

Control Union Timber Legality Verification (TLV)

Standard for Timber and Timber Products

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**Timber Legality
Verification**
Certified by Control Union

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Introduction and Scope

This standard applies to all Organisations aiming to reduce or mitigate risks of deforestation, forest degradation and illegal harvesting, as well as the trading of products associated with this. It closely follows the requirements of the EU Deforestation Regulation, which replaced the EU Timber Regulation in 2023.

Within the scope of TLV certification, Organisations can source from:

1. TLV-certified supply chains;
2. Third party supply chains that are certified under a TLV-endorsed scheme; and
3. Non-TLV supply chains.

The non-TLV supply chains are verified using the Organisation's due diligence system as per the requirements of Section 2 of this standard. In case products are placed on or exported from the EU market, the scope of the DDS extends to all supply chains that are within the scope of the EUDR. This includes TLV-certified supply chains and supply chains that are certified under a TLV-endorsed scheme. These supply chains have, however, a higher level of assurance through independent third party verification of the Organisation's upstream supply chain and the facilitation of information collection for the Organisation's due diligence system.

See the figure below for a schematic representation of the scope of certification.

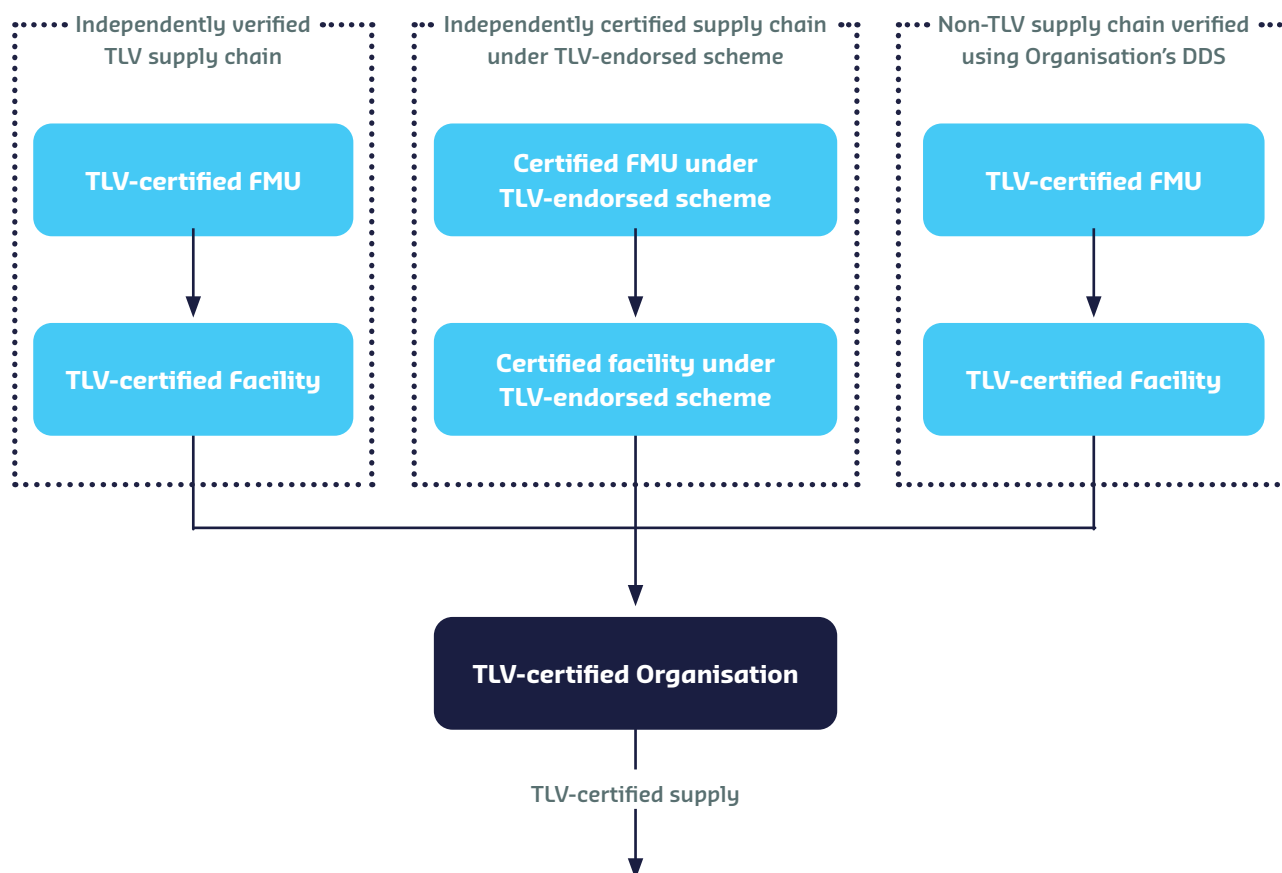


Figure 1: Schematic supply chain layout within the scope of TLV certification

Given the eligible supply chains under this standard, the scope of this standard is threefold:

1. It provides independent third-party verification of the certified Organisation's due diligence system (DDS) throughout the entire supply chain(s), from the Forest Management Unit(s) where the timber was harvested until the moment that the timber or timber products are placed on the market by the Organisation.

When using the standard to support an Organisation's efforts to demonstrate compliance with the EUDR, all timber and timber products covered by the EUDR shall be included in the scope of TLV certification.

For this purpose, Sections 1 and 2 of this standard are applicable.

2. It provides independent third-party verification of Forest Management Enterprises concerning the absence of deforestation and forest degradation and the legality of forest product sources.

