"/>

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Purchasing:	Do you purchase your raw materials: Yes No <input type="checkbox"/> From local sources? Is any legally verified / certified? <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> From overseas sources? Is any legally verified / certified? <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> A combination of both?																																					
Give other relevant information: Eg. Source country, natural or plantation species, logs or processed material	_____ _____ _____ _____																																					
Sales:	<table border="0" style="width: 100%;"> <tr> <td><u>Local Sales</u></td> <td style="text-align: right;">Yes</td> <td style="text-align: right;">No</td> </tr> <tr> <td>Do you sell some / all your product locally?</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Do your buyers require certified product?</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Do your buyers require proof of legality?</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Do your buyers require none of the above?</td> <td style="text-align: center;"><input type="checkbox"/></td> <td></td> </tr> <tr> <td><u>Export Sales</u></td> <td></td> <td></td> </tr> <tr> <td>Do you export some / all your products?</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>If so, to which country / countries? </td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Do some / all of your buyers require certified product?</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>If so, do they require / accept FSC or PEFC or both?</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Do your buyers require proof of legality?</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>If so, which countries are they operating in? </td> <td></td> <td></td> </tr> </table>		<u>Local Sales</u>	Yes	No	Do you sell some / all your product locally?	<input type="checkbox"/>	<input type="checkbox"/>	Do your buyers require certified product?	<input type="checkbox"/>	<input type="checkbox"/>	Do your buyers require proof of legality?	<input type="checkbox"/>	<input type="checkbox"/>	Do your buyers require none of the above?	<input type="checkbox"/>		<u>Export Sales</u>			Do you export some / all your products?	<input type="checkbox"/>	<input type="checkbox"/>	If so, to which country / countries? 	<input type="checkbox"/>	<input type="checkbox"/>	Do some / all of your buyers require certified product?	<input type="checkbox"/>	<input type="checkbox"/>	If so, do they require / accept FSC or PEFC or both?	<input type="checkbox"/>	<input type="checkbox"/>	Do your buyers require proof of legality?	<input type="checkbox"/>	<input type="checkbox"/>	If so, which countries are they operating in? 		
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Chain of custody system:	We will process and sell certified / legally verified material separately from non-certified material / legally verified material: <input type="checkbox"/>	We will mix together certified / legally verified and non-certified material / legally verified material: <input type="checkbox"/>																																				
Outsourcing:	Are you outsourcing any activities to other parties? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, how many companies do you outsource to: Which processes are outsourced: 																																					
Preferred Chain of Custody system	We prefer to obtain FSC CoC certification <input type="checkbox"/> We prefer to obtain PEFC CoC certification <input type="checkbox"/> We prefer to obtain timber legality CoC verification <input type="checkbox"/> We are currently unsure which type of CoC system best suits our requirements <input type="checkbox"/>																																					
Signed on behalf of the Company:																																						
Name and Position: 																																						
Date: _____																																						
Signature and Company Stamp: 																																						

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