

Minutes of Technical Meeting

No. 3/2017

On 8th December 2017 at Mida 2,

Mida Donmueng Airport Hotel, Bangkok

Ad-Hoc Working Group

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| 1. | Mr. Tumnoon Akarapin | Director of Permission Bureau, RFD |
| 2. | Ms.Woranuch Emmanoch | Director of International Convention and Commitment Division, RFD |
| 3. | Ms. Benjamaporn Pornperm | Trade Officer, Senior Professional Level, Foreign Trade Department |
| 4. | Pol. Col. Worasak Bandit | Inspector Super Intendent, Crime Suppression Division,
Natural Resources And Environmental Crime Division |
| 5. | Mr. Anucha Janta | Legal Officer, Senior Professional Level, Agricultural Land Reform Office |
| 6. | Mr. Narongchai Chonlapab | Manager of Commercial Wood Innovation Office, FIO |
| 7. | Mr.Korn Manassrisuksi | Director of Forest Land Management Division, RFD |
| 8. | Mr.Niwat Luengborisut | Senior Forestry Officer, Reforestation Promotion Division, RFD |
| 9. | Mr. Joompoth Chobtham | Director of Forestry Law Division, RFD, |
| 10. | Mr. Ronnarit Chumkuntod | Forestry Officer Experienced Level, Forest Protection and Fire Control
Bureau, RFD |
| 11. | Mr. Jutiteb Photipak | Forestry Technical Officer Senior Professional Level, Forest Research
and Development Bureau, RFD |
| 12. | Mr. Krek Meemoogkij | Secretary of Community Enterprise Network |
| 13. | Mr. Phongsa Choonam | President of Tree Bank |
| 14. | Mrs. Yingluck Patiphanthewa | President of Private Forest Plantation Cooperative Limited |
| 15. | Ms. Supatsara Chaipipat | Trade and Investment Promotion Officer of The Thai Chamber of
Commerce and Board of Trade of Thailand |
| 16. | Mr.Karoon Krairawee | Executive Director of Thai Timber Association |
| 17. | Mr. Prasert Emdeengamlert | President of Sawmills Association |
| 18. | Ms. Rungnapa Wattanavichian | Thailand Forest Certification Council,
The Federation of Thai Industries |

19. Ms. Warangkana Rattanarat Project Coordinator of RECOFTC
20. Mr.Pasuta Sontronhao Lecturer, Faculty of Forestry, Kasetsart University Kasetsart University
21. Mr. Banjong Wongsrisoontorn Director of Forest Certification Office, Permission Bureau, RFD

Absentees

1. Director-General of Royal Forest Department
2. Representative of Department of Trade Negotiations
3. Representative of Thai Customs Department
4. Representative of Community Forest Network in 5-Province of Eastern Forest Complex
5. Representative of Mueng Ling Family Forest Network
6. Representative of Sustainable Development Foundation
7. Representative of Thai Panel Product Industry Club
8. Asst.Prof. Ethipol Srisaowalak, Legal expert of Chulalongkorn University

Attendees

1. Mr. Alexander Hinrichs Regional Advisor Asia of EFI
2. Ms. Somrudee Nicrowattanayingyong FLEGT Facilitator for Thailand of EFI
3. Ms. Pantalika Ponkchababnapa Trade Officer, Professional Level, Department of Foreign Trade
4. Ms. Kannika Eiamsiri Environmentalist, Professional Level,
Pollution Control Department
5. Ms. Pattama Damrongphol Environmentalist, Professional Level, Office of Natural
Resources and Environmental Policy and Planning
6. Ms. Wantanee Petchampai Environmentalist, Professional Level, Office of Natural
Resources and Environmental Policy and Planning
7. Ms. Chuleegorn Sawetwong Plan and Policy Analyst, Office of Natural Resources and
Environmental Policy and Planning