For this purpose, Sections 1 and 3 of this standard are applicable. Since Section 3 of the standard is generic, it shall be adapted to incorporate all legal requirements of the country or sub-region where the timber is harvested and the standard is applied, as well as other relevant country-specific information (permit and licensing systems, potential problems at sub-regional level, species/products at risk, etc.).

3. The standard provides independent third-party verification for companies or other entities within the supply chain that process, manufacture or supply timber and timber products from TLV-certified forest sources until the timber or timber products are placed on the market.

For this purpose, Section 1 of this standard is applicable, requiring verification that a documented chain of custody system is in place tracing the timber or timber products from point to point back to the forest of origin.

Control Union Certifications (CUC) will issue a certificate to any Organisation (company or other entity) that has demonstrated compliance with the parts of this standard that apply to their business activities. This certificate will include the following, as appropriate:

- Company name and contact details
- Scope
- Period of validity (maximum of 5 years)
- Timber or timber product types
- Location and jurisdiction of suppliers
- Verification code: CU-TLV-XXXXXX



Surveillance audits will be conducted at least annually or at a higher frequency determined by Control Union Certifications. The purpose of the surveillance audits is to assess continuing compliance with this standard.

All aspects of this standard are considered to be normative unless stated otherwise. The complementary guidance document is relevant for the application of this standard, and is therefore considered to be normative. In all cases, the latest edition of the guidance document (including any amendments) applies.

Standard effective date

This standard is effective from the date of approval of the final version. Control Union Certifications will consider all public comments and will review and update this standard either as appropriate or on an annual basis. As a standard practice, it will be reviewed at least every 5 years.

This standard is publicly available on our website at <http://cucpublications.controlunion.com/>

References

- Regulation (EU) 2023/1115 of the European Parliament and of the Council of 31 May 2023 on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/2010 (text with EEA relevance).
- Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market.
- Commission delegated Regulation of 23 February 2012 on the procedural rules for the recognition and withdrawal of recognition of monitoring organisations as provided for in Regulation (EU) No 995/2010.
- Commission implementing Regulation (EU) No 607/2012 of 6 July 2012 on the detailed rules concerning the due diligence system and the frequency and nature of the checks on monitoring organisations as provided for in Regulation (EU) No 995/2010.
- ISEAL Alliance (2006): ISEAL Code of Good Practice for Setting Social and Environmental Standards.
- ISO/IEC 17065: 2012, Conformity assessment — Requirements for bodies certifying products, processes and services.
- Accountability Framework Initiative definitions: <https://accountability-framework.org/use-the-accountability-framework/definitions/>

Acronyms

CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CoC	Chain of Custody
CPI	Corruption Perception Index
CUC	Control Union Certifications
DDS	Due Diligence System
EU	European Union
EUDR	EU Deforestation Regulation
FLEGT	Forest Law Enforcement, Governance and Trade
FME	Forest Management Enterprise
FMP	Forest Management Plan
FMU	Forest Management Unit
FPIC	Free, Prior and Informed Consent
FSC®	Forest Stewardship Council
ILO	International Labour Organisation
PEFC	Programme for the Endorsement of Forest Certification
SME	Small and Medium-sized Enterprise
TLV	Timber Legality Verification
UN	United Nations

Glossary of terms

Applicable legislation (EU definition): the laws applicable in the country of production concerning the legal status of the area of production in terms of:

1. Land use rights;
2. Environmental protection;
3. Forest-related rules, including forest management and biodiversity conservation, where directly related to wood harvesting;
4. Third parties' rights;
5. Labour rights;
6. Human rights protected under international law;
7. The principle of free, prior and informed consent (FPIC), including as set out in the UN Declaration on the Rights of Indigenous Peoples; and
8. Tax, anti-corruption, trade and customs regulations.

CITES: the Convention on International Trade in Endangered Species of Wild Fauna and Flora aims to ensure that international trade in specimens of wild animals and plants does not threaten their survival.

Composite product: a product made from two or more constituent products with significantly different physical or chemical properties that, when combined, produce a material with characteristics different from the individual components. The individual components remain separate and distinct within the finished structure.

Corruption Perception Index (CPI): a global index of the perceived level of corruption in individual countries, as developed by Transparency International (<http://www.transparency.org>).

Country of origin: the country where the relevant commodity or the relevant commodity used in the production of, or contained in, a relevant product was obtained.

Country of production: the country where the relevant commodity or the relevant commodity used in the production of, or contained in, a relevant product was produced.

Deforestation: loss of natural forest as a result of: i) conversion to agriculture or other non-forest land use; ii) conversion to a tree plantation; or iii) severe and sustained degradation.

Degradation: changes within a natural ecosystem that significantly and negatively affect its species composition, structure, and/or function, and reduce the ecosystem's capacity to supply products, support biodiversity, and/or deliver ecosystem services.

Due diligence: the actions taken by Organisations to reduce the risk of sourcing illegally harvested material. A general definition of the term is "reasonable steps taken by a person in order to satisfy a legal requirement".

Due diligence system: the set of steps or actions taken in order to ensure that due diligence is exercised. The due diligence system may consist of written guidelines and procedures that describe the due diligence process in detail.

FLEGT: Forest Law Enforcement, Governance and Trade Action Plan of the European Union. The EU FLEGT Action Plan provides a number of measures to exclude illegal timber from markets, improve the supply of legal timber and increase the demand for responsible wood products. A central element of the EU's strategy to combat illegal logging is trade agreements with timber exporting countries, known as Voluntary Partnership Agreements. These agreements ensure legal timber trade and support good forest governance in the partner countries.

Forest products: any forest product or material that an Organisation handles. This includes round wood, lumber, processed wood-based intermediate and final products, pulp, paper, non-timber forest products, etc.

