



Certification

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1. Policy Background

1.1. Introduction

CertiSource standards are designed to provide independent assurance that exported timber products can be classified as Verified Legal Timber in compliance to "CertiSource Legality Assessment Criteria for Verified Legal Timber, Indonesia" (version 4 upwards).

The objective of this policy is to ensure that no form of CertiSource certification can be issued unless CertiSource standards have been complied with.

The issuing authority of the certificates lies with the Certification Body.

1.2. Scope

CertiSource policy for granting, withdrawing, suspending certification and placing certification on hold.

1.3. Definitions

For purposes of this policy, unless otherwise stated, the following definitions shall apply

<i>Batch</i>	A known volume of timber ready for export/sales.
<i>Certificate</i>	The document issued by CertiSource signifying formal award of certification. The certificate identifies the producer's name, address, the client and client number, effective date of certification, categories of certification and products certified as well as the name and address of CertiSource and other information as determined by CertiSource.
<i>Certification</i>	The overall process by which an entity's products are assessed for conformance to the relevant CertiSource standards, and provided a certification decision.
<i>Certification Body</i>	Also referred to as "CB". May also be referred to as Certifying Agency, Certification Agency or Certification Agent. The Certification Body is the organisation that certifies timber against the standards, policies and requirements of the CertiSource system.
<i>Chain of Custody</i>	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.
<i>Container</i>	The implement used to transport timber. Usually this is a large steel box either 20 feet or 40 feet in length.
<i>Docket</i>	This is the Chain of Custody record issued for a container of processed timber to be exported. There is one docket per container.
<i>Enterprise</i>	In this policy the enterprise will be either a concession, manufacturing sawmill or third party trader (that could be a

company or individual).

*LEI (Eco-
Labelling
Institute)*

The Indonesian Eco-label Institute leads and facilitates the process of developing the timber legality standard for Indonesia.

NCO

Non-conformance and observation

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.

2. Policy Standards

2.1 CertiSource Certification

On behalf of CertiSource the Certification Body issues three different certificates to entities in the supply chain. Certificates are issued following full surveillance audits every three years:

- Certificate of verification of the Forest Management Enterprise (FME);
- Certificate of verification of the Manufacturing Sawmill;
- Certificates of verification of third party traders of CertiSource verified product.

Certificates are issued after the first audit and extended/withdrawn/suspended after the successive audits.

Certification can also be withdrawn/suspended following any of the various auditing requirements (such as annual surveillance audits).

Audit frequencies and the various types of audits are detailed in Policy 04: Legality Verification.

The issuing of a Certificate signifies that an enterprise has been independently verified as being in compliance with "CertiSource Legality Assessment Criteria for Verified Legal Timber, Indonesia" (version 4 upwards) and that ALL requirements set forth in Policy 04: Legality Verification are satisfactorily met.

The certificate of the verification of the enterprise displays the following information

1. Certification registration code incorporating unique client reference code;
2. Name and address of the enterprise;
3. Company registration number;
4. Scope under which the enterprise was verified;
5. Species;
6. Reference to batch register illustrating enterprise certificate validity status;
7. Date of initial certification ('certified since');
8. Signature of the certification decision maker;
9. Certification Body ISO accreditation reference.
10. Concessions ONLY: license reference (typically found on the concession license).

2.2 CertiSource Container Dockets

The issuing of CertiSource Container Dockets¹ by the Certification Body signifies that timber products have been independently verified as compliant with CLAS, and that an audit has been satisfactorily completed and it has been demonstrated that:

- The source concession has a legal right to harvest logs;
- No element of the supply chain is clearly illegal;
- Third party verification is in progress;
- All appropriate elements of the supply chain have followed, or are following, Chain of Custody procedures agreed with CertiSource.

¹ Container docket is specific to a batch of logs of a single species (see section 2.2). However these entity certificates will contain all the species the entity has been certified to process under the CertiSource system

CertiSource container docket will be specific to a batch of logs of a single species, the product derived from which is exported to a single CertiSource client. Dockets display the following information:

1. Unique reference code relating to the batch of logs and the docket number;
2. Volume of timber product that is the subject of CertiSource verification;
3. Total volume of timber in the container;
4. Species;
5. Container number;
6. Bill of lading number;
7. Client name;
8. Source of logs;
9. Name & address of processing sawmill.

2.3 Changes in Certification Requirements

If there are any changes to the certification requirements the Certification Body will formally inform clients of such changes. An email will suffice.

Where some form of compliance is expected (e.g. in cases of a sawmill's procedures) the enterprise will be asked by the Certification Body to input into the planned changes. They will be given a minimum of two weeks to provide feedback.

Changes will be agreed as will a set time for compliance. Only in exceptional circumstances will the time be given for compliance extend beyond two months.

A Certification Body audit will assess compliance at the first audit following compliance deadline.