8. Ms. Patitta Kornpipat Economist, Practitioner Level, Forest Research and Development Bureau, RFD
9. Mr. Rattawut Jitpana Legal Officer, Reforestation Promotion Office, RFD
10. Mr. Piyapon Klabsrion Legal Officer, Department of Agriculture
11. Ms. Arunwan Petchsang Manager of Thai Hevea Wood Association
12. Mr. Thanapon Torsittidechkun Consultant of Thai Hevea Wood Association
13. Ms. Krisana Buakham Consultant Assistance of Thai Hevea Wood Association
14. Mr. Ukrit Kalayee Committee of Private Forest Plantation Cooperative Limited
15. Mr. Montri Yotarak Private Forest Plantation Cooperative Limited
16. Mr. Poramet Payapsatan FLEGT-VPA Project Coordinator of RECOFTC
17. Mr. Siwa Srichai Authority of RECOFTC
18. Mr. Amornpong Hiranwong Head of Research and Development Operation, Suankitti Group
19. Mr. Piyapong Thampanya Thailand Forest Certification Council,
20. Mr. Boonsuthee Jeravongpanich Forestry Technical Officer, Professional Level, Permission Bureau, RFD
21. Ms. Rujira Aksornsiri Information Recording Officer, Permission Bureau, RFD
22. Ms. Pattayakorn Mhanfuekfon Research Assistant and Project Coordinator of RFD
23. Mr. Weerachon Aranyik General Service Officer of RFD
24. Mr. Jaturong Mohosot General Service Officer, Permission Division, RFD
25. Ms. Sutthiya Chantawarangul Programme Officer of Delegation Of The European Union
26. Ms. Pawinee Udommai Legal Officer, Chulalongkorn University
27. Mr. Bruno Commaert Forestry Officer, EU FAO FLEGT Programme, FAO
28. Ms. Erica J. Pohnan Consultant FAO-FLEGT Programme Asia-Pacific, FAO
29. Mr. Somporn Khongthanakrittakorn SME Consultant of EFI
30. Ms. Panjit Tansom Technical Consultant, Thai-EU FLEGT Secretariat Office (TEFSO)
31. Ms. Isiyanee Samrit Database Officer, Thai-EU FLEGT Secretariat Office (TEFSO)
32. Ms. Kessara Sanmongkol Operation Officer, Thai-EU FLEGT Secretariat Office (TEFSO)

- Permission Bureau, RFD
33. Ms. Chatdinee Konman Administrative Coordinator, Thai-EU FLEGT Secretariat Office (TEFSO) Permission Bureau, RFD
34. Ms. Pattarawadee Srisap Information and Communication Technology Coordinator, Thai-EU FLEGT Secretariat Office (TEFSO) Permission Bureau, RFD

The meeting started at 09.45 hrs.

Thai-EU Secretariat Office had arranged the 3rd Technical Meeting between AHWG and EFI to discuss on the control guideline of imported timber, the certification guideline of unrestricted timber on private land and to revise the VPA Roadmap. The chairman of the meeting was Mr. Tumnoon Akarapin, the Director of Permission Bureau of the Royal Forest Department. The total number of the attendees from government sectors, private sectors, civil society sectors and nonprofit organizations were 55. It is divided by gender into 25 females and 30 males.

Agenda item 1: Notifications

Thai-EU FLEGT Secretariat Office will arrange the 3rd video conference between Thailand and the European Union (EU) on the 14th of December 2017. This conference was aimed to discuss on the issues from the 1st Negotiation which are product scope, legal definition, the guideline of unregulated timber verification on private land, and the imported timber control by Due Diligence System. In addition, this conference will consult on the agenda of the next Joint Expert Meeting and Negotiation.

Permission Bureau, Royal Forest Department, is implementing on the issuance of the regulations about unregulated timber logging on private land to encourage and facilitate the operators' commercial utilization of timber.

Royal Forest Department and Faculty of Forestry is implementing on drafting strategies and plans for the complete economic timber extension to encourage planting and timber trading of Thailand.

Resolution The meeting was informed.

Agenda item 2: Approval of the minutes of the Technical Meeting between Thai-EU FLEGT VPA Ad-hoc Working Group and EFI No.2/2017 on Tuesday 17th October 2017

Resolution The meeting adopted the minutes.

Agenda item 3: Notification and Discussion

3.1 The Control Guideline of Imported Timber and Discussion

MS. Rungnapa Wattanavichian, the manager of Institute of Agro-based Industries, explained causes of the consultation on the control guideline of imported timber that it was from EU's comment that the certificate of origin (CO) is not enough for legality verification. Therefore, Thai side formed a sub-working group which appointed a representative of Thai Forest Certification Council (TFCC) to be the chairman and producing Due Diligence System. For the system production, there will have the guideline development of risk evaluation and will appoint the government sectors to investigate the document legality at any checkpoints including the guideline development of punishment. However, the private sectors suggested that, for the document verification, the legality evaluation will be reconsidered every time that the trading partners change their ingredients (the 1st attachment).