HS codes: Harmonized System codes, a standardised numerical classification system used by international customs when importing products into a country.

Input products: the raw materials or partially processed materials that enter the TLV-certified supply chain. These products must come from verified sources that comply with the TLV standard to ensure the final output products maintain their TLV-certified status.

Mitigation measures: any action undertaken to reduce the adverse impacts that an activity may have on placing illegal timber on the EU market.

Negligible risk: the level of risk that applies to relevant forest products, where, on the basis of a full assessment of product-specific and general information, and, where necessary, of the application of the appropriate mitigation measures, those products show no cause for concern as they comply with the following conditions: (a) they are deforestation-free; and (b) they have been produced in accordance with the relevant legislation of the country of production.

Non-negligible risk: where it has been identified that forest products may be sourced or enter the supply chain where the risk is not negligible and risk mitigation is required.

Organisation: individual, company or other legal entity responsible for the implementation of this standard. In the case of group certification, one certificate is issued to several certified Organisations that operate under the administration and control of a group manager. In the case of multi-site certification, one certificate is issued for Organisations that operate multiple sites or facilities. It allows these Organisations to manage a single certificate covering all their locations, rather than obtaining individual certification for each site.

Outsourcing: the process where an Organisation contracts external entities to perform specific activities, such as processing, manufacturing, packaging, storage, and transport of TLV-certified products.

“Placing on the market”: the first making available of a relevant commodity or product on the European Union market.

Relevant authorities: in the context of the EU Deforestation Regulation (EUDR), the national bodies designated by EU member states responsible for ensuring compliance with the regulation.

SME: micro, small and medium-sized enterprises as defined in Article 3 of EU Directive 2013/34/EU and which on their balance sheet dates do not exceed the limits of at least two of the three following criteria: (a) balance sheet total: EUR 20 000 000; (b) net turnover: EUR 40 000 000; (c) average number of employees during the financial year: 250.

Sub-supplier: any entities further down the supply chain who are supplying material to the suppliers or other sub-suppliers.

Supplier: the entity who is supplying material to the certified Organisation.

Supply chain: the entities that take legal ownership of the forest products from the forest where the material is harvested, to the point where the certified Organisation takes final ownership of the material.

TLV-Certified: all wood-based material that has been confirmed as meeting all necessary input requirements to be considered as eligible input material for TLV product groups.

TLV-endorsed scheme: a certification scheme that meets the requirements of this standard, and that after being benchmarked is approved by Control Union to be included in the TLV scheme.

Section 1: General requirements

The general requirements of this Section form the basis for every TLV-certified company. This Section describes the requirements for the quality management system to be in place and the requirements related to the chain of custody. Compliance with this part of the standard allows the products to be sold under a TLV claim and thus comply with EUDR requirements.

1. Quality management

1.1. The Organisation shall have a written and publicly available policy, approved at the highest level of authority within the Organisation, stating the Organisation's commitment to:

1. Source and export products that are deforestation-free and legal;
2. Avoid products that are produced, traded or processed in violation of applicable national laws and ratified international treaties;
3. Avoid products that can be associated with deforestation and forest degradation;
4. Provide, where applicable and upon request, relevant information on products (volumes, species, etc.) and their origin (at geolocation level) as per this standard; and
5. Implement the policy accordingly within the Organisation.



Note: International treaties specifically include the ILO core conventions.

Note: The commitment shall be published on the Organisation's website. In case the Organisation does not have a website, the publicly available policy shall be readily provided upon request to interested parties.

- 1.2. The Organisation shall appoint one person with sufficient authority and access to information to have overall responsibility for compliance with all applicable requirements of this standard.
- 1.3. The Organisation shall designate individual responsible staff for all applicable elements of this standard.
- 1.4. The Organisation shall ensure that all responsible staff have been trained according to their responsibilities.
- 1.5. The Organisation shall have in place up-to-date procedures and/or work instructions to ensure the implementation of all applicable elements of this standard.
- 1.6. The Organisation shall maintain records demonstrating compliance with this standard for a minimum of 5 years.
- 1.7. The Organisation shall ensure that the records demonstrating compliance or non-compliance are available to both certification body auditors and the relevant authorities.
- 1.8. The Organisation shall establish and maintain a mechanism to respond to complaints or substantiated concerns regarding non-compliance with this standard and the EUDR requirements. The mechanism shall include as a minimum:
1. Written confirmation of receipt of the complaint or concern within 3 business days;
 2. Evaluation of the evidence received within 2 weeks of receipt of the complaint;
 3. Verification of evidence received through the supply chain, and, if necessary, field verification in the plots of land where the product was produced, within 2 months of receipt of the complaint;

4. Procedures to mitigate or further mitigate the non-negligible risk (if detected through verification) or stop sourcing from the supplier where non-negligible risk was detected;
5. Corrective actions in accordance with requirement 1.9; and
6. Complaint registry, including documented evidence of all actions taken.

- 1.9. The Organisation's procedures shall include a mechanism to prevent and control the unintended sale and delivery of products that do not conform with this standard and the EUDR requirements.

In the event of detecting a non-conforming product, the Organisation shall take the following corrective actions to rectify the non-compliance:

1. Inform the relevant authorities and affected clients within 3 business days of detection;
2. Analyse and identify the root cause of the non-compliance and update the Organisation's risk assessment and risk mitigation procedures accordingly to prevent reoccurrence, within 2 months of detection;
3. Withdraw, segregate or recall the non-conforming product within 3 business days of detection; and/or
4. Donate the non-conforming product to charity or for a public interest purpose.

Documented evidence of all steps taken shall be maintained.

- 1.10. In case audits reveal that not all sourcing requirements set out in this standard have been met, or insufficient mitigation measures have been taken to mitigate the identified non-negligible risks, the Organisation shall not place the products on the market or export them.
- 1.11. Organisations using Section 2 of this standard shall review the performance of the their due diligence system at least annually. This review shall include:
 1. Findings from internal and external audits, as well as findings relating to the supply of (potential) non-conforming products;
 2. New developments which could influence the due diligence system.

This review shall be documented and be endorsed by the highest management of the Organisation. Where necessary the due diligence system shall be updated reflecting the outcome of the review and new developments.

- 1.12. The Organisation shall make all monitoring measures (including reports) available to the certification body and the relevant authorities.



2. Chain of custody

Material accounting

2.1. Product groups shall be established covering the scope of the TLV certificate. For each product group, the following shall be determined:

1. Product group description
2. Identification of the input and output TLV claims
3. HS codes
4. Species (common and scientific name)
5. Sites and locations involved
6. Activities (processing or trading)
7. Role of the Organisation in relation to the EUDR:
 - Operator
 - SME trader
 - Non-SME trader
 - Supplier outside EU
8. Overview of the supply chain for all input product components that are within the scope of TLV certification. This overview shall include at a minimum:
 - Countries of production
 - Countries of origin
 - Input products

2.2. For each product group, the Organisation shall establish a material accounting record to ensure that the quantities produced and/or sold are at all times compatible with the quantities of eligible inputs, and the product group conversion factor(s). The accounting record shall include at least the following information:

1. Product groups
2. Quantities
3. TLV claims
4. References to invoices
5. References to delivery documentation

2.3. The Organisation shall prepare annual summaries based on the material balance.

2.4. For each product group, the main processing steps shall be identified and the volume or weight conversions shall be specified. These conversion factors shall be kept up to date.

Supply requirements

2.5. The Organisation shall verify that the purchased material meets at a minimum the TLV requirements, in one or more of the following ways:

1. Sourced as “TLV-Certified”; and/or
2. Sourced under a TLV-endorsed scheme (see Annex 1); and/or
3. Sourced through the Organisation’s own due diligence system (see Section 2).

2.6. Material sourced as TLV-Certified or under an endorsed scheme (see Annex 1) shall be verified and assessed against the TLV standard and, where applicable, the requirements of the endorsed scheme, including but not limited to:

1. Verification that the certificate has been issued by an approved accredited body;
2. Confirmation that the certificate is valid and issued for the correct scope; and
3. Where appropriate, online verification of the certificate's validity.

2.7. For imports to and/or exports from the EU market that fall within the scope of the EUDR, the reference numbers of the due diligence statements corresponding to the products supplied must be available.

Segregation and processing requirements

2.8. The Organisation shall store all TLV-certified products within the scope of the TLV certificate securely and physically separated from other products.

2.9. The Organisation shall use distinguishing marks to identify TLV-certified products.

2.10. The Organisation shall keep all products that cannot be identified as TLV-certified physically separate from TLV-certified products until documented evidence confirms the TLV claim.

2.11. The Organisation shall process TLV-certified products separately from non-TLV-certified products at all stages.

2.12. The Organisation shall use a tracking system or production records to document the production of TLV-certified products.

2.13. The Organisation shall cover all outsourced work with a signed outsourcing agreement that includes CoC control systems to ensure compliance with this standard by third parties.



Shipping and sales requirements

2.14. The Organisation shall use TLV distinguishing marks on products sold.

2.15. The Organisation's invoices and shipping documents for the sale of TLV-certified products shall include:

1. A description of each product as "TLV-Certified";
2. The quantity/volume of each product; and
3. The TLV verification code: CU-TLV-XXXXXX.



DDS statement and supply chain information

2.16. The Organisation shall prepare and submit to the competent authorities a due diligence statement for all TLV-certified products that the Organisation imports or otherwise places on the EU market and/or exports from the EU.

The DDS statement shall contain the following information:

1. Name and address of the operator;
2. Economic Operator Registration and Identification (EORI) number;
3. Trade name, description and HS code of the product(s);
4. The quantity of the products in kilograms and/or, if applicable, a supplementary unit;
5. The country of production, including the geolocation(s) of the plot(s) of land where the product was produced;
6. If applicable, a reference to another DDS statement that was issued for the product involved;
7. The following text: “By submitting this due diligence statement the operator confirms that due diligence in accordance with Regulation (EU) 2023/1115 was carried out and that no or only a negligible risk was found that the relevant products do not comply with Article 3, point (a) or (b), of that Regulation”; and
8. Signature of the Organisation’s official representative and the date in the following format:

Signed for and on behalf of:

Date:

Name and function: Signature

- 2.17. If the Organisation trades in TLV-certified products, the reference number of submitted due diligence statements shall be provided with the sales documentation if the product is exported further down the supply chain to or from the EU.

Note: Information may be transferred encrypted or otherwise anonymised via digital platforms such as blockchain or similar solutions.

- 2.18. For each TLV-certified purchase and delivery, the following information shall be accessible:

1. Species (scientific name)
2. Product description and trade name
3. Geolocation(s) for FMU/concession of harvest
4. Information confirming compliance of the timber products with the relevant laws and regulations regarding its legal origin
5. Information confirming that the products are from a deforestation- and degradation-free origin

- 2.19. For each TLV-certified sale and delivery, the following information shall be provided to the client upon request if required to fulfill legal timber sourcing requirements:

1. Species (scientific name)
2. Product description and trade name
3. Geolocation(s) for FMU/concession of harvest
4. Information confirming compliance of the timber products with the relevant laws and regulations regarding its legal origin
5. Information confirming that the products are from a deforestation- and degradation-free origin

Claims

- 2.20. The Organisation shall not use on-product labelling with a CUC TLV-Certified claim.
- 2.21. The Organisation shall only use promotional claims of CUC TLV certification when accompanied with a description of the scope of the certification.
- 2.22. The Organisation shall submit all claims to CUC for review and shall obtain written approval prior to using the claims.

3. Trade and customs

Organisations taking legal ownership of the timber and timber products shall comply with all national and local legal requirements, ratified international conventions and obligatory codes of practice related to trade, transport, import and export, in so far as the forest sector is concerned.

- 3.1. The Organisation shall demonstrate that it is a legally registered organisation or company authorised to conduct the defined business activities in accordance with legal requirements at the national or sub-national level.
- 3.2. The Organisation shall ensure that the timber products are correctly identified and classified in accordance with the applicable regulations governing the trade and transport of timber products.
- 3.3. The Organisation shall adhere to applicable regulations and/or restrictions governing the trade and transport of timber and timber products.
- 3.4. The Organisation shall have all applicable official documents for the import and export of timber and timber products available in accordance with relevant laws and customs regulations.
- 3.5. The Organisation shall demonstrate compliance with the applicable provisions and requirements of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).



Section 2: DDS requirements

The due diligence system (DDS) requirements outlined in this Section are fundamental for ensuring compliance with the EU Deforestation Regulation (EUDR) and the Control Union Timber Legality Verification (TLV) Standard. These requirements are designed to systematically manage and mitigate the risks associated with deforestation, forest degradation, illegal harvesting and the trading of timber products.

The DDS framework mandates that Organisations rigorously assess and manage their timber supply chains. This involves the collection and verification of critical information about the origin of timber, conducting thorough risk assessments, and implementing effective risk mitigation measures. The goal is to ensure that all timber and timber products placed on or exported from the EU market are sourced responsibly and in accordance with legal and environmental standards.

4. Information

Scope of DDS

4.1. The Organisation shall clearly define and document the scope of its DDS, including:

1. Product groups
2. HS codes
3. Species
4. Overview of the supply chain(s), including at a minimum:
 - Countries of production
 - Countries of origin
 - Input products
5. Products covered by FLEGT licences



5.1. If the Organisation processes and sells products that are not covered by the EU Deforestation Regulation and/or this standard, it must ensure that these products are not mixed with any other products that are covered by this standard. This can be achieved by complying with the requirements outlined in Section 1 of this standard.

5.2. If the Organisation is unable to work directly with all suppliers in the supply chain, it must ensure that each supplier meets the requirements for responsible sourcing evaluation at the forest management level and throughout the supply chain. This can be accomplished by signing an agreement with the supplier that covers at least the following elements:

1. The agreement shall include information about the Organisation's policy and the requirements of this standard.
2. The supplier shall pass on the requirements to their suppliers throughout the entire supply chain until the origin of the products is known.
3. If the relevant product contains or has been made using wood, the supplier shall provide information on the species and its full scientific name, as well as the quantity, origin, and corresponding geolocation of the relevant products.
4. Each supplier in the supply chain should notify the Organisation when changes occur in the supply chain or origin of the products.
5. The supplier shall appoint a responsible person to ensure compliance with this standard and communicate with the Organisation.

6. The agreement shall include a clause reserving the right of a third-party certification body, with whom the Organisation has signed a confidentiality agreement, to audit the suppliers and verify compliance with the applicable requirements of this standard throughout the entire supply chain up to the level of the forest where the timber is sourced.
7. The agreement shall include a clause signed and dated by the supplier, confirming that they have read, understood and agreed with the contents of the agreement.

Availability of information

- 5.3. The Organisation shall have and maintain up-to-date information about the relevant products, including:
1. A description of the product and its parts, including trade name and product type
 2. Common and full scientific names of tree species
 3. The geolocation of all plots of land that are involved in the final relevant product or the production thereof
 4. The country of production as well as the date or time range of production
 5. The number/volumes of the product in kilograms or another accepted unit of measurement
 6. The name, postal address and email address of the suppliers of the products
 7. The name, postal address and email address of any customer/client to whom the products have been supplied
- 5.4. The Organisation shall have and maintain up-to-date information on the verification and/or certification status of the relevant products.
- 5.5. The Organisation shall have and maintain up-to-date documents or other information confirming compliance of the relevant products with the applicable legislation in the country of production.
- 5.6. The Organisation shall have and maintain up-to-date documents or other information confirming absence of deforestation and forest degradation in the country of production, or, where applicable, the sub-national region(s) and concession(s).
- 5.7. The Organisation shall have and maintain up-to-date documentation and records for all supply chains to ensure acceptable assurance of traceable and segregated processing, transportation and trade of the products involved.
- 5.8. The Organisation shall apply the due diligence system to all specific input products supplied by a particular supplier within a period of 12 months, provided that the tree species, the country or countries of harvest, or, where applicable, the sub-national region(s) and concession(s) of harvest remain unchanged.
- 5.9. The Organisation shall have and maintain up-to-date documentation confirming whether indigenous peoples are present in the country of production. If this is the case, the documentation shall include information about the recognition of indigenous peoples' rights in the country of production.

5. Risk assessment

- 5.1. The Organisation shall have and implement risk assessment procedures for all applicable risk assessment criteria.
- 5.2. The Organisation shall review and document the risk assessment process, and provide evidence and supportive findings to justify the risk designations. This shall include the following risk categories:
 1. General risks in all supply chains;
 2. The risks in country of production where the product was harvested or gathered to enter the supply chain; and
 3. The risks in the supply chain and in the country of origin where the product underwent its last substantial process or important stage of manufacture.
- 5.3. The Organisation shall carry out the risk assessments at least annually for all products under the scope.
- 5.4. Where available, the Organisation shall use the country risk assessments established by the EU.
- 5.5. The Organisation shall clearly document the outcome of each risk criteria. The possible outcomes are:
 1. Low or negligible risk
 2. High or non-negligible risk

General risks

- 5.6. The Organisation shall not source any products from countries with sanctions imposed by the UN Security Council or the Council of the European Union on timber imports and exports, and must identify and document any such sanctions for the country or region of harvest.
- 5.7. The Organisation shall not source material from areas with a prevalence of armed conflicts and must identify and document any such conflicts.
- 5.8. The Organisation shall assess and specify the level of risk of legal violations in the country of origin. This includes risks related to the level of corruption, the prevalence of document and data falsification, the lack of law enforcement, and violations of international human rights.
- 5.9. The Organisation shall verify if the product's source, origin and supply chain are certified according to relevant certification schemes that cover some or all of the requirements of this standard and/or the EU Deforestation Regulation (EUDR). The Organisation shall check the certification status of the supplier(s) and the sales and/or delivery documentation against the criteria of the relevant certification schemes.

Risks in country of production

- 5.10. Collected information shall be assessed for reliability and validity, and shall be used to verify the source and origin of the product. The Organisation shall furthermore assess compliance with the applicable legislation in the country of production.
- 5.11. The Organisation shall assess and specify the level of risk of legal violations in the country of production. This includes risks related to:
 1. The level of corruption
 2. The prevalence of document and data falsification
 3. The lack of law enforcement
 4. Violations of international human rights

5.12. To assess the risks related to deforestation and forest degradation, the Organisation shall assess:

1. The forest cover; and
2. The prevalence of deforestation or forest degradation in the country of production.

5.13. To assess the risks related to indigenous peoples, the Organisation shall assess:

1. The presence of indigenous peoples in the country of production;
2. Whether indigenous peoples have been consulted and worked with in good faith; and
3. The existence of duly justified claims by indigenous peoples based on objective and verifiable information on the use or ownership of the land used for the production of the commodity in question in the country of production.

Risks in the supply chain and country of origin

5.14. The Organisation shall assess and specify the level of risk of legal violations related to the complexity of the supply chain taking into account the risks arising from:

1. Linking the relevant products to the plot of land on which the relevant raw materials were produced;
2. The number of sub-suppliers in the supply chain;
3. The different stages of processing;
4. Changes in volumes and weight of the products; and
5. Mixing or substitution of products with non-conforming products during transport, processing or storage.

6. Risk mitigation

- 6.1. The Organisation shall develop and implement measures and procedures for all risk categories as mentioned in Section 2 above, which shall be adequate and proportionate to minimise effectively the high risks identified in the risk assessment.
- 6.2. In the case of material that is produced in or originates from countries with sanctions imposed (see requirement 5.6), the Organisation shall not purchase and import the relevant products.
- 6.3. The Organisation shall take adequate mitigation measures to exclude material that is sourced from areas with a prevalence of armed conflicts.
- 6.4. The Organisation shall take adequate mitigation measures to exclude involvement in legal violations throughout the entire supply chain, including corruption, a prevalence of document and data falsification, a lack of law enforcement and violations of international human rights.
- 6.5. The Organisation shall take adequate mitigation measures to exclude risks within the country of production.
- 6.6. The Organisation shall take adequate mitigation measures to exclude risks within the country of origin.
- 6.7. If the need for field verification arises, the Organisation shall have access to sufficient knowledge of all applicable legislation concerning timber harvesting at the national and/or sub-national level in the country of harvest.
- 6.8. The Organisation shall document the risk mitigation measures and justify their effectiveness.
- 6.9. The Organisation shall either implement risk mitigation measures before products can be placed on the market and accepted under the EUDR and this standard, or stop sourcing from the specific country, region, supplier, sub-supplier or plot of land.

Section 3:

Requirements for evaluating compliance at forest management level

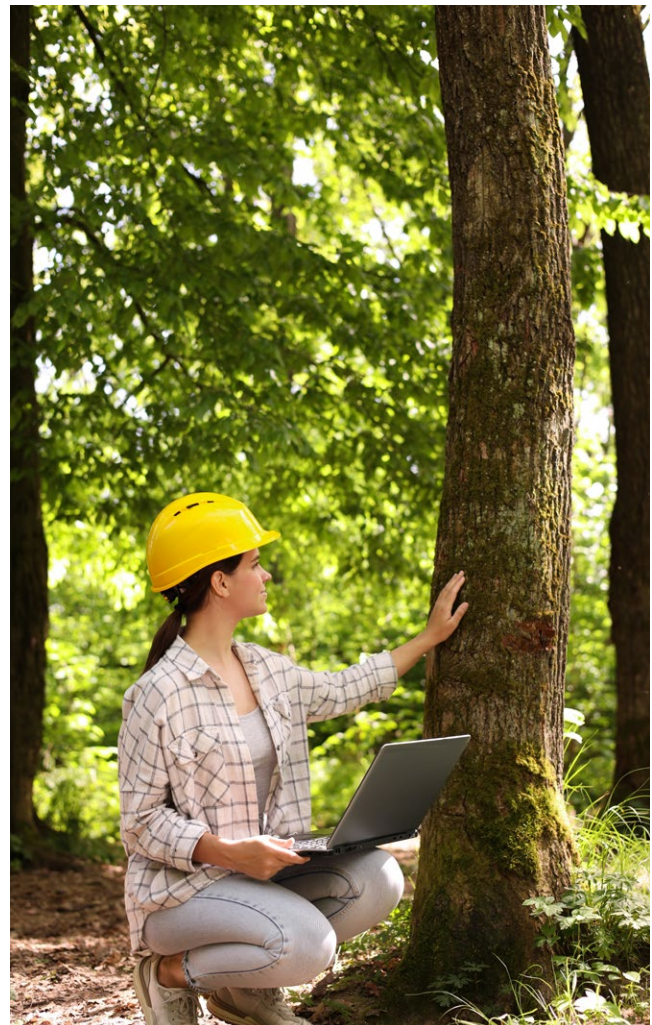
This Section describes each Principle and its associated requirements (Criteria) with their required verifiers and additional guidance (where applicable). This Section covers in the paragraphs below the following principles:

- Principle 1: Legal right to harvest timber within legally gazetted boundaries
- Principle 2: Payment for harvest rights and timber, including duties related to timber harvesting
- Principle 3: Timber harvesting, including environmental protection and legislation on forest management and biodiversity conservation, where directly related to timber harvesting
- Principle 4: Rights of workers and third parties
- Principle 5: Maintenance of forest cover and avoidance of forest degradation

The principle of compliance with trade and customs regulations is covered in Section 1 of this standard, and therefore not included here as a separate principle.

The Organisation (Forest Management Enterprise (FME) or company) shall comply with all requirements. In the case of FMEs, the requirements of all Principles shall be audited in every verification audit or when chosen as a risk mitigation measure within the framework of the EUDR.

The Principles and Criteria in this standard are generic. Although the standard is designed to be applicable in any country, it will be adapted to incorporate the applicable legislation in the country or sub-region where the TLV-audit will be conducted. A first basis for such local adaptation is to find the most up-to-date information before starting a stakeholder consultation process.



7. Legal right to harvest timber within legally gazetted boundaries

The legal status of the Forest Management Unit (FMU) shall be clearly defined and boundaries delineated. The Forest Management Enterprise (FME) shall prove that it has validly obtained the legal right to operate and to harvest timber from within the defined FMU(s).

Land tenure and management rights

- 7.1. The FME shall demonstrate that it is a legally registered Organisation or company, authorised to conduct timber harvesting practices in accordance with legal requirements at the national or sub-national level.
- 7.2. The FME shall demonstrate that the legal status of the FMU where the timber is harvested, including tenure and use rights, and its boundaries are clearly defined.

- 7.3. The legal ownership status of the FMU and rights for conducting the established activity shall not be subject to any legal challenge.
- 7.4. The FME shall be able to demonstrate that the area of the FMU where timber harvesting takes place is in compliance with the legally established land-use classification, and that no conflict exists with any other land-use classification.

Concession rights

- 7.5. FME shall have documented permission from the owner of the resource, including any communities or indigenous peoples with rights held according to customary laws and traditional rights where legally recognised, to demonstrate authorisation to harvest in the FMU(s) under evaluation.

Harvesting permits

- 7.6. The FME shall be covered by harvesting permits that have been issued by a recognised administrative authority and, if legally required, through a transparent public consultation procedure.

Management and harvesting planning

- 7.7. The FME shall be covered by a long term forest management plan (FMP) or other strategic document that has been approved by a recognised administrative authority according to the legally prescribed process and, if legally required, through a transparent public consultation procedure.
- 7.8. The FME shall be covered by annual operating or harvesting plans that have been approved by a recognised administrative authority.

Free, prior and informed consent (FPIC)

- 7.9. The Organisation shall ensure FPIC is incorporated at all levels within the Organisation in accordance with the locally applicable regulatory framework.
- 7.10. The Organisation shall have the necessary resources available to ensure FPIC implementation.
- 7.11. The Organisation shall implement the FPIC framework and have consent to operate and harvest timber within the defined FMU(s), including:
1. Land tenure and management rights
 2. Concession rights
 3. Harvesting permits
 4. Management and harvesting planning

8. Payment for harvest rights and timber including duties related to timber harvesting

- 8.1. The FME shall pay all applicable and legally required taxes, including sales taxes, and income and profit taxes (in so far as the forest sector is concerned), as well as harvesting fees, royalties, penalties, or other charges concerning the FMU, its use, and trade of the timber until the point of sale within the required timelines.
- 8.2. The FME shall keep accurate and up-to-date records of tax, royalties and harvesting payments with official and dated receipts, and revenues from all timber harvests.

- 8.3. The FME shall keep up to date with payments for harvest rights to communities or indigenous peoples based on customary laws and traditional rights, where legally recognised, in line with the agreed amounts, and covered by receipts or any other mutually agreed evidence of payment.

9. Timber harvesting, including environmental protection and legislation on forest management and biodiversity conservation, where directly related to timber harvesting

The Forest Management Enterprise (FME) shall comply with all legal requirements related to the harvesting of timber products, including environmental, forest management, biodiversity, social and health and safety obligations.

Forest management and timber harvesting regulations

- 9.1. The FME shall respect all national and local laws and administrative requirements related to timber harvesting.
- 9.2. Harvesting by the FME shall be carried out in compliance with all relevant legal requirements and legally binding codes of practice, including planning and monitoring requirements, as mentioned in the approved FMP as well as in the operating or harvesting plans.
- 9.3. The FME shall have effective procedures in place to ensure that FME staff, forest workers and contractors working within the FMU are aware of and comply with all applicable legal requirements necessary for their work.
- 9.4. The FME shall take concrete measures to prevent illegal harvesting and settlements, as well as other unauthorised activities, within the FMU.

Biodiversity obligations

- 9.5. The FME shall comply with all applicable national and local laws, administrative requirements, and the Convention on Biological Diversity and CITES requirements as these relate to biodiversity obligations arising from timber harvesting, including protected areas and protected, rare and endangered species, as well as their habitats and potential habitats.
- 9.6. The FME implements measures to demonstrate compliance with all relevant legal requirements and regulations, including biodiversity monitoring requirements (if applicable) as mentioned in the approved FMP and operating or harvesting plans with respect to biodiversity obligations related to timber harvesting, including but not limited to protected areas and protected, rare and endangered species, as well as their habitats and potential habitats.

Environmental requirements

- 9.7. The FME shall comply with all local and national legislation relating to the environmental requirements of timber harvesting, in addition to the requirements as mentioned under requirement 9.5.
- 9.8. If legally required, the FME shall prepare an Environmental Impact Assessment, approved by the legally recognised administrative authority, carry it out, and ensure that the results are adopted in the FMP and related documentation by means of specific measures.
- 9.9. The FME implements measures to demonstrate compliance with all legal requirements and regulations, including environmental monitoring requirements (if applicable) as mentioned in the approved FMP, operating and harvesting plans and harvesting permits with respect to environmental obligations related to timber harvesting, in addition to the requirements as mentioned under requirement 9.5.

10. Rights of workers and third parties

The FME shall comply with all legal requirements related to the rights of workers and third parties

Labour, health and safety requirements

- 10.1. The FME shall demonstrate its commitment to occupational health and safety. This includes ensuring that forest workers can work in a safe environment in accordance with industry best practice, with the FME meeting and, where appropriate, exceeding applicable legislation.
- 10.2. The FME shall systematically assess the risks associated with all tasks and equipment, prescribe appropriate safety procedures, the use of personal protective equipment (PPE) and emergency procedures, and, where appropriate, designate key responsibilities.
- 10.3. Payments and conditions for workers or contractors shall be covered under legally established contracts with the FME, ensuring they consistently meet or exceed legal standards regarding minimum wages and obligatory insurances.
- 10.4. The FME shall follow legal requirements with respect to the minimum age.
- 10.5. The FME shall respect and comply with the fundamental ILO conventions.



Legally recognised rights of third parties, including customary and traditional rights, shall be taken into account in management of forest resources

- 10.6. The FME shall respect local communities' and indigenous peoples' legal, customary and traditional tenure and use rights, where applicable and legally recognised, within the FMU(s) under evaluation.
- 10.7. The FME shall keep up-to-date with the agreed payments for harvest rights to communities or indigenous peoples based on customary laws and traditional rights, where applicable and legally recognised, in line with the agreed amounts, and covered by receipts or any other mutually agreed evidence of payment.
- 10.8. Where applicable, the FME shall ensure that free, prior and informed consent is also applied where third parties' use and tenure rights have been relinquished to another party.
- 10.9. The FME shall employ and implement appropriate mechanisms and procedures to mitigate and resolve conflicts and grievances related to third party land and user's rights.

11. Maintenance of forest cover and avoidance of forest degradation

Products or commodities must not originate from plots of land that have been subject to deforestation or induced forest degradation

- 11.1. The Organisation's activities shall not contribute to deforestation or forest degradation and the Organisation's plans, policies and procedures shall be designed to avoid such activities.
- 11.2. Primary and naturally regenerating forest shall not be converted into plantation forest, other planted forest or other wooded land.

Addressing forest cover loss

- 11.3. The Organisation shall have and implement a forest management plan that includes:
 - 1. The restriction or further reduction of activities that contribute to deforestation or forest degradation within delineated and designated areas outside forest harvesting areas;
 - 2. A forest protection plan; and
 - 3. A forest regeneration plan.
- 11.4. Forest cover has to be restored by (natural or artificial) regeneration. The Organisation shall have and execute a forest cover regeneration plan that includes:
 - 1. The purpose of regeneration (only protection, ecosystem restoration or natural regeneration is allowed);
 - 2. An inventory of the forest cover's species composition prior to the harvest or study on the potential natural species composition;
 - 3. Justification of the chosen method for regeneration;
 - 4. A list of species used in planting or seeding (only indigenous species are allowed); and
 - 5. Planting and/or seeding density per species.

ANNEX 1: List of TLV-endorsed schemes

Endorsed scheme	Date endorsed	Scope	Comments
Forest Stewardship Council® (FSC®)	Not endorsed against this version of the standard	-	This scheme was considered fully endorsed, including FSC Controlled Wood, against the previous version of the standard, but no endorsement has been given yet for this version of the standard.
Programme for the Endorsement of Forest Certification (PEFC™)	Idem	-	This scheme was considered fully endorsed, excluding SFI Fiber Sourcing, against the previous version of the standard, but no endorsement has been given yet for this version of the standard.
LegalSource	Idem	-	This scheme was considered fully endorsed against the previous version of the standard, but no endorsement has been given yet for this version of the standard.
OLB (Origine et Légalité des Bois)	Idem	Limited	Fully OLB certified timber (originating from OLB certified forests) was considered endorsed against the previous version of the standard, but no endorsement has been given yet for this version of the standard. The OLB credit system and the supplier assessment programme are not considered endorsed. When OLB certified materials are purchased, the Organisation shall ensure that the timber products originate from the OLB physical separation system and shall request information from its supplier to determine if the timber originates from an OLB certified forest area or FMU.

ANNEX 1: List of TLV-endorsed schemes

List of adapted TLV country sheets are to be included.



Timber Legality Verification

Certified by Control Union

www.controlunion.com