2.4 DNA Assurance

CertiSource has worked with Double Helix as a Certification Body that uses DNA analysis as an additional method to verify the Chain of Custody. This is not a requirement of the CertiSource system.

However if such a technology is used the final audit report should include the findings.

2.5 Certification Authority

Decisions and authority with respect to certification lies with the Certification Body.

Decision includes granting, suspending, withdrawing certificates, placing certification status on-hold, and/or assessing any corrective action as outlined in Policy 07: Non-conformance.

Whilst a Certification Body is at liberty to seek external expert technical input and perspective on any part of the verification and certification processes, the final certification authority cannot be delegated to an outside body such as contractors or subcontractors in anyway whatsoever.

Policy 13: Certification Body Audit Resources specifies further the requirements and any limitations in the certification decision process.

2.6 Certification Suspension

Certificates issued to an enterprise can be suspended. Whilst a certificate is suspended no dockets will be issued for product originating from these sources, and docket issuance can only restart once certification status becomes valid.

In case of certificate suspension, the period of suspension cannot exceed twelve months. Failure to resolve the causes of the suspension within this 12-month period will result in certificate withdrawal.

Certification may be suspended at the discretion of the Certification Body.

(NOTE: Extensions are possible in exceptional circumstances at the discretion of the Certification Body senior management ensuring any extension is compliant with other CertiSource policies. For example extensions can be granted for non-compliances against CertiSource Policy 11: FSC Forest Management Commitment.)

Examples of when certificate suspension may be invoked include (but are not confined to):

- Non-conformance with specified requirements of "CertiSource Legality Assessment Criteria for Verified Legal Timber, Indonesia, (version 4 series)";
- Non-conformance with specified requirements set forth in CertiSource Policy 04: Legality Verification and Policy 06: Product Labelling and Identification;
- A major non-conformance has not been closed or sufficiently addressed within three months of being raised. No dockets will be issued until the Non-conformance has been closed;
- Failure to finalise invoiced fees within 60 days of notification;
- Where continuance of operational activity becomes illegal;
- Where question of legal status becomes contentious and/or unresolved.

Non-conformances are dealt with according to Policy 07: Non-Conformance.

Suspension shall be confirmed by the Certification Body and will indicate the conditions under which the suspension will be removed, and the procedures and policy for appeal. Written acknowledgement (an email will suffice) from the suspended body must be received.

The Certification Body will also amend accordingly all relevant public notifications (see section 2.11).

In cases where an appeal is lodged the suspension will remain affective until the appeal/dispute is closed or the suspension is lifted.

When an enterprise's certificate is suspended, the enterprise shall:

- Not promote their CertiSource certification for the period of the suspension;
- Work actively with the Certification Body to remedy the cause of suspension.

At completion of (or before) the suspension period, the Certification Body shall:

- Remove the suspension and notify the enterprise and amend accordingly all relevant public notifications (see section 2.9);
- In exceptional circumstances, and in compliance with other CertiSource policies, extend the timeframe for compliance; or
- Withdraw certification if the specified conditions are not fulfilled.

2.7 Certification Withdrawal

The Certification Body will withdraw certification in the following cases:

- Under the relevant provisions of this policy in section 2.7;
- If audits indicate that non-conformance is of a critical nature (as defined in Policy 07: Non-Conformance), and the relevant enterprise continually fails to demonstrate efforts to implement corrective action;

- If "CertiSource Legality Assessment Criteria for Verified Legal Timber, Indonesia" (version 4 and upwards) and other CertiSource policies are changed and the enterprise either will not or cannot ensure conformity with the new requirement(s) within the period set for compliance;
- If financial obligations are continually not met.

If a certificate is withdrawn, the Certification Body shall inform all related clients of the withdrawal by registered letter or equivalent means indicating the procedures and policy for appeal.

The Certification Body will amend accordingly all relevant public notifications (see section 2.11).

In cases where an appeal is lodged the withdrawal will remain affective until the appeal/dispute is closed.

If following a successful appeal a certificate is reinstated, the Certification Body shall inform all related clients of the situation by registered letter or equivalent means, and amend accordingly all relevant public notifications (see section 2.11).

2.8 Out of Date Forest Management Enterprise Certification

In cases where a Forest Management Enterprise certificate is out of date, the Certification Body can continue to certify product from batches that were delivered from the Forest Management Enterprise during the certified period.

2.9 Public Notifications

CertiSource requires Certification Bodies to supply four registers, updated monthly, that must be made publically available through the CertiSource website:

- Register of CertiSource Verified Legal Batches;
- Register of CertiSource Verified Legal Forests;
- Register of Certified Sawmills;
- Register of Third Party Traders.

Each register contains an indication of certification status.

Certification Bodies must also comply with any notification requirements of their ISO Accreditation Body.

In instances where certificates are withdrawn or suspended (or reinstated) aspects of the associated register(s) will be amended immediately for inclusion in subsequent monthly updates.