Mr. Alexander Hinrichs, the representative of European Forest Institute (EFI), indicated that Myanmar still does not have any voluntary certifications and the timber auctions by MTE does not have a clear traceability. These are the reasons why the certificate of origin (CO) from Myanmar is not enough for indicating the timber legality. Thus, Thailand must have the risk evaluation of the timber from any countries. For the production process of Due Diligence System that Thai side have just presented, the representative of EFI remarked that the draft document of the controlling of imported timber needs to be described more information in detail so that it will be discussed at the Joint Expert Meeting (JEM). Thai side should indicate the relevant regulations or law (as Vietnam issued the regulations about timber import) including design and describe the traceability and the illegal timber protection to supply chain. In addition, the representative of EFI also asked whether Thailand will proceed the legislative amendments on the mentioned issues or will issue the Royal Forest Department regulations. Also, Thailand was suggested to be explicit in the regulations enforcement and consulting this issue with relevant sectors such as Thai Customs Department.

Moreover, Mr. Alexander asked about the private sectors' acceptance of the production of Due Diligence System that Thai side had presented. Ms. Arunwan Petchsang, the Manager of Thai Hevea Wood Association, clarified that the drafting on the controlling guideline of imported timber by Due Diligence System is the conclusion from the sub-meeting and was already approved by the industrial sectors.

Ms. Benjamaporn Pornperm, the representative of Foreign Trade Department, explained the meeting that every country use the certificate of origin (CO) which is the document that is legally certified. For the question whether will issue the law or regulations to certify Due diligence System, the representative will consult this issue with Law Division of Ministry of Commerce to ask for the comments on that issues and will notify the meeting later. However, the representative personally commented that adding some regulations for attaching the document of Due Diligence System to the certificate of origin might be possible. At the same time, Mr. Tumnoon Akarapin, the Director of Permission Bureau, supported on the regulation issuance to certify the system.

However, Mr. Banjong Wongsrisoontorn, the Director of Forest Certification Office, emphasized that the revising or adding of regulations should not be complicated and burdened the operators because the commerce needs to be prompt and flexible. In addition, Thailand already has NSW system for tracking and investigating on the timber trace from the source to export.

Ms. Arunwan Petchsang opined that the process that Thai side had presented is already complete but the comments from the representative of EFI are also needed to make the control guideline production of imported timber complete and accepted from both sides.

Mr. Alexander further opined that the business sectors have to inform the risk countries about additional filing document for certification of the timber legality and Thai side should study on the countries which have the high risk of landscape and species to apply for the risk evaluation of imported timber. For the risk evaluation, the evidence that the private sectors have to show and the government sectors demand investigation must be explicitly indicated. Moreover, the procedure of risk management including how to address the legally taxpaying timber from the high-risk countries should be indicated. Mr. Alexander also suggested using online database system for the control process of imported timber by developing the available system such as NSW or other document systems.

Mr. Banjong Wongsrisoontorn further clarified on the guideline of risk evaluation of Thailand that, in the present, Thai Customs Department and Royal Forest Department officers collaboratively investigate the legality. In addition, Forest-checkpoint Division was suggested to be responsible for the additional filing document consideration to manage the risk. Mr. Banjong also confirmed that NSW system can be used for supply chain tracking from one point to another point and believed that Thailand already has a concisely supply chain control. With all these reasons, Ms. Benjamaporn opined that the regulations or law legislation will be unnecessary if the Royal Forest Department can control Due Diligence System. If the Ministry of Commerce legislates the new law or regulations, it will be enforced in every country that trades the timber with Thailand.

MS. Rungnapa Wattanavichian asked the meeting to consider and adopt the principle of imported timber control which will be consulted in detail between the government and private sectors later. However, the representative of Thai Timber Association and Thai Hevea Wood Association suggested using the electronics system for the legality traceability and connecting the information to NSW system including suggested the meeting considering the form of TH-DDS for to proceed the next step.

Mr. Alexander recommended on TH-DDS form as following;

1. Additional document requiring from high-risk country is only the primary step for data collecting. It is not the actual procedure for implementing DDS.
2. In 6th column as a form for type of certificate and legality assurance system, It may be a challenge since Myanmar does not have the voluntary certification and Timber auction by MTE is still unclear on traceability. Thailand may use this opportunity as an initiative on building understanding on legality definition in Thailand including the discussion with MTE for more information on legality of timber.

3. In 11th column is for buyer to fill the information on which channels he/she buys timber from. They can be 1) To buy directly from operators/farmers or 2) To buy through agent or middle man. This declaration initiative interest EU. Therefore it needs to be clarified more in detail of description.

Ms. Pawinee Udommai, the LD Field Testing Consultant, proposed the guideline for categorizing the checking imported timber into 2 guidelines; 1) in case the imported timber is the same species and same type of shipment from the same operator, there is no need to check every shipments but it can do random check, and 2) every shipments must be checked in any cases. Ms. Pawinee also raise an issue to be address on when those timber should be checked; 1) after those are in the Kingdom or 2) the check should be done at Customs checkpoint. Mr. Alexander explained that in EU the check was implement after timber imported into EU by the checking organization established by each member state. This guideline can be implemented in theory but in practical it is difficult to implement from a workload.

Recommendation for Thai side prior to the 2nd Negotiation

Role and responsibility – Thai side should set the guideline for implementation and the clear role and responsibility between government and private sector. Government should have the protocol for check every received information properly.

Description in detail – It is necessary to explain the description in detail clearly and simply to facilitate people to have an understanding by themselves.

Planning – It is necessary to set the plan for implementation and next step including a certain time frame for the 2nd Negotiation.

For further details, Mr. Alexander will provide a summary of what Thai side must do and circulate to the meeting within 2 weeks after the meeting.

Resolution 1. The meeting adopted TH-DSS form and agreed to add more essential details in description.

2. The meeting agreed on regulation drafting for supporting DDS and add government organizations to the small working group on DDS whose members were only from private sector (annex 2). Mr. Alexander proposed to the meeting that this issue on DDS should be discussed in JEM 3.

3.2 The guideline on the verification of unregulated species on private land and discuss

Mr. Banjong Wongrisoontorn, the director of Forest Certificate Office, explained the flow chart of the verification of unregulated species on private land which was adopted by the AHWG. The flow chart shows 4 options of certification of unregulated species on private land for farmers; 1) Self declaration form, 2) the registration on e-tree, 3) the registration on Commercial Forest Act., and 4) the national and international standard (such as TISI) which all of option is voluntary (annex 3).

Recommendation on the verification of unregulated species on private land

Mr. Alexander Hinrichs, representative from EFI, commented that the system for SmEs should not be complex and burden. Therefore Thai side should have a discussion on acceptable minimum requirement. He also noted that between farmers and sawn mill there is agent or middleman who has a role in the act of

buying and selling timber. It must be the description of those in detail as well as the definition of “Unregulated Species on Private Land” and which timber is included.

Mr. Chumpot Choptam, the director of Law division, and the representative of Private Reforestation Division explained further that “Unregulated species on Private Land” means timber of unrestricted species and timber of restricted species on section 7 which was registered on Commercial Forest Act. on private land such as Teak. Beside they also clarify that the registration on Commercial Forest Act is one of options to address the timber transportation issue besides 58 species which cannot issue transportation permit and proposes that there should be an acceptable minimum requirement in each option.

RFD is now put an effort on amending Forest Act. section 7 in order to facilitate trade of restricted species on private land. Mrs. Yingluk Patibhanthewa, the president of Private Forest Plantation Cooperative Limited, questioned whether it can use “Economic wood” instead if there is no restricted timber on private land in the future. The representative of Law division explained that those timbers has the same name as timbers in the forest as well. It may lead to gap and confusion.

Mr. Alexander expressed a concern on the possibility to cut timber in natural forest then claim the stump on private land. If there is an amended Forest Act. section 7 in the future and there is an amended regulation on self-declaration, should the registration on Commercial Forest Act will be cut out? Hereby he ask Thai side to consider and make a list of species that can be verified in each option. He also suggested that high-risk timber may go through option 2, 3, and 4 which is more properly than option 1 self-declaration.

Thai side explained on timber harvesting notification that in self-declaration option and registration on e-tree, farmers have to inform the authority before harvesting. However Mr. Alexander noted that both option have to inform the authority as well. It may influence farmers to be more interested in option 1 self-declaration than e-tree. Thus RFD should create more incentive and the certain cons in e-tree to encourage farmed to register in e-tree.

Mr. Phongsa Choonam, the president of Tree Bank, differed on the risk which is not depend on species. If there is any queries, document can be requested for source verifying. He highlighted that option 1 self-declaration is the best way to verify. Moreover Mr. Banjong explained to the meeting that sawn mill is responded to verify the self-declaration form. If the information in the form is illegal, sawn mill will have responsibility as well. RFD will take part on verifying sawn mill on timber account which has to be done as an evident on logging.

Mrs. Arunwan Petchsang, the manager of Thai Hevea Wood Association, commented that the self-declaration is useful and the form which Tree Bank has proposed is quite completed. She also inform that Rubber Authority of Thailand is working on the Due Diligence System for legality reference supporting the form.

Mr. Prasert Emdeengamlert, the president of Sawmills Association, commented that it is not necessary to cut the option 3 registration on Commercial Forest Act out of the flow chart since there is no certain announcement on amending that Act. And option 3 is the only practical option which is now implementing. In the future if other options can be more facilitate than option 3, its role will be reduced automatically.

Mr. Alexander reviews Thai side implementation on self-declaration which is 1) the self-declaration system of Private Forest Plantation Cooperative Limited, 2) the self-declaration system of Thai Hevea Wood Association, and 3) the self-declaration with no witness. He strengthened that Thai side should reconsider raising the important of witness which affect the self-declaration form more credible and unburdened sawn mill besides the timber record.

Mr. Banjong clarified the meeting the advantages of the e-Tree system that it is an electronics database system which is beneficial for the source traceability and does not have the limitations on register species.

Resolution

1. The meeting appointed the representative of Sawmill Association a Thai Timber Association adding the detail of self-declaration in the description of unregulated timber verification on private land.
2. The Private Forest Plantation Cooperative Limited was appointed to consult and revise the form with the Tree Bank.
3. Thai side was appointed to consider the suggestions from the meeting and completely add the detail about the operating procedure before the 3rd Joint Expert Meeting.

3.3 Revise VPA Roadmap

Ms. Panjit Tansom, the technical consultant of TEFSO, updated the FLEGT VPA progress that the TLAS Annex was primarily drafted by TEFSO and was now approved by the director of Thai-EU FLEGT Secretariat Office.

The consultation between Thai side and the expert from EFI was resolved to revise the VPA Roadmap as the follows (the 4th attachment):

- The video conference will be arranged on the 14th of December 2017
- Thai side will submit the comments on LD field test to EU on February 2018
- Thai side will draft TLAS annex and SSC and submit to EU for preparing the 3rd Joint Expert Meeting on January to February 2018
- EFI will start the technical mission on TLAS designing and working together on other issues which were indicated in JEM on February to March 2018
- Thai side will submit the revised version of LD draft to EU on May 2018
- The draft of TLAS annex and other relevant documents which is indicated in JEM3 will be submitted to EU on March 2018
- The 4th video conference will be arranged on May 2018
- The 4th Joint Expert Meeting and the 2nd Negotiation will be arranged on the 26th – 29th of June 2018

Mr. Alexander Hinrichs, the representative of EFI, suggested bringing these issues to consult in JEM3 which are as the follows:

- The findings from the LD field test
- Updates of drafting TLAS annex
- Updates of compiling SSC annex
- The comments of Thai side toward VPA main text
- Unregulated timber verification on private land
- The controlling of imported timber by Due Diligence System
- Updates of product scope annex

Resolution The meeting adopted the revised version of VPA Roadmap which will be presented at the Video Conference on the 14th of December 2017. The conference was aimed to consult on the agenda of JEM3 on the 21st – 22nd June 2018 and NEG2 on the 26th – 29th June 2018 including update any issues of the last NEG.

Agenda item 4: Other Matters

There was no consultation on other matter.

Agenda item 5: Next Meeting

The next technical meeting will be informed later by TEFSO.

Resolution No appointment of the next meeting

Next step:

- Mr. Alexander will compile the document which summarizes the procedure that Thai side have to progress and will circulate to inform the Ad-hoc working group within two weeks after the meeting
- The sub-working group will fulfill the essential detail in the form of TH-DSS
- Thai side will proceed to draft the regulations of DDS which have the former sectors that formerly drafted DDS which are the private sectors. Also, the government sectors will be added in the sub-working group for drafting the DDS regulations.
- The representative of Foreign Trade Department will consult with the Law Division of Ministry of Commerce to ask for comments on the regulations or law legislation for DDS.
- The representatives of Sawmills Association and Thai Hevea Wood Association will add the detail of the self-declaration description on unregulated timber verification on private land.
- The Private Forest Cooperative Limited will consult and revise the form with the Tree Bank.
- Thai side will consider the suggestions from the meeting and add the detail about the procedure before the 3rd Joint Expert Meeting.
- Thai side will present the revised version of VPA Roadmap and consult at the Video Conference.

The meeting finished at 16.05 hrs.

Ms. Isiyanee Samrit

Minutes Recorder

Ms. Pattarawadee Sreesup

Minutes Translator

Mr. Banjong Wongrisoontorn

Director of TEFSO

Ms. Panjit Tansom

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