

Timber tracking and segregation factsheet

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The Forest Law Enforcement Governance and Trade (FLEGT) Action Plan, which includes the European Union Timber Regulation (EUTR) and Voluntary Partnership Agreements (VPAs), is the effort of the European Union to tackle the problem of illegal logging and associated trade across the world. The EUTR prohibits the placing of illegally harvested timber on the European market by setting out requirements that companies within the European Union (EU) must meet to minimise the risk of illegal harvested timber being traded. On the other hand, The VPA is a legally-binding bilateral trade agreement that aims to improve forest governance and promote trade in legal timber from a timber exporting country to the EU. Under the VPA, both parties commit to trading only in legal timber products.

Keep track of your materials

To comply with these requirements, you must make sure the timber materials you buy are from legal origin, and illegal timber or timber with unknown sources can not be mixed with legal timber. Therefore, it is important for each entity in the timber supply chain to maintain a timber tracking and segregation system to minimise the risk of mixing.

1.1. Purchasing and receiving

- Prior to placing your order, verify that the material being purchased is **legal**.
- Establish and maintain an up-to-date record of all suppliers (see also **Record Management Factsheet**).
- When you receive the timber, you must check the supplier invoice and supporting documentation to ensure the following:
 - a) the supplied material quantities and quality are in accordance with the supplied documentation
 - b) when separate sales and delivery documents are issued, there is sufficient information to link the two to each other (such as a reference or order number).

For certified material, also check the documentation for:

 - c) the supplier's certificate code and the supplier's certification claim for each product item or for the total products.

1.2. Segregating materials

- Once you have received materials, it is necessary for you to have a system in place to keep track of your materials. To do this, you must set up a system in your premises to keep materials as physically separate, secure units.
- Materials should remain clearly identifiable and separable by product group or, if identical inputs are used for more than one FSC product group, by their associated FSC claim.

EXAMPLES OF SEGREGATION IN STORAGE

Separate storage areas



Signs and floor lines



Colour-coded shelving

Labelling system



Specific orders



Specific sources or other categorisations (e.g. certified material)

EXAMPLES OF SEGREGATION IN TIME



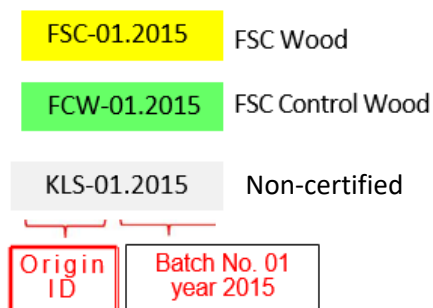
Batch runs



Days or weeks of same production

1.3. Processing

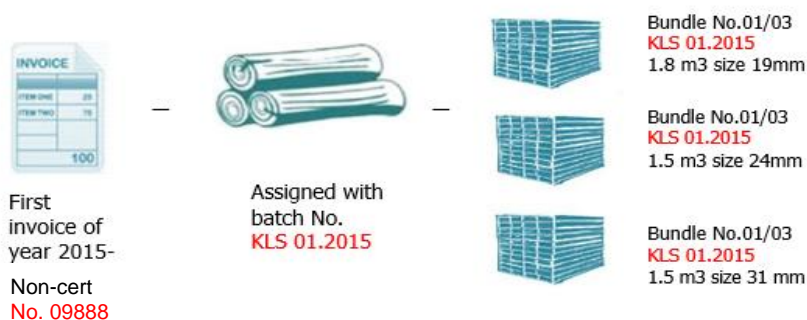
- You must **keep track of all materials throughout your processing**, to ensure you are able to provide the proper information physically to your customers.
- You should use a tracking system or **production records** to document production of material.



- If you have any off-site processing that takes place at a sub-contracted facility, you must ensure that **facility follows the same material tracking procedures** set out in this factsheet. It is best if you have a signed agreement requiring compliance with the requirements.

- Create an internal rule to distinguish different origins of wood (Origin ID – FSC, FSC CW or Non-certified) entering in a year
- Link batch number to wood invoice: material accounting can link with cost accounting
- Batch control concept - enables to link all reports such as sawmill summary, material issuance, stock taking and inventory
- Colored notes and tags can be used for visual control
- Suitable to advanced management system
- Unit for material issuance is bundle (1.5 - 2m³/ bundle)

Option 1 - Input is round log



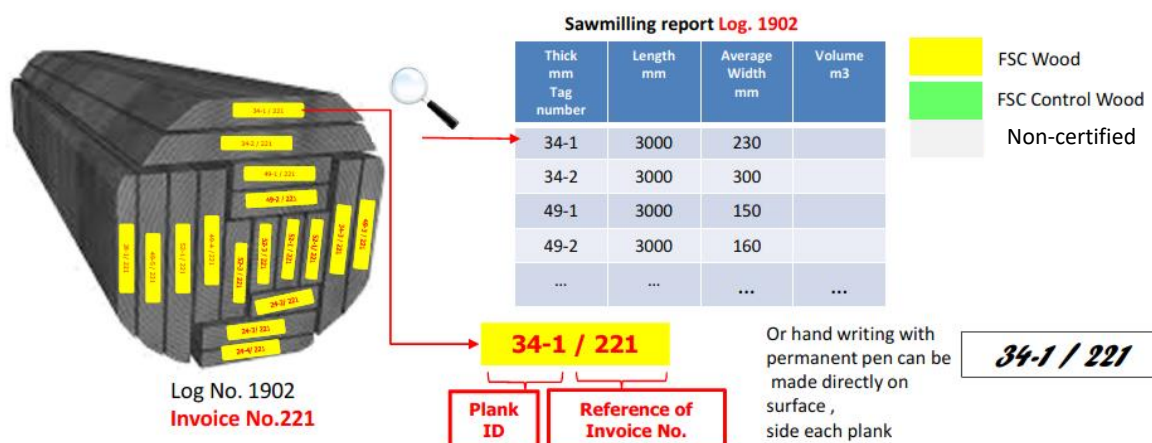
Option 2 - Input is sawn timber

Batch coding can be done in supplier end for better systematical control and saving



Option 3 – for small and very small enterprises

- Create an internal rule to distinguish different origins of wood (**Origin ID** – FSC, PEFC, FSC CW or Non-certified) entering in a year
- Coloured tags, chalk and paint can be used for visual control
- Material issuance is board or cut piece for specific order
- Stock taking per each cut board



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