Policy 12: Transparency and Public Documents covers the control mechanisms for CertiSource related documents in the public domain.

3. Related Information

3.1 Related Policies and Documents

This policy has connections to the following CertiSource Policy Statements

Policy 01: Policy Statement

Policy 02: Policy Development

Policy 04: Legality Verification

Policy 06: Product Labelling and Identification

Policy 07: Non-conformance

Policy 11: Sustainable Forest Management Commitment

Policy 12: Transparency and Public Documents

Policy 13: Certification Body Audit Resources

3.2 Policy Review

To ensure that this policy statement remains relevant it will be reviewed regularly at a minimum frequency of every six months. Revisions will be made when necessary to provide solutions to any practical problems encountered.

4. Document History

Version	Date Approved	Description
7.00	14 October 2014	<ol style="list-style-type: none"> 1. Document history added (i.e. this section). 2. Requirement that certification is done against WWF guidelines changed to "CertiSource standards are designed to provide independent assurance that exported timber products can be classified as Verified Legal Timber in compliance to "CertiSource Legality Assessment Criteria for Verified Legal Timber, Indonesia, v4.02". (section 1.1) 3. Section 2.1 - The reference code will be decided upon by the Certification Body. 4. In the "approvals" space the date of the next revision is deleted. This is to avoid confusion as to whether or not a policy is still valid (e.g. the date of the next revision in the past failed to be changed after a review if nothing was changed in a policy.; 5. A major non-conformance has not been closed or sufficiently addressed (to reduce the major Non-conformance for example to a minor Non-conformance) within three months of being raised. No dockets will be issued until the Non-conformance has been closed; <p>Changed to:</p> <p>A major non-conformance has not been closed or sufficiently addressed within three months of being raised. No dockets will be issued until the Non-conformance has been closed;</p> <ol style="list-style-type: none"> 6. Need for a registered letter changed to say any written acknowledgement acceptable: "Suspension shall be confirmed by the Certification Body and will indicate the conditions under which the suspension will be removed, and the procedures and policy for appeal. Written acknowledgement from the suspended body must be received". 7. 2.3 changed to "Certificates are issued after the first audit and extended/withdrawn after the successive audits. 8. Section 2.1 deleted: "2.1 CertiSource Certification Document Naming Protocol (can be deleted)

Each CertiSource client will be issued a unique reference code. The reference code will be decided upon by the Certification Body.

Client reference codes will be used consistently

in all operational documentation related to certification. This includes:

- Applicable Certification Body and client agreements;
- Audit Reports;
- Visit Records;
- Non-conformances and observations.

7.00 1st November
2014

1. reference to 'sawmills' and 'concessions' deleted and replaced with 'enterprises' as trader certification is now an option.
2. One generic description of certificate contents (section 2.1) given. As 95% of certificates for sawmill, concession and trader will have same information.
3. Overall the policy adds 'trader certification' as a new element.

1st December
2014

Section 2.9 deleted entirely:

2.9 No Fault Certification Extension

In exceptional circumstances through no fault an enterprise², certification can be extended beyond the certificate expiry date for up to 6 months.

After this time, the certificate will be suspended and no dockets will be issued until certification has been renewed.

This is because extension of certification expiry dates is not provided for within ISO IEC 17065.

5. Certification Status On Hold (previous section 2.10) deleted and aspects incorporated into section on certification suspension. ISO 17065 has no provision for "on hold".

Text deleted:

"A Certification Body will place a certificate "on hold" (including prior to a certificate's expiry date) in cases where continuance of operational activity becomes illegal.

A Certification Body may, at its own discretion, place a certificate on hold in a situation where the question of legal status becomes contentious and/or unresolved.

Once issues are resolved and/or harvesting or processing has restarted certification status will be updated as appropriate.

Whilst a status is on hold no dockets will be issued for product originating from these sources, and docket

(²For example rather than the client being at fault the Certification Body has failed to meet scheduled audit visit requirements.)

issuance can only restart once certification status becomes valid”.

Aspects of this section moved into section on suspended certification. Points transferred are:

- Whilst a certificate is suspended no dockets will be issued for product originating from these sources, and docket issuance can only restart once certification status becomes valid.

Plus two further examples of when suspension may be invoked:

- Where continuance of operational activity becomes illegal;
- Where question of legal status becomes contentious and/or unresolved.

6. Section 2.9 (previously 2.11) Public Notifications.

Certification Bodies must also comply with any notification requirements of their Accreditation Body.

8.00	September 5 2015	Policy brought into line with Policy 4 changes to audit frequency – i.e. full audit compliance every three years.
8.01	December 5 2015	Footnote 1 added: Container dockets are specific to a batch of logs of a single species (see section 2.2). However these entity certificates will contain all the species the entity has been certified to process under the CertiSource system. Section 2.2. Added need to include ‘species’ on docket.
8.02	June 29 32016	Transfer to new template.