

Summary

Thai-EU FLEGT Secretariat Office: TEFSO, on behalf of Royal Forest Department: RFD, organized the Final Workshop of “Stakeholder Participatory Workshop on Timber Legality Definition in Thailand” funded by Food and Agriculture Organization: FAO on FLEGT (Forest Law Enforcement, Governance, and Trade) programme which has 6 workshops; 2 workshops were held in Bangkok and others were held in Khon Kaen, Ratchaburi, Surat Thani, and Chiang Mai. These workshops aim to build knowledge and understanding and publicize FLEGT process. They also give all related stakeholders the opportunity to comment on Legality Definition drafting process and FLEGT process in Thailand. There are 274 participants from government sector, 90 participants from CSOs, 136 participants from private sector, and 69 participants from others participating 6 workshops. The total amount is 569 participants.

The result from 6 workshops was collected and summarized by Ad-Hoc working group which is related sectors representatives to provide the recommendation for government to recognize issues and resolution approved by truly participation. From the collected information through those workshops, TEFSO was supported hiring 2 consultants for providing document following EUTR (known as Gap/Issue Paper). This paper will be presented to the decision maker to ensure that the recommendation was screened and analyzed providing a concrete solution and considering pros and cons on implementation. This will be the key information for executive level to consider.

Though the workshops had finished since February 24th 2016, all collected comments will be continually discussed and developed through all related processes and a propitious channel. It is expected that there will be some changes in the near future. Furthermore TEFSO provided minutes of each regional workshops to report all processes and comments which have been regularly publishing via TEFSO’s website at www.tefso.org

The Workshops of “Stakeholder Participatory on Timber Legality Definition in Thailand”

1) The Kick-off event of “Stakeholder Participatory workshop on Timber Legality Definition in Thailand” on the Participatory Solution to Solve Illegal Logging toward International Trade Mechanism, was held on September 21st 2015 in Bangkok

General Surasak Kanchanarat, the minister of Natural Resources and Environment Ministry (MNRE), presided and give a speech at the opening ceremony of the Kick-off event of “Stakeholder Participatory workshop on Timber Legality Definition in Thailand” on the Participatory Solution to Solve Illegal Logging toward International Trade Mechanism.

“Thailand is advantageous to have international organization supporting framework implementing and guidelines on joining Voluntary Partnership Agreement (VPA). The VPA needs participation to achieve and Thai government is ready to eliminate illegal logging



from Thailand. In this case Legality Definition (LD) needs to be correct and clear to prevent controversy in the future. I believe that the LD can console all related stakeholders and legal logging is going to motivate people to plant trees more. MNRE on behalf of government representative will support FLEGT VPA process to accomplish its goal. I highly hope that this workshop will take issues and results to apply decently as well as to define LD in Thailand clearly.”

There are 133 participants consisting of 67 participants from government sector, 30 participants from CSO sector, 19 participants from private sector, and 17 participants from others.

2) The 2nd workshop of “Stakeholder Participatory on Timber Legality Definition in Thailand” was held between November 4th – 6th 2016 at Centara Grand Hotel in Khon Kaen.

Mr. Pralong Dumrongthai, the Deputy Director General (DDG) of RFD, presided at the opening ceremony for the 2nd workshop of “Stakeholder Participatory on Timber Legality Definition in Thailand” in Khon Kaen.



“FLEGT VPA process is an important tool to eliminate illegal logging and it also supports and promotes legal wood products exporting to European Union (EU). Today some of our neighbor countries also commit FLEGT VPA as well. Therefore to keep up with the world trend, Thailand need to hastily review and carry forward this process, and build the cooperation with all

related stakeholders. RFD welcomes all comments from all sectors. Beside the results from 4 regional workshops will be presented to develop the implementing guidelines factually.”

There are 55 participants consisting of 18 participants from government sector, 20 participants from CSO sector, and 12 participants from private sector.

3) The 3rd workshop of “Stakeholder Participatory on Timber Legality Definition in Thailand” was held between November 17th – 19th 2016 at Western Grand Hotel in Rachaburi.

Mr. Somchai Prempanichnukul, the Director of Forest Management Bureau No.10 (Ratchaburi Province), presided at the opening ceremony for the 3rd workshop of “Stakeholder Participatory on Timber Legality Definition in Thailand” in Ratchaburi.

The Director of Forest Management Bureau No.10 (Ratchaburi) expressed his pleasure to be a chairman of this event, though Thailand have not yet get FLEGT license, but all exported timber nowadays must come from legal source as well. The workshop gives related stakeholders a great opportunity



to participate on commenting LD process which is one of FLEGT VPA annexes. To achieve the FLEGT license for exporting timber and wood product to EU and other countries, there need participation from stakeholders that is the key of FLEGT process in Thailand.

There are 91 participants consisting of 36 participants from government sector, 15 participants from CSO sector, 9 participants from private sector, and a participants from others.

4) The 4th workshop of “Stakeholder Participatory on Timber Legality Definition in Thailand” was held between November 25th- 27th 2016 at S Tara Grand Hotel in Surat Thani.

Mr. Pralong Dumrongthai, the DDG of RFD, presided at the opening ceremony for the 4th workshop of “Stakeholder Participatory on Timber Legality Definition in Thailand” in Surat Thani.

“Although Thailand hasn’t have trouble with EUTR yet, it still have a critical issue with Rubber wood on legal source certificating. As they are not in Plantation Act., RFD cannot certificate their source whether it is legal or not. It will be great if Rubber wood is in the Act, so RFD can certify their source legal. This will help rubber wood farmer exporting their products to EU. Currently Thailand faces an issue on planting rubber wood on illegal land and there needs to find the solution to solve this urgently. I invite all rubber wood farmers to back into the system and to register in Plantation Act. for a great opportunity to export their product to EU.



Even though FLEGT VPA process is new for Thailand and it takes time to understand clearly enough to implement. RFD on behalf of MNRE is ready to support legal logging that must be transparency and governance. As participation is the key principle on providing LD, The DDG invited all stakeholders to comment on LD draft to be collected by TEFSO for providing LD annex which is one of FLEGT VPA annexes.”

There are 61 participants consisting of 36 participants from government sector, 15 participants from CSO sector, 9 participants from private sector, and a participants from others.

5) The 5th workshop of “Stakeholder Participatory on Timber Legality Definition in Thailand” was held between December 2nd – 4th at Ibis Style Hotel in Chiang Mai.

Mr. Pralong Dumrongthai, the DDG of RFD, presided at the opening ceremony for the 5th workshop of “Stakeholder Participatory on Timber Legality Definition in Thailand” was held between December 2nd – 4th in Chiang Mai.

FLEGT VPA supports Thailand on exporting timber and wood product to EU. It is the beginning of legal logging and our neighbor countries such as Lao PDR has been implementing this as well. FLEGT starts with legal timber source. Legal logging can be a motivation on planting more trees. In the current situation, Forest land in Thailand is critical, beside there are only 102 billion Rai (40.32 acre) left. To have an ideally Forest land, Thailand must have 40% forest land of the total country's area. While RFD is trying to find the solution to achieve the gold 40%, RFD officer should work with transparency and governance as well. The DDG agreed to invite CSOs and private sector to cooperate on this issue. For example; In Chiang Mai, RFD has been solving the highland deforest issue, clear-cut forest, and etc. Moreover Mr. Pralong stressed that all comments at this workshop will be developed and analyzed into Indicator and Verifier. To commit FLEGT VPA shows that Thailand accepted the transparency idea of legal logging. RFD on behalf of MNRE is ready to support all related sectors and try its best to review Plantation Act. B.E. 2484 to be follow current context and situation. Today workshop is a great opportunity for all stakeholders to participate in FLEGT VPA process which aims to get FLEGT license for exporting timber and wood product to EU more convenient. It will show to the world that Thailand can sustainably solve the illegal logging issue, if FLEGT process is accomplish.



There are 74 participants consisting of 17 participants from government sector, 25 participants from CSO sector, 5 participants from private sector, and 30 participants from others.

6) The Final workshop of “Stakeholder Participatory on Timber Legality Definition in Thailand” was held on February 24th 2016 at Rama Gardens Hotel in Bangkok.

Mr. Kasemsan Jinnawaso, the Secretary General of MNRE, presided at the opening ceremony for the final workshop of “Stakeholder Participatory on Timber Legality Definition in Thailand” was held on February 24th 2016 in Bangkok, gave an opening speech and policy statement on FLEGT VPA process implementation in Thailand.



Forest governance and participation is the key to implement

FLEGT VPA. Beside the legal timber source certification must be correct in every step throughout the process so that it is accepted as good governance management system. To have participation from CSOs and private sector, strengthened the process. The chairman also presented FLEGT VPA work plan provided by RFD. On behalf of Thailand Forest law authority, RFD need to organize the system and provide experts on verifying legal source before certification for enhancing the confident of world forum. However establishing database system is a significant factor on verifying legal source as well. Again the chairman invited related stakeholder to monitor the illegal logging and assigned RFD to build knowledge and understanding to all related sectors. He also stressed that if every side realizes its duty, the achievement will be in the near future.

6.1 The dialogue on the reflection from regional consultation process.

Dr. Somrudee Nicro as a facilitator and 3 speakers from 3 main sectors: Mr. Banjong Wongsrisoontorn, the director of TEFSO, government sector representative, Mr. Jirawat Tangkijngamwong, the president of Thai Timber Association, private sector representative, and Mr. Nirut Buapha, a coordinator of Natural Resources and Environment Network Esan, CSO representative, attended the dialogue to discuss, summarize, and reflect their opinion experiencing from 4 regional workshops.

6.2 Public hearing from participant

There are 152 participants consisting of 90 participants from government sector, 24 participants from CSO sector, 22 participants from private sector, and 16 participants from others. They have comments as following;

- Participant from government sector agreed with the chairman's policy that EU using FLEGT and issuing EUTR is trade barriers and also agreed with private sector proposing to use both Due Diligence System (DDS) and FLEGT License exporting to EU. However they see that FLEGT License procedure is complicated and expected that the new system won't be a barrier to operators. He stressed that the most important is to make the system convenient and easy to monitor.

- Participant from CSOs need the meeting to be aware that FLEGT VPA should be the most beneficent to the people. He expressed that he need government to solve the gap of law which affected to the people. The serious issues, which still concerns, are the right of retailers renting the land and being able to plant, cut and sell what they did, and the announcement of reserved forest overlapped with villagers' arable land. Furthermore He want the negotiation to identify which regulations will be reviewed and revised and to establish an independent entity to certify timber. He also strengthened that currently Thailand are having a trouble on in-completed forest law , so all related authority should listen to all sectors more and solve this issues together.

7) The table of recommendation from 4 regional consultation workshops

<u>Comparison Table</u>				
<u>between the recommendation presented to Minister of MNRE and the recommendation from 4 regional consultation workshops</u>				
Recommendation submitted on 21 Oct'15	Comment from Chaing Mai WS	Comment from Surat Thani WS	Comment from Ratchaburi WS	Comment from Khon Kaen WS
Plantation and Logging of public sector	<p>1.1) Unlimit land use period for government use</p> <p>1.2) Revoke section 16. Should allow people to use the land limit at 50 Rai per person and should not allow big operator to use the land ex. gold, ventifact, mill factory and kaolin because it damage natural resource</p> <p>1.3) Amend law up to date of current situation</p> <p>1.4) More certify of community right</p>	<p>1.1) Revoke chain saw Act</p> <p>1.2) No require permission to use 12 inch chain saw.</p> <p>1.3) No require permission to move register chain saw around country</p> <p>1.4) Revoke Forestry Act B.E. 2484 Section 7 for restrict species on private land</p> <p>1.5) Require only one law to control establish wood transformation factory</p> <p>1.6) Amend wood transportation pass regulation for specific on</p>	<p>1.1) Use tax measure to support farmer planting from both CSO and private sector</p> <p>1.2) No require permission to use 12 inch chain saw.</p> <p>1.3) Amend law up to date of current situationu</p> <p>1.4) Production permit should issue by Industry Department instead of MoNRE</p> <p>1.5) Can lease reserve forest to planting</p> <p>1.6) To transform 13 timber species should simply as section 20 of Plantation law</p>	<p>1.1) Amend Forest Act B.E.2484</p> <p>1.2) Revoke retriect timber species under Plantation Act B.E.2558 or promote to planting restrict species and free to cut</p> <p>1.3) Amend permission process to more simple</p> <p>1.4) Promote to planting especially high value species</p> <p>1.5) Revoke or amend chain saw act to cover more area on permission</p> <p>1.6) Plantation register should omit and no require chain saw permission</p>

	<p>1.5) Decentralize to local on request permission (chain saw)</p> <p>1.6) The area on using chain saw shouldn't be limited</p> <p>1.7) Need Government to cut the tree and give to people</p> <p>1.8) Timber and establish wood transformation factory permission should combine to only one certificate.</p> <p>1.9) License should last more than 1 year</p> <p>1.10) Amend the law to reduce complication</p> <p>1.11) Amend the law to build motivation on planting tree</p> <p>1.12) Revoke section 7</p>	<p>transport to factory or sawmill only</p> <p>1.7) Give opportunity for people to plant tree in reserve area</p> <p>1.8) To establish the factory should follow the need of farmer and factory can saw another wood.</p> <p>1.9) People should have right to manage their forest</p>	<p>1.7) Amend restrict species to economy timber Factory establishment:</p> <p>1.8) Regulate person who get wood transform permission to promote reafforest</p> <p>1.9) Increase period of wood transform permission (Factory) or conform to related permission ex.5 year business permission so wood transform permission should be the same.</p> <p>1.10) Wood transform factory for 13 species should permit to operate 24 hr.</p> <p>1.11) Related Act definition should more conformation</p> <p>1.12) Simply regulation for temporary transforming</p> <p>1.13) Issued Act should support legal operate to comfortable simply and fast on operation</p>	<p>1.7) Amend factory act to saw round wood. Revoke order NCPO. 106/57</p>
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Community Forest Utilization	<p>2.1) Wood in plantation forest verify by local people/organization or establish independant organization which include 3 sectors</p> <p>2.2) Wood from their own land can use without permission</p> <p>2.3) Establish fund for promote planting</p> <p>2.4) Increase title deed for plantation forest</p> <p>2.5) Govt allow people to lease the land</p> <p>2.6) Local people has free to cut and transform wood</p> <p>2.7) Reduce permission proceess to more simple</p>	<p>2.1) Revoke reserve forest where people settle more than 20 years in the area</p>	<p>2.1) Amend law to has co-management</p> <p>2.2) Amend law for co-management on reserve forest</p> <p>2.3) Consider on habitat and use before issue the law by base on community history</p>	<p>2.1) Need to use deteriorate land</p> <p>2.2) Need equitable consideration on using the land</p> <p>2.3) Amend description of "Forest"</p>
Timber Origin Verification	<p>3.1) Issue timber certificate per company</p>	<p>3.1) Prodcution group or independent organization can certify timber, product</p>	<p>-</p>	<p>-</p>

		<p>or charcoal by themself on exporting.</p> <p>3.2) Amend regulation on certificate issue B.E. 2552 to more comfortable for trade</p>		
Utilization and Possession	<p>4.1) Certify land and habitat right</p> <p>4.2) Revoke some section in some law that not promote community benef</p>	<p>4.1) Clear reserver forest area</p> <p>4.2) Revoke Nor Sor 3 and change to title deed</p> <p>4.3) Reserve forest law section 16 should give right to specific legal people</p> <p>4.4) Promote land right that people posses to be legal</p> <p>4.5) Should have community title deed</p>	-	<p>4.1) Tree on private land should use independantly</p> <p>4.2) Clear reserve forest area</p> <p>4.3) Amend section 10 of Reserve Forest Act B.E..2507 to conform with section.14/1 of Plantation Act B.E.2558</p> <p>4.4) Revoke Reserve Forest Act B.E.2507</p>
Establish economic timber organization	5.1) Establish independent organization to certify and verify timber product	5.1) Establish independent organization to certify and verify timber product	-	-

Free Trade on exporting logging, timber, sawn wood and wood product	6.1) Revoke/reduce export tax of sawn wood 6.2) Open to export round wood and sawn wood by setting appropriate tax 6.3) Strong penalty for illegal private sector ex. launder law 6.4) Amend law up to date of current situation	6.1) Reduce export tax 6.2) Can export timber from plantation forest independently	6.1) Reduce regulation and facilitate to operator 6.2) Reduce export tax 6.3) Reduce 20% tax of timber that pass FSC 6.4) Promote independent planting and trade 6.5) Amend regulation to conform more export Eucalyptus wood chip	6.1) Reduce export tax 6.2) Reduce process or complicated 6.3) Regulate measure or tax that consider operator capacity 6.4) Increase export timber species 6.5) Promote independent export
Product (Invention) Definition	7.1) Clear product and sawn wood description	7.1) Clear product and sawn wood description	7.1) Clear product and sawn wood description	7.1) Clear product and sawn wood description
Rubber Verification	-	8.1) Add Eucalyptus, Acacia species into annex of Plantation Act 8.2) *** Add/No add rubber into annex of Plantation Act	-	8.1) Add rubber into annex of Plantation Act
	-	9.1) Revoke/stop criminal penalty in Plantation law because this law is promote planting not controlling	-	-

	10.1) Clear procedure for law enforcement authority	-	-	-
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8) Summary of issues and recommendations

Subject 1: Plantation and Logging of public sector

Problem:

Complicated plantation process and logging is the reason why SME cannot comply causing the reduced motivation of public planter since the law emphasizes to control, not to promote.

Solution:

- 1.1 Reform Forestry Act B.E.2484 “Section 7: Teak, Dipterocarpaceae wood, *Dalbergia oliveri* Gamble (Shing-Shan, Ged-Dang, E-meng, Pha-yung Glab), *Dalbergia cochinchinesis* Pierre (Pha-Yong, Dang-Chien, Kha-yong), *Dalbergia parviflora* (Kra-Sik, Kra-Sib, Mhak-Plu-Tak-Tan) , *Dalbergia cultrata* Graham (Kra-Pii, Kra-Pii-Kho-Kwai, Ged-Dum, E-Toa, Ged-Kho-Kwai) whenever they are in Thailand Kingdom, they are prohibited as a wood type A. What species are prohibited in what type is appointed by thw act” should be “Section 7: Teak, Dipterocarpaceae wood, *Dalbergia oliveri* Gamble (Shing-Shan, Ged-Dang, E-meng, Pha-yung Glab), *Dalbergia cochinchinesis* Pierre (Pha-Yong, Dang-Chien, Kha-yong), *Dalbergia parviflora* (Kra-Sik, Kra-Sib, Mhak-Plu-Tak-Tan), *Dalbergia cultrata* Graham (Kra-Pii, Kra-Pii-Kho-Kwai, Ged-Dum, E-Toa, Ged-Kho-Kwai) whenever they are in Thailand Kingdom except in private land, they are prohibited wood type A. Other species are prohibited in what type is appointed by the act”
- 1.2 Promote and build public motivation to participate as a planter and a forest manager that is able to make full use of wood in economic way independently following the sustainable forest management.
- 1.3 Revoke the restriction of cutting prohibited timber species is the important motivation to private sector and community on increasing logging investment. However, these should be limited only for private land timber but should be excluded the timber from natural forest or conserved forest.
 - This can be done as the private land has the title deed, so it’s owner has the right which includes the tree on that land. Furthermore the cutting on private which is mostly planted in private land does not affect the forest abundance like the destruction of natural forest.
- 1.4 In the Plantation Act. B.E. 2535 and amendments, every planted species can be registered.

- 1.5 The timber verification bases on the Plantation Act. B.E. 2535 and amendments should provide the additional verification channel to be convenient to planter, e.g., self verification.
- 1.6 Raise awareness on forest governance and eliminate the problem on corruption in every process on forestry in government sector, private sector, and CSOs.
- 1.8 Sawmills should be allowed to process every species and to run 24 hours.
- 1.9 Sawmills license should be only one document that can allow operators to saw, dry, shape, process invention or process timber for domestic trade and exporting.¹
- 1.10 Revise/cancel the Chainsaws Act. B.E.2545 and amended in B.E.2555. All size of chainsaws must be registered to trader or producer and the registered one can be use in other area not only the one that registered.
- 1.11 Revise the expiration of timber processing license to be expanded and complied with other related licenses. For example, license to operate last five years, so the wood processing license should last five years as well.
- 1.12 Improve the Forest Act B.E.2484 on passport and timber invoice procedure by deducting it to be convenient, efficient, and acceptable to all stakeholders.

Subject 2: Timber source certification

Problem: Some of public planters who plant in their own land misunderstand on the tree name that cannot certificate source if it has a same name as tree in the forest.

Solution:

- 2.1 Raise awareness on timber registration for planters thoroughly.
- 2.2 Deveolp the registration system to be quick and efficient.
- 2.3 The authority should be decentralized on timber source certification to local government or external organization². Government sector sets conditions; authority, procedures and penalties, effective traceability, accpeted by all stakeholders.

Subject 3: The free trade of exporting logging, timber, sawn wood and wood product

¹ The trade license for traders still remains.

² The definition of external organization included related stakeholders participation.

Problem: Log and sawn wood are limited to use only in domestic; and cannot export to other countries. Presently, only *Acacia* sp. and Eucalyptus can be exported which planted by major manufacturers to serve as raw materials to their business. On the other hand, the high value wood planters, i.e. teak or other species, are not supported as expected. Thus many teak planters have no motivation and start to change the land use to other activities causing the forest area lost.

Solution:

- 3.1 Allow private forest plantations to export log and sawn wood and it is not limited only to *Acacia* sp. and Eucalyptus. Legal timber complies with Plantation Act B.E. 2535 and amended including teak and Dipterocarpaceae wood that can be exported in both log and sawn wood
- 3.2 Importing timber including teak and Dipterocarpaceae wood can re-export both log and sawn wood.
- 3.3 Balled wood can export, though in the past it was able to be export but the new interpret made it cannot export in the present.
- 3.4 Reduce timber, sawn wood customs tariff from 40% to 0% to compete with other countries.
- 3.5 There should use tax incentives to promote planters.

Subject 4: Invention Definition

Problem: The officer's interpret and private's one does not conform. Currently, industry technology is changed and progress including the consumer usage. For example, jointed wood which RFD defines that it is a scantling but nowadays, it can be large piece of wood (i.e., stairs, floor, window or door frame). In foreign countries, they have new technology to process a 2"x6" jointed wood to be a pole, beam, or joist for construction. On the other hand Thailand considers those sawn wood or timber that were processed through quality improving technology, i.e., heat treatment.

Solution:

- 4.1 Cancel the size limit of timbers and define 'invention' clearly.

Subject 5: Rubber legal verification

Problem: In the past rubber wood was crops and was not under RFD. When there had been industrial cutting, Forestry Act B.E. 2484 was in force to control. However the traceability is very difficult. Moreover, conserved forest encroachment for planting rubber is still a problem and affects ecosystem. Then there should find solution to protect these mixed timbers to mix with legal timber.

Solution:

- 5.1 Verify land certification of owner, there has to show possession or utilization certification 46 types i.e. title deed, N.S. 3 K, por.bor. tor. 5, etc.
- 5.2 Develop the rubber verification system suites Thailand context and conforms with other countries' need, i.e. Due Diligence System (DDS)
- 5.3 In Plantation Act. B.E. 2535 and amendments, all species can be registered. (including rubber)
- 5.4 To deveolp the registration system to be quick and efficient.

Subject 6: The penalties of Plantation Act. B.E. 2535 and amendments does not encourage public planter to register.

Problem: The Plantation Act. B.E. 2535 and amendments intents to promote legal reforestation, on the other hand the penalties reflects the intention to control rather than to encourage public planter to register legal reforestation and legal logging.

Solution:

- 6.1 Cancel the criminal penalty in Plantation Act. B.E. 2535 and amendments by changing from restrained to fined or cancel the license instead.

9. Next step

No.	Details	Duration	Responsible
1	Reccommendation presenting to government executive such as a Minister and a Permanent Secretary of MNRE	since Sep'15	TEFSO
2	Providing Gap/Issue paper	Nov'15 – Mar'16	LD Consultant
3	Presenting all FLEGT information through National Committee on Environment and Natural Resources	since Feb'16	TEFSO
4	Presenting all FLEGT information to National FLEGT Sub-committee	since Mar'16	TEFSO
5	Presenting all FLEGT information to Negotiation FLEGT Committee	since Mar'16	TEFSO
6	Presenting all FLEGT information to revised Plantation Act. Forum		TEFSO
7	Presentation and discussion at the 2 nd Joint Expert Meeting (JEM2)	Apr'16	National FLEGT Sub-committee
8	Discussion on Gap/Issue paper) at Ad-Hoc WG meeting)	May'16	TEFSO
9	Presentation and discussion at the 2 nd Joint Expert Meeting (JEM2)		National FLEGT Sub-